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Application Proof of



Shenzhen Xunce Technology Co., Ltd.

深圳迅策科技股份有限公司

(the “Company”)

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

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Shenzhen Xunce Technology Co., Ltd.

深圳迅策科技股份有限公司

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

[REDACTED]

Number of [REDACTED] under the [REDACTED]	:	[REDACTED] H Shares (subject to the [REDACTED])
Number of [REDACTED]	:	[REDACTED] H Shares (subject to reallocation)
Number of [REDACTED]	:	[REDACTED] H Shares (subject to reallocation and the [REDACTED])
Maximum [REDACTED]	:	HK\$[REDACTED] per H Share, plus brokerage of 1.0%, SFC transaction levy of 0.0027%, Hong Kong Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015% (payable in full on [REDACTED] in Hong Kong dollars and subject to refund)
Nominal value [REDACTED]	:	RMB1.00 per H Share [REDACTED]

Sole Sponsor, [REDACTED]



Sole Financial Advisor

Deutsche Bank

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The [REDACTED] is expected to be determined by agreement between the [REDACTED] (on behalf of the [REDACTED]) and us on the [REDACTED]. The [REDACTED] is expected to be on or before [REDACTED] (Hong Kong time) and, in any event, not later than 12:00 noon on [REDACTED] (Hong Kong time). The [REDACTED] will not be more than HK\$[REDACTED] per [REDACTED] and is currently expected to be not less than HK\$[REDACTED] per [REDACTED]. If, for any reason, the [REDACTED] is not agreed by 12:00 noon on [REDACTED] (Hong Kong time) between the [REDACTED] (on behalf of the [REDACTED]) and us, the [REDACTED] will not proceed and will lapse.

The [REDACTED], on behalf of the [REDACTED], may, where considered appropriate and with the Company's consent, reduce the number of [REDACTED] and/or the indicative [REDACTED] range below that is stated in this Document (which is HK\$[REDACTED] to HK\$[REDACTED]) at any time on or prior to the morning of the last day for lodging [REDACTED] under the [REDACTED]. In such case, notices of the reduction in the number of [REDACTED] and/or the indicative [REDACTED] range will be published on the website of the Company at www.xuncetech.com and on the website of the Stock Exchange at www.hkexnews.hk as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the last day for lodging [REDACTED] under the [REDACTED], and the [REDACTED] will be canceled and relaunched at the revised number of [REDACTED] and/or the revised [REDACTED] and the requirements under Rule 11.13 of the Listing Rules (which include the issue of a supplemental document or a new document (as appropriate)), as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the day which is the last day for lodging [REDACTED] under the [REDACTED]. Details of the arrangement will then be announced by us as soon as practicable. Further details are set forth in the sections headed “Structure of the [REDACTED]” and “How to Apply for [REDACTED]” in this Document.

The obligations of the [REDACTED] under the [REDACTED] are subject to termination by the [REDACTED] (on behalf of the [REDACTED]) if certain events occur prior to 8:00 a.m. on the [REDACTED]. Further details are set forth in the section headed “[REDACTED]” in this Document.

Prior to making an [REDACTED] decision, prospective [REDACTED] should consider carefully all of the information set out in this Document, including the risk factors set out in the section headed “Risk Factors”.

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

[REDACTED]

[REDACTED]

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IMPORTANT

[REDACTED]

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IMPORTANT

[REDACTED]

EXPECTED TIMETABLE⁽¹⁾

[REDACTED]

EXPECTED TIMETABLE⁽¹⁾

[REDACTED]

EXPECTED TIMETABLE⁽¹⁾

[REDACTED]

CONTENTS

IMPORTANT NOTICE TO PROSPECTIVE [REDACTED]

This Document is issued by us solely in connection with the [REDACTED] and the [REDACTED] and does not constitute an [REDACTED] to sell or a solicitation of an [REDACTED] to buy any security other than the [REDACTED] by this Document pursuant to the [REDACTED]. This Document may not be used for the purpose of making, and does not constitute, an [REDACTED] or invitation in any other jurisdiction or in any other circumstances. No action has been taken to permit a [REDACTED] of the [REDACTED] in any jurisdiction other than Hong Kong and no action has been taken to permit the distribution of this Document in any jurisdiction other than Hong Kong. The distribution of this Document for purposes of a [REDACTED] and the [REDACTED] and [REDACTED] of the [REDACTED] in other jurisdictions are subject to restrictions and may not be made except as permitted under the applicable securities laws of such jurisdictions pursuant to registration with or authorization by the relevant securities regulatory authorities or an exemption therefrom.

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

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SUMMARY

This summary aims to give you an overview of the information contained in this Document. As it is a summary, it does not contain all the information that may be important to you. You should read the whole Document before you decide to [REDACTED] in the [REDACTED]. There are risks associated with any [REDACTED]. Some of the particular risks in [REDACTED] in the [REDACTED] are set out in the section headed “Risk Factors” in this Document. You should read that section carefully in full before you decide to [REDACTED] in the [REDACTED].

OVERVIEW

We are an established real-time data infrastructure and analytics solutions provider in China. We offer real-time information technology solutions encompassing both data infrastructure and data analytics to industry-wide enterprises, with a strategic focus on asset managers. Our solutions are enhanced by our system integration services, ensuring seamless deployment within our clients’ self-managed cloud environments or local computing systems.

Data infrastructure is classified into real-time and non-real-time categories based on the processing mechanism and efficiency. All of our offerings are real-time, and we ranked fourth in terms of revenue in China’s real-time data infrastructure and analytics market in 2024 with a market share of 3.4%. These classifications cater to distinct data processing needs and are not interchangeable. See “Industry Overview — Overview of Real-time Data Infrastructure and Analytics Market in China” for more details.

At the core of our offerings is a real-time data infrastructure, a cloud-native, unified data platform that collects, cleans, manages, analyzes and governs heterogeneous data from multiple sources within milliseconds to seconds. This means that the moment data is collected, it can almost instantaneously be processed and made available for decision-making, analysis, or further action. Built upon this foundation is our application layer of data analytics, which leverages the underlying infrastructure to produce insights, make predictions, or inform business decisions.

We started our journey with the asset management industry. We ranked first in terms of revenue in 2024 in the real-time data infrastructure and analytics market for China’s asset management industry with a market share of 11.6%. Our solutions enable asset managers to optimize all aspects of their asset management lifecycle, from portfolio monitoring, order execution, valuation, to risk management and compliance.

The asset management industry features one of the most complex datasets and highest demands for data accuracy and timeliness. With deep and well tested experience in the asset management industry, our solutions are able to effortlessly adapt to various needs in other verticals. In 2024, our clients within diversified industries other than asset management mainly include financial services (other than asset management), city management, manufacturing management and telecommunications, covering all of the top three state-owned telecommunications operators in China. The real-time data infrastructure and analytics market in China, and particularly such market in the asset management industry, is subject to intense competition, pricing pressure and rapid technological advancements. By continuously advancing our technological capabilities, we believe we are able to build a compelling real-time data infrastructure for digitalization across industries in the foreseeable future. Since we only assist relevant clients in designing and providing the software system solutions they need and we do not conduct any substantial asset management activities, our operations do not require licenses related to asset management.

For details, see “Business — Overview.”

SUMMARY

Our Solutions and Offerings

We provide real-time data infrastructure and analytics solutions that enable asset managers and other enterprises to focus on investment and business decisions by aggregating disparate data and presenting a unified data platform with real-time processing capabilities. In practical terms, our solutions allow our clients to receive up-to-the-minute information, ensuring that business decisions are based on the most current data available. Take our clients in the asset management industry for example — when a piece of significant market news is released that could impact the stock prices of companies within a client’s investment portfolio, our data infrastructure solutions can immediately collect this data point, standardize it to fit the client’s internal formats, and integrates it with other relevant data points. Also within milliseconds to seconds, our data analytics solutions can process this data point to update the client’s investment portfolio performance metrics, assisting the client to quickly assess whether to buy, hold, or sell assets based on such latest market conditions. The unified real-time dataset on the infrastructure level optimizes critical functionalities on the application level from market analysis, risk management, and specialized functions for asset managers such as portfolio monitoring, valuation and compliance. As of the Latest Practicable Date, our solutions adopted in diversified industries were mostly data infrastructure solutions, which connect a client’s diverse internal and external data sources onto a unified data platform, creating a structured representation of the data to facilitate further usage, regardless of industries. On the analytics front, some key functions of our specialized solutions for asset managers such as market analysis can be broadly applied in other industries. We are currently seeking to introduce data analytics solutions specified for diversified industries, with functions such as real-time traffic management for city management sector or real-time resource allocation optimization in the renewable energy sector.

Our comprehensive real-time data infrastructure and analytics solutions are characterized by the following features:

- *Speed*: Real-time data aggregation, processing and outputs at a speed exceeding the industry average;
- *Accuracy*: Automatic data outputs with 100% data consistency and traceability to optimize efficiency and flexibility across operations; and
- *Scalability*: Inherent scalability of solutions as they are composed by modules, with great flexibility to craft bespoke solutions tailored to each client’s unique needs by selectively combining different modules.

Our solutions are characterized by a modular composition. These modules serve as the building blocks, each endowed with specific functionalities, from fundamental data processing functions including data collection, standardization and integration, to industry-specific functions such as investment portfolio monitoring and performance analysis. This architecture affords us great flexibility to craft bespoke solutions tailored to each client’s unique needs by selectively combining modules to incorporate the functionalities, regardless of industry application.

As of the Latest Practicable Date, we had successfully developed over 300 modules with a comprehensive suite of functionalities across real-time data infrastructure and real-time data analytics, which form our seven major solutions, including two real-time data infrastructure solutions with industry-wide applications and five specialized solutions for asset managers. Certain specialized modules such as

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risk management are applicable to various industries. All of the predefined modular framework of these solutions can be adjusted according to customer needs. For details, see “Business — Overview — Our Solutions and Offerings.”

We implement a tailored pricing model — instead of a uniform pricing for each individual module, we price each module based on factors including but not limited to the volume and complexity of data involved and processing speed (from milliseconds to seconds). Accordingly, the pricing of each solution is determined by the number and type of modules required, the processing speed demanded by the client, level of customization, and the availability of similar solutions in the market, among others. Our real-time data analytics solutions are designed to be acquired together with our real-time data infrastructure solutions as an organic whole, ensuring a seamless integration between the application layer and the infrastructure layer. Our clients, based on their own commercial needs, purchase our solutions either by a subscription model or a transaction model. We charge our clients by an annual subscription fee under the subscription model, and charge our clients by an individual set-up fee under the transaction model. For details, see “Business — Marketing Strategy and Revenue Model — Our Revenue Model.”

Customers and Suppliers

The asset management industry is currently the most in need of real-time data infrastructure and analytics solutions primarily due to its strong willingness for digital transformation, high level of data volume and complexity, and high demand for real-time data processing. The asset managers in this industry include professionals tasked with overseeing and optimizing the utilization of assets to meet the strategic objectives of their stakeholders, whether operating within financial institutions or as part of a non-financial enterprise’s internal department or else (such as high net-worth individuals). Our offerings target the broad and inclusive range of the aforementioned asset managers.

Our current customer base primarily includes institutional asset managers. Leveraging our advanced technology capabilities and deep industry insights, we have generated a solid and highly-engaged customer base by offering a spectrum of AI-empowered solutions to asset managers. Our client base encompasses all of the top 10 asset managers in China, as ranked by their year-end AUM for 2022 on a group basis⁽¹⁾, spanning insurance companies, mutual funds, asset management department within banks, securities houses, corporate treasuries, family offices, high net worth individuals, etc. We have successfully expanded our solutions to diversified industries other than asset management mainly including financial services (other than asset management), city management and telecommunications, covering all of the top three state-owned telecommunications operators in China. For the years ended December 31, 2022, 2023, 2024 and for the six months ended June 30, 2025, the aggregate revenue generated from our top five customers amounted to RMB98.2 million, RMB186.6 million, RMB169.3 million and RMB83.0 million, which accounted for 34.1%, 35.2%, 26.8% and 42.0% of our total revenue in each corresponding period during the Track Record Period, respectively. For the same periods, revenue from the largest customer amounted to RMB35.5 million, RMB65.3 million, RMB51.6 million and RMB27.1 million, which accounted for 12.3%, 12.3%, 8.2% and 13.7% of our total revenue, respectively. For details, see “Business — Customers and Suppliers — Customers.”

Note:

- (1) The group basis was calculated by including major asset management organizations/subsidiaries within the same group, as compared to calculations on the basis of each individual entity separately. Our client base of the top 10 asset managers in China refers to both the direct customers who directly purchase or engage with our products or services, and the end users who ultimately benefit from these products or services.

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Our suppliers include software developers and technical service providers, among others. For the years ended December 31, 2022, 2023, 2024 and for the six months ended June 30, 2025, the aggregate purchases from our top five suppliers amounted to RMB68.6 million, RMB71.7 million, RMB106.0 million and RMB66.6 million, which accounted for 34.7%, 20.5%, 22.0% and 36.1% of our total purchases in each corresponding period during the Track Record Period, respectively. For the same periods, purchases from our largest supplier amounted to RMB24.9 million, RMB30.5 million, RMB36.4 million and RMB22.1 million, which accounted for 12.6%, 8.7%, 7.6% and 12.0% of our total purchases, respectively. For details, see “Business — Customers and Suppliers — Suppliers.”

OUR COMPETITIVE STRENGTHS

Our real-time data infrastructure and analytics solutions are purpose-built to streamline our clients’ workflows across business departments, resulting in better decision-making and risk management. What sets us apart from our competitors is our early recognition of the significant need in China’s asset management industry for real-time data solutions back in 2016, which has enabled us to establish trusted and long-lasting relationships with a loyal, sticky client base. Our competitive strengths mainly lie in the below:

- Early mover in an underpenetrated market;
- Combination of real-time data infrastructure with specialized vertical functionalities;
- Scalable solutions, with one unified data infrastructure; and
- High-quality and sticky client base.

For details, see “Business — Our Competitive Strengths.”

OUR STRATEGIES

We will continue to advance our established market position as a real-time data infrastructure and analytics solutions provider in China, and expand into adjacent geographies and industries, based on the following core strategies:

- Deepen and broaden client base;
- Advance and extend our solutions; and
- Explore and accelerate expansion.

For details, see “Business – Our Strategies.”

RISK FACTORS

Our business and [REDACTED] involve certain risks, which are set out in “Risk Factors.” You should read that section in its entirety carefully before you decide to [REDACTED] in our Shares. Some of the major risks we face are relating to:

- We operate in an emerging and rapidly evolving industry and our success depends on our continuous innovation and ability to anticipate and respond to changes in industry trends and client demands in a timely and cost-effective manner. If we do not accurately anticipate, prepare

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for, and promptly respond to these industry changes and evolving client needs, our business, financial condition, results of operations and prospects would be materially and adversely affected.

- If we are unable to attract and retain clients or continue to expand existing clients’ use and adoption of our solutions, our business, financial condition, results of operations and prospects may be materially and adversely affected.
- The expansion into new client segments and verticals may expose us to new challenges and more risks.
- The successful operation of our business depends upon the digitalization efforts and progress of China’s asset managers and other market players.
- Our inability to attract, retain and motivate qualified personnel or loss of key management members or technical staff may materially and adversely affect our growth and prospects.
- We may be involved in disputes arising from our operations or breaches of our clients’ security systems, and the resulting client complaints, regulatory actions and legal proceedings against us may harm our reputation and have a material and adverse effect on our business, financial condition, results of operations and prospects.
- We had recorded net losses and operating cash outflow during the Track Record Period, and we may not be able to achieve or subsequently maintain profitability.
- We are exposed to risks associated with current tensions in international trade and geopolitical friction.
- Data security and privacy threats, leakage or misappropriation of know-how, confidential information, and trade secrets from unauthorized copying, use or disclosure could have an adverse impact on our reputation and operations.

COMPETITION

The real-time data infrastructure and analytics market in China is highly competitive and dynamic, with significant contributions from major players in the technology sector. The total number of players in real-time data infrastructure and analytics market in China was more than 400 by the end of 2024. As the market is experiencing robust growth, driven by increasing investment in digital transformation and a growing demand for data and analytics solutions across various sectors, industry pioneers are rapidly catching up supported by advancements in technologies such as big data and AI. For details, see “Risk Factors – Risks Relating to Our Business and Industry – We operate in an increasingly competitive environment, and pricing pressure, new technologies, or other competitive dynamics may materially and adversely affect our business, financial condition, and results of operations.” For competitive landscape, see “Industry Overview – Overview of Real-Time Data Infrastructure and Analytics Market in China – Competitive Landscape of Real-time Data Infrastructure and Analytics Market in China” and “Industry Overview – Overview of Real-time Data Infrastructure and Analytics Market for China’s Asset Management Industry – Competitive Landscape of Real-time Data Infrastructure and Analytics Market for China’s Asset Management Industry.”

SUMMARY

SUMMARY OF KEY FINANCIAL INFORMATION

Summary of Our Consolidated Statements of Profit or Loss and Other Comprehensive Income

The table below sets forth our consolidated statements of profit or loss and other comprehensive income for the years/periods indicated derived from the Accountants’ Report included in Appendix I.

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
	(Unaudited)				
	(RMB in thousands)				
Revenue	287,899	530,458	631,978	282,544	197,845
Cost of sales	(63,285)	(111,280)	(147,351)	(54,520)	(65,963)
Gross profit	224,614	419,178	484,627	228,024	131,882
Other income and gains or losses	32,184	33,057	21,682	791	29,836
Selling and distribution expenses	(24,142)	(36,522)	(41,043)	(22,111)	(15,167)
Research and development expenses	(258,778)	(379,137)	(450,441)	(248,234)	(168,099)
Administrative expenses	(67,926)	(81,991)	(91,173)	(47,825)	(34,380)
Impairment losses on financial assets, net ...	(268)	(14,910)	(18,049)	(5,958)	(49,666)
Other expenses	(482)	(974)	(668)	(526)	(1,194)
Finance costs	(940)	(1,359)	(2,189)	(1,242)	(999)
Share of profits and losses of:					
Associates	(49)	(8)	(327)	(357)	(215)
Joint ventures	(725)	(689)	(127)	(184)	4
Loss before tax	(96,512)	(63,355)	(97,708)	(97,622)	(107,998)
Income tax expense	—	(36)	(137)	(137)	—
Loss for the period	(96,512)	(63,391)	(97,845)	(97,759)	(107,998)
Attributable to					
Owners of the parent	(75,141)	(55,267)	(84,011)	(101,474)	(89,429)
Non-controlling interests	(21,371)	(8,124)	(13,834)	3,715	(18,569)
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation of foreign operations	5	(67)	(102)	14	257
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:					
Equity investments designated at fair value through other comprehensive income: ...	(5,203)	528	(20,120)	(10,617)	1,864
Other comprehensive income for the period, net of tax	(5,198)	461	(20,222)	(10,603)	2,121
Total comprehensive income for the period	(101,710)	(62,930)	(118,067)	(108,362)	(105,877)
Total comprehensive income attributable to					
Owners of the parent	(80,339)	(54,806)	(104,233)	(112,077)	(87,308)
Non-controlling interests	(21,371)	(8,124)	(13,834)	3,715	(18,569)

SUMMARY

For details, see “Financial Information — Description of Selected Components of Consolidated Statements of Profit or Loss and Other Comprehensive Income.”

Non-HKFRS Measure

To supplement our consolidated statements of profit or loss and other comprehensive income which are presented in accordance with HKFRS Accounting Standards, we use adjusted net loss (Non-HKFRS measure) as additional financial measure, which is not required by, or presented in accordance with, HKFRS Accounting Standards.

We define adjusted net loss (Non-HKFRS measure) as loss for the year/period adjusted by adding back [REDACTED] expenses in connection with the [REDACTED], which were non-operating in nature. We believe that this Non-HKFRS measure facilitates the comparisons of operating performance and provide useful information to [REDACTED] and others in understanding and evaluating our operating performance in the same manner as they help our management.

However, our presentation of this Non-HKFRS measure may not be comparable to similarly titled measures presented by other companies. The use of this Non-HKFRS measure has limitations as an analytical tool, and [REDACTED] should not consider it in isolation from, or as a substitute for analysis of, our results of operations or financial condition as reported under HKFRS Accounting Standards. The following table sets forth a reconciliation of our adjusted net loss (Non-HKFRS measure) for 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025.

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
				(Unaudited)	
	(RMB in thousands)				
Loss for the period	(96,512)	(63,391)	(97,845)	(97,759)	(107,998)
Add back:					
[REDACTED]					
expense	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Adjusted net loss (Non- HKFRS measure) . .	(96,512)	(58,309)	(82,366)	(87,086)	(104,978)

SUMMARY

Selected Items from Consolidated Statements of Financial Position

The table below sets forth selected information from our consolidated statements of financial position as of the dates indicated, which has been extracted from the Accountants’ Report included in Appendix I.

	As of December 31,			As of
	2022	2023	2024	June 30,
	(RMB in thousands)			2025
Total non-current assets	794,951	888,277	925,067	937,239
Total current assets	1,069,565	1,160,616	907,295	823,940
Total assets	1,864,516	2,048,893	1,832,362	1,761,179
Total current liabilities	242,901	277,409	165,036	193,564
Net current assets	826,664	883,207	742,259	630,376
Total assets less current liabilities	1,621,615	1,771,484	1,667,326	1,567,615
Total non-current liabilities	5,153	4,055	17,964	24,130
Net assets	1,616,462	1,767,429	1,649,362	1,543,485
Equity attributable to owners of the parent				
Paid-in capital	129,182	300,000	300,000	300,000
Reserves	1,376,264	1,364,537	1,260,304	1,172,996
	1,505,446	1,664,537	1,560,304	1,472,996
Non-controlling interests	111,016	102,892	89,058	70,489
Total equity	1,616,462	1,767,429	1,649,362	1,543,485

We recorded net assets of RMB1,543.5 million as of June 30, 2025, as compared to net assets of RMB1,649.4 million as of December 31, 2024. Such changes was primarily due to loss for the period recognized at RMB108.0 million, partially offset by the changes in fair value of equity investments at fair value through other comprehensive income, net of tax of RMB1.9 million.

We recorded net assets of RMB1,649.4 million as of December 31, 2024, as compared to net assets of RMB1,767.4 million as of December 31, 2023. Such decrease was primarily due to the loss for the year recognized at RMB97.8 million, with the loss by the changes in fair value of equity investments at fair value through other comprehensive income, net of tax of RMB20.1 million.

We recorded net assets of RMB1,767.4 million as of December 31, 2023, as compared to net assets of RMB1,616.5 million as of December 31, 2022. Such change was primarily due to capital contributions by a shareholder of RMB213.4 million in the year ended December 31, 2023, partially offset by the total comprehensive loss for the year of RMB62.9 million.

SUMMARY

The following table sets forth our current assets and current liabilities as of the dates indicated:

	As of December 31,			As of June 30,	As of July 31,
	2022	2023	2024	2025	2025
					(unaudited)
	(RMB in thousands)				
Current assets					
Trade receivables	76,650	266,298	251,729	253,715	261,936
Prepayments, other receivables and other assets	96,586	71,951	91,671	117,276	139,423
Financial assets at fair value through profit or loss	147,760	170,968	187,486	150,407	115,197
Time deposits	–	54,431	32,591	80,209	80,000
Cash and cash equivalents	748,569	596,968	343,818	222,333	226,037
Total current assets	1,069,565	1,160,616	907,295	823,940	822,593
Current liabilities					
Trade payables	18,567	59,013	27,140	52,762	40,548
Other payables and accruals	106,184	93,192	74,110	56,533	66,302
Interest-bearing bank borrowings	16,785	45,600	28,124	42,989	45,989
Contract liabilities	89,934	71,367	27,956	32,115	30,985
Financial liabilities at fair value through profit or loss	4,412	–	–	–	–
Income tax payable	–	36	35	35	–
Lease liabilities	7,019	8,201	7,671	9,130	9,421
Total current liabilities	242,901	277,409	165,036	193,564	193,245
Net current assets	826,664	883,207	742,259	630,376	629,348

We recorded net current assets of RMB629.3 million as of July 31, 2025, being the most recent date for the purpose of liquidity disclosure in this Document, remained relatively stable as compared to net current assets of RMB630.4 million as of June 30, 2025.

We recorded net current assets of RMB630.4 million as of June 30, 2025, as compared to net current assets of RMB742.3 million as of December 31, 2024. The decrease in net current assets was primarily due to the decrease in cash and cash equivalents, primarily due to our increased routine operating expenditures, which was in line with our business expansion, partially offset by the increase in prepayments, other receivables and other assets, mainly driven by our ongoing business development and increasing market recognition.

We recorded net current assets of RMB742.3 million as of December 31, 2024, as compared to net current assets of RMB883.2 million as of December 31, 2023. The decrease in net current assets was primarily due to the decrease in cash and cash equivalents primarily as a result of our cash outflows relating to operating outflows to support our continued business expansion, partially offset by the increase in prepayments, other receivables and other assets.

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We recorded net current assets of RMB883.2 million as of December 31, 2023, as compared to net current assets of RMB826.7 million as of December 31, 2022. The increase in net current assets was primarily due to the increase in trade receivables due to business expansion and the increase in time deposits mainly because of more cash on hand as a result of the Series D financing in 2022, partially offset by the increase in trade payables and interest-bearing bank borrowings.

Selected Consolidated Statements of Cash Flow Data

The following table presents our consolidated cash flow data for the years/periods presented.

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
	(Unaudited)				
	(RMB in thousands)				
Cash outflow from operating activities					
before movements in working capital . . .	(96,427)	(50,191)	(60,299)	(74,227)	(69,774)
Cash used in operations	(191,137)	(200,603)	(174,138)	(109,932)	(129,938)
Interest received	6,199	7,062	4,053	2,754	1,824
Income tax paid	(27)	(439)	(138)	(138)	–
Net cash flows used in operating activities	(184,965)	(193,980)	(170,223)	(107,316)	(128,114)
Net cash flows (used in)/generated from investing activities	(143,454)	(189,717)	(46,364)	(45,103)	2,548
Net cash flows generated from/(used in) financing activities	784,725	231,613	(36,461)	(12,656)	3,824
Net increase/(decrease) in cash and cash equivalents	456,306	(152,084)	(253,048)	(165,075)	(121,742)
Net foreign exchange differences	2,490	483	(102)	14	257
Cash and cash equivalents at beginning of the period	289,773	748,569	596,968	596,968	343,818
Cash and cash equivalents at end of the period	748,569	596,968	343,818	431,907	222,333

As we extend our operations into new sectors, the initial costs associated with establishing our presence and adapting our offerings to meet the unique demands of these markets have contributed to a higher outflow of operational cash. To continue to improve our cash position, we plan to implement the following strategies: (i) accelerating the collection of trade receivables through our credit management practices, including diligent credit assessments and continuous monitoring of receivable trends. Before extending payment terms to any customer, we perform extensive analysis into their creditworthiness, business conditions and financial profiles to ensure that they have the ability to pay as per agreed-upon schedules. In addition, we have dedicated internal teams responsible for continually monitoring the credit profiles, operating and financial conditions of our customers and proactively following up with our customers to ensure recoverability. These practices ensure that any potential risks are identified and addressed promptly, further reducing the likelihood of irrecoverability. We also engage in active communications with customers when their payments become due and enter into specific repayment plans with them; and (ii) improving our operational efficiency and achieving greater economies of scale. In particular, as we continue to accumulate technology knowhow and grow as an established player in more industries, we expect our R&D expenses as a percentage to the revenue will continue to decrease. We also

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intend to optimize our administrative expenses by enhancing our level of centralized management, streamlining our internal workflows, and leveraging technology to drive cost-efficiency and productivity. In addition, we expect to continue to increasingly benefit from the network effect of our extensive and interconnected client base, as well as the strong word-of-mouth referrals that it generates, which would optimize our operating expenses in general, including but not limited to selling and distribution expenses. By focusing on these measures, we expect to further strengthen our cash position, ensuring better liquidity management to support our continued growth. For details, see “Financial Information — Liquidity and Capital Resources.”

FINANCIAL AND OPERATING HIGHLIGHTS

The table below sets forth our key financial ratio for the years/periods indicated:

	Year ended/As of December 31,			Six months ended/As of June 30,	
	2022	2023	2024	2024	2025
				(unaudited)	
Revenue growth	N/A	84.3%	19.1%	N/A	(30.0)%
Gross profit margin	78.0%	79.0%	76.7%	80.7%	66.7%
Net loss margin ⁽¹⁾	33.5%	12.0%	15.5%	34.6%	54.6%
Gearing ratio ⁽²⁾	1.8%	3.3%	3.3%	N/A	4.9%

(1) Net loss margin is calculated by dividing loss for the period by revenue for the period indicated.

(2) Gearing ratio is calculated by dividing the sum of interest-bearing loans and lease liabilities by total equity as of the date indicated.

The table below sets forth our key operating metrics for the years/periods indicated:

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
				(unaudited)	
Total number of paying customers⁽¹⁾	182	200	232	169	121
Asset management	142	150	177	140	94
Diversified industries (ex-asset management)	40	50	55	29	27
ARPU⁽²⁾	1,582	2,652	2,724	1,672	1,635
Asset management	1,507	2,332	1,381	962	995
Diversified industries (ex-asset management)	1,846	3,614	7,046	5,098	3,864
ARPU growth rate	N/A	68%	2.7%	N/A	(2.2)%
Net dollar retention rate⁽³⁾	N/A	98%	56%	81%	36%

(1) Total number of customers that generated revenue for each year/period. All of our customers were paying customers. In 2022, 2023, 2024 and the six months ended June 30, 2025, the number of new paying customers (customers that did not generate revenue in the preceding year) was 77, 85, 119 and 27 respectively, contributing 40.5% (RMB116.6 million), 46.8% (RMB248.4 million), 53.4% (RMB337.2 million) and 29.0% (RMB57.3 million) of the total revenue in each corresponding year/period, respectively. In 2022, 2023, 2024 and the six months ended June 30, 2025, the number of repeat customers was 105, 115, 113 and 94, respectively.

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- (2) *RMB in thousands; ARPU is a financial metric calculated by dividing a company’s total revenue by its total number of paying customers for each year/period.*
- (3) *To calculate net dollar retention rate, we first identify our customers and their contribution to our revenue for the same period in the previous year (the “trailing period”); we then identify the respective contribution from the same group of customers to our revenue for the current period, and finally we calculate the net dollar retention rate by dividing the revenue generated from the same group of customers during the current period by the revenue generated from them during the trailing period. For instance, to calculate the net dollar retention rate for the year ended December 31, 2024, we first identify all paying customers in 2023 and their revenue contribution in 2023 (the denominator), and then identify the respective contribution from the same group of customers to our revenue in 2024 (the numerator), and finally calculate this rate by dividing the numerator over the denominator. For the six months ended June 30, 2024 and 2025, the net dollar retention rates were calculated for the trailing twelve months ended June 30, 2024 and 2025, respectively.*

Our net dollar retention rate experienced a temporary decrease from 2022 to 2024, primarily due to the temporary slowdown in the financial sector’s growth attributable to the global political climate and economic downturn, which led to reduced spending and delayed projects of certain clients especially in the asset management sector. Such decrease could also be attributed to the decrease in the percentage of revenue generated under the subscription model as compared to the transaction model from 2022 to 2024, mainly due to internal requirements of large institutional customers, industry customer habits, our initial engagement pattern with new clients, and market uncertainty. For more details, see “Business — Our Revenue Model.” Our net dollar retention rate decreased from the six months ended June 30, 2024 to the same period in 2025, primarily due to a decline in the net dollar retention rate in asset management industry from 95% in the six months ended June 30, 2024 to 43% during the same period in 2025, which was mainly attributable to a slowdown in new client acquisition in the first half of 2025. We anticipate our net dollar retention rate will increase going forward as we continue to build client trust and offer consistent value.

Our historical net dollar retention rates may not be indicative of our future net dollar retention rates which could decline and/or experience fluctuations. See “Risk Factors — If we are unable to attract and retain clients or continue to expand existing clients’ use and adoption of our solutions, our business, financial condition, results of operations and prospects may be materially and adversely affected.”

Our ARPU in the asset management industry increased from RMB962 thousand in the six months ended June 30, 2024 to RMB995 thousand in the same period in 2025, mainly due to a reduction in the number of clients with lower average revenue contribution, and our client became more concentrated on those with higher average revenue contribution. Our ARPU in the diversified industries (ex-asset management) decreased from RMB5,098 thousand in the six months ended June 30, 2024 to RMB3,864 thousand in the same period in 2025, primarily due to negative fluctuations in market conditions.

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Our solutions are well tested in the asset management industry, and applicable across various industries. The following table sets forth a breakdown of our revenue by industry application for the years/periods indicated. For avoidance of doubt, “industry application” refers to the industry in which our solutions are adopted, rather than the end industries where our customers operate in.

	Year ended December 31,						Six months ended June 30,			
	2022		2023		2024		2024		2025	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
<i>(Unaudited)</i>										
<i>(in thousands, except for percentages)</i>										
Asset management	214,056	74.4	349,741	65.9	244,441	38.7	134,710	47.7	93,506	47.3
Diversified industries										
(ex-asset										
management)	73,843	25.6	180,717	34.1	387,537	61.3	147,834	52.3	104,339	52.7
Financial services										
(other than asset										
management) ⁽¹⁾	17,141	6.0	23,239	4.4	71,349	11.3	55,830	19.8	10,630	5.4
City										
management	35,781	12.4	46,292	8.7	154,472	24.4	66,552	23.6	39,373	19.9
Manufacturing										
management	4,870	1.6	9,873	1.9	88,229	14.0	5,210	1.8	30,763	15.5
Telecommunications	5,044	1.8	69,877	13.2	51,425	8.1	3,868	1.4	19,864	10.0
Others ⁽²⁾	11,007	3.8	31,436	5.9	22,062	3.5	16,374	5.7	3,709	1.9
Total	287,899	100.0	530,458	100.0	631,978	100.0	282,544	100.0	197,845	100.0

Notes:

- (1) Include a broad range of financial services such as banking or brokerage services, the key application scenarios therein include anti-fraud, credit profile assessment, loan origination or customer acquisition for financial products.
- (2) Industries including retail, renewable energy and agriculture, etc., none of which contributed to over 5% of our total revenue in any year during the Track Record Period.

The following table sets forth a breakdown of our gross profit by industry application for the years/periods indicated.

	Year ended December 31,						Six months ended June 30,			
	2022		2023		2024		2024		2025	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
<i>(Unaudited)</i>										
<i>(in thousands, except for percentages)</i>										
Asset management	176,560	78.6	248,768	59.3	175,752	36.3	94,488	41.4	48,713	36.9
Diversified industries										
(ex-asset										
management)	48,054	21.4	170,410	40.7	308,875	63.7	133,536	58.6	83,169	63.1
Total	224,614	100.0	419,178	100.0	484,627	100.0	228,024	100.0	131,882	100.0

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The following table sets forth a breakdown of our gross profit margin by industry application for the periods indicated.

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
	%	%	%	(unaudited) %	%
Asset management	82.5	71.1	71.9	70.1	52.1
Diversified industries (ex-asset management)	65.1	94.3	79.7	90.3	79.7
Overall	78.0	79.0	76.7	80.7	66.7

Our gross profit margin in the asset management industry decreased from 82.5% in 2022, to 71.1% in 2023, primarily due to customers in certain projects requested us to deploy our solutions on devices which increased our costs. Our costs on devices increased from RMB26.2 million in 2022 to RMB59.9 million in 2023. The gross profit margin we obtained for devices is normally lower than that for solutions with no devices involved; the prices we charged for our solutions with or without devices are similar. Our gross profit margin in the asset management industry remained relatively stable at 71.1% in 2023 and 71.9% in 2024. Our gross profit margin in the asset management industry decreased from 70.1% in the six months ended June 30, 2024 to 52.1% during the same period in 2025, primarily due to increased client demand for customized solutions. Our gross profit margin in diversified industries stayed relatively high during the Track Record Period; except that, among these diversified industries, the gross profit margin in the city management sector was relatively low in 2022. This was mainly due to the combined effects of (i) the impact of COVID-19 quarantine policies on city management industry, which temporarily slowed down the industry development and thus significantly affected clients within this industry’s willingness and ability to pay, and (ii) our efforts to establish ourselves in this new industry with more competitive pricing strategies given such decreased willingness and ability to pay of potential clients. In addition, the number of our clients in each diversified industry was relatively small, the fluctuations in our gross profit margin during the Track Record Period were incidental to some extent given the small sample size.

Our gross profit margin in the asset management industry was lower compared to other diversified industries during the Track Record Period (except for 2022 due to the reasons mentioned above), mainly because (i) as of the Latest Practicable Date, our solutions adopted in diversified industries were mostly standard data infrastructure solutions, which leveraged our R&D results in the asset management industry; while on the other hand, we also develop data analytics solutions for asset management industry based on clients’ complex business needs, such as adding specific risk modules to analyze risks within their investment portfolio or developing new modules capable of monitoring real-time transactions in compliance with the latest regulatory requirements, which led to higher costs associated with our asset management clients as a whole, and (ii) some asset management clients requested us to pre-install our solutions on devices and deliver such fully-equipped devices to them directly, which also increased our costs. Our costs on devices increased from RMB26.2 million in 2022 to RMB59.9 million in 2023, and further to RMB72.3 million in 2024. Our costs on devices increased from RMB9.2 million in the six months ended

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June 30, 2024 to RMB41.8 million during the same period in 2025. The gross profit margin we obtained for devices is normally lower than that for solutions with no devices involved; the prices we charged for our solutions with or without devices are similar.

WORKING CAPITAL

Taking into account the financial resources available to us, including anticipated cash flow from our operating activities, existing cash and cash equivalents, available banking facilities and the estimated net [REDACTED] from the [REDACTED], our Directors believe that we have sufficient working capital for our present requirements and for the next 12 months from the date of this Document.

We intend to finance our future working capital requirements and capital expenditures primarily from cash expected to be generated from operating activities and funds raised from financing activities, including the net [REDACTED] we will receive from the [REDACTED]. We may not be able to obtain additional financing on terms favorable to us, if at all. If we are unable to obtain adequate financing or financing on terms satisfactory to us when we require it, our ability to continue to support our business growth and to respond to business challenges could be significantly impaired, and our business, financial condition, results of operations and prospects may be adversely affected.

For details, see “Financial Information — Discussion of Certain Selected Items from the Consolidated Statements of Financial Position.”

BUSINESS SUSTAINABILITY AND PATH TO PROFITABILITY

We had achieved sustained business growth but were loss-making during the Track Record Period. In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, we recorded net loss of RMB96.5 million, RMB63.4 million, RMB97.8 million, RMB97.8 million and RMB108.0 million, respectively. Our net losses during the Track Record Period could be mainly attributed to the substantial R&D expenses, administrative expenses and selling and distribution expenses we incurred as our business expanded rapidly. We incurred adjusted net loss (Non-HKFRS measure) of RMB96.5 million, RMB58.3 million, RMB82.4 million, RMB87.1 million and RMB105.0 million in 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively. We recorded net operating cash outflow during 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025. We used RMB185.0 million, RMB194.0 million, RMB170.2 million, RMB107.3 million and RMB128.1 million in operating activities in 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively.

As we navigated through the early stages of our business development, our emphasis was not just on immediate profitability but on revenue expansion to acquire market shares and attract premium customers. This approach will set the stage for us to leverage our enhanced market position and customer base towards achieving profitability in the short term.

We have successfully attained an initial level of economies of scale, proven by the decreasing percentage of R&D expenses, administrative expenses and selling and distribution expenses to total revenue in 2022, 2023 and 2024. In particular, clients in the real-time data infrastructure and analytics market do not easily replace their service providers in the long term due to factors such as user habits and system stability, according to Frost & Sullivan. Additionally, our solutions, especially on the data infrastructure level, address

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common pain points across various industries, which allows us to generate revenue in new segments without extensive R&D efforts. As we continue to leverage synergies in customer acquisition, retention, and solution development, our net losses are expected to be on a consistent downward trend, paving the way towards achieving profitability in the short term.

Despite the history of operating losses, we have accumulated extensive industry knowhow and developed advanced real-time data infrastructure and analytics solutions, thereby establishing a solid foundation for long-term development and profitability. In particular, we have a proven track record of business sustainability and steady progress on profitability:

- *Established market presence:* We have developed into an established player in both the real-time data infrastructure and analytics market for China’s asset management industry and the total real-time data infrastructure and analytics market in China. We ranked first in terms of revenue in 2024 in the real-time data infrastructure and analytics market for China’s asset management industry with a market share of 11.6%, which greatly exceeds the other top four players. We ranked fourth in terms of revenue in 2024 in China’s real-time data infrastructure and analytics market with a market share of 3.4%.
- *Growth at scale:* Our growth had consistently outpaced the market during the Track Record Period. We achieved business and financial growth, with a revenue growth from RMB287.9 million in 2022 to RMB632.0 million in 2024 at a CAGR of 124.5%, thanks to the expansion of our customer base across various industries as a result of our advanced real-time data infrastructure and analytics solutions, knowhow accumulated and established brand awareness.
- *Profitability potential:* Our gross profit increased from RMB224.6 million in 2022 to RMB419.2 million in 2023, and further to RMB484.6 million in 2024. We anticipate continued growth in our gross profit as we further expand our customer base and extend the application of our solutions. Our net loss increased from RMB97.8 million in the six months ended June 30, 2024 to RMB108.0 million during the same period in 2025. We expect our business continues to scale in both size and breadth with our ongoing enhancements in operational efficiency. We incurred adjusted net loss (Non-HKFRS measure) of RMB96.5 million, RMB58.3 million, RMB82.4 million, RMB87.1 million and RMB105.0 million in 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively. In addition, our gross profit margin remained relatively stable and increased from 78.0% in 2022 to 79.0% in 2023, and slightly decreased to 76.7% in 2024, coupled by the decreasing percentage of R&D expenses, administrative expenses and selling and distribution expenses to total revenue in 2022, 2023 and 2024. According to Frost & Sullivan, our gross profit margins throughout the 2022 to 2024 ranked among the top in both the total real-time data infrastructure and analytics market in China and the real-time data infrastructure and analytics market for China’s asset management industry.
- *Liquidity:* We have consistently and successfully secured various forms of financing from capital markets, including financial institutions and third-party investors, prudently managed cash flows and maintained strong cash position, proactively optimized business mix for corporate resilience,

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and prudently and decisively invested in R&D capabilities for the long run. As of July 31, 2025, we had a total of RMB421.2 million cash resources (which include cash and cash equivalents, time deposits and financial assets at fair value through profit or loss (current portion)). As of July 31, 2025, we had RMB134.0 million of unutilized banking facilities.

To maintain business sustainability and achieve profitability, we plan to:

- *Continue to upgrade our existing solutions and develop more advanced solutions:* Our ARPU increased from RMB1,582 thousand in 2022 to RMB2,652 thousand in 2023, and further to RMB2,724 thousand in 2024, growing at 68% from 2022 to 2023 and 2.7% from 2023 to 2024, respectively. Our ARPU slightly decreased from RMB1,672 thousand in the six months ended June 30, 2024 to RMB1,635 thousand in the same period of 2025. The number of modules we developed have more than doubled, increasing from 152 by the end of 2022 to 318 by the end of 2024 and to 332 as of June 30, 2025. We expect to obtain higher ARPU as we enhance our solutions, accumulate deeper industry insights and improve our brand awareness going forward.
- *Continue to expand our customer base across industries and offshore:* In 2024, our revenue by industry application generated in various industries outside asset management accounted for 61.3% of our total revenues, growing from 25.6% in 2022, leading to our revenue growth from RMB73.8 million in 2022 to RMB387.5 million in 2024. Our revenue generated in industries outside asset management was 52.3% and 52.7% of our total revenue in the six months ended June 30, 2024 and 2025. We believe there is significant potential in further extending our solutions to other industries. In addition, we commenced our offshore expansion efforts with the offshore branch or business of our domestic customer, based on the robust client relationships. We are currently supporting some of our domestic clients’ global investment strategies and data management needs for their Hong Kong branch business, and plan to introduce iterated solutions in the near future broadening the business types and scope of our data models to include foreign exchange and overseas funds. The tangible growth in revenue from the Hong Kong market, escalating from 0.3% in 2022 to 5.9% in 2024, showcases our feasibility and capabilities in navigating complex global landscapes, regulatory challenges, and competitive environments. We plan to establish stronger presence and increase our investments in other geographies with established financial markets, including Singapore and Japan, according to our clients’ evolving demands. We plan to start the penetration into new market from large asset management institutions leveraging our proven track record in the asset management industry. We plan to target industry-wide clients with our scalable and adaptable solutions in these geographies in the future.
- *Continue to benefit from the policy-backed societal shift towards industry-wide digitalization:* Since 2017, “Digital China” has become a national-level development strategy, and the development of the digital economy has become an important means of promoting high-quality economic growth. In particular, a series of national-level initiatives have been introduced in recent years on enhancing data application across various industries to unleash the value of data and strengthen real-time data infrastructure in China, such as the policy to record data as assets on a statement of financial position (數據資產入表) and the “Data Element X” Three-Year Action Plan (2024-2026)) to fully leverage the multiplier effect of data as an economic factor.

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These favorable national policies have propelled the public awareness of data’s intrinsic value and stimulated market demand for real-time data infrastructure and analytics solutions, establishing a fertile ground for our business. See “Business — Our Opportunities” for more details.

- *Improve our operational efficiency and economies of scale:* We intend to optimize our costs of principal activities and operating expenses by increasing economies of scale and cost-efficiency as our business continues to grow. In particular, as we continue to accumulate technology know-how and grow as an established player in the real-time data infrastructure and analytics market in China, and apply our well tested solutions by the asset management industry to other industries, we expect our R&D expenses as a percentage to the revenue will continue to decrease. We also intend to optimize our administrative expenses by enhancing our level of centralized management, streamlining our internal workflows, and leveraging technology to drive cost-efficiency and productivity. In addition, we expect to continue to increasingly benefit from the network effect of our extensive and interconnected client base, as well as the strong word-of-mouth referrals that it generates, which would optimize our operating expenses in general, including but not limited to selling and distribution expenses.

For more details, see “Financial Information,” and “Business – Business Sustainability and Path to Profitability.”

[REDACTED]

SUMMARY

OUR SHAREHOLDING STRUCTURE

Our Single Largest Group of Shareholders

Immediately prior to the [REDACTED], Mr. Liu Chengxi, indirectly through Zhuhai Enyuan, Zhuhai Fuqian, Zhuhai Guwen and Zhuhai Hengcheng, controlled approximately 28.86% of our total issued share capital. Immediately following the completion of the [REDACTED] and assuming the [REDACTED] is not exercised, Mr. Liu Chengxi, indirectly through Zhuhai Enyuan, Zhuhai Fuqian, Zhuhai Guwen and Zhuhai Hengcheng, will control approximately [REDACTED]% of our total issued share capital. Therefore, Mr. Liu Chengxi, Zhuhai Enyuan, Zhuhai Fuqian, Zhuhai Guwen and Zhuhai Hengcheng constitute our Single Largest Group of Shareholders upon [REDACTED], and our Company will not have any controlling shareholder as defined under the Listing Rules upon [REDACTED]. For details of the shareholding of Mr. Liu Chengxi, Zhuhai Enyuan, Zhuhai Fuqian, Zhuhai Guwen and Zhuhai Hengcheng immediately prior to and following the completion of the [REDACTED], please refer to the section headed “History, Development and Corporate Structure” in this Document.

Pre-[REDACTED] Investments

We conducted multiple series of Pre-[REDACTED] Investments from September 2017 to December 2023 with the Pre-[REDACTED] Investors. For further details of the identity and background of the Pre-[REDACTED] Investors and the principal terms of the Pre-[REDACTED] Investments, see “History, Development and Corporate Structure — Pre-[REDACTED] Investments.”

[REDACTED]

DIVIDEND

No dividend has been declared or paid by entities comprising our Group. We currently expect to retain all future earnings for use in operation and expansion of our business, and do not have any dividend policy to declare or pay any dividends in the foreseeable future. The declaration and payment of any dividends in the future will be determined by our board of directors and subject to our Articles of Association and the PRC Company Law, and will depend on a number of factors, including the successful commercialization of our products as well as our earnings, capital requirements, overall financial condition and contractual restrictions. No dividend shall be declared or payable except out of our profits and reserves lawfully available for distribution.

SUMMARY

As confirmed by our PRC Legal Advisor, according to the PRC law, any future net profit that we make will have to be first applied to make up for our historically accumulated losses, after which we will be obliged to allocate 10% of our net profit to our statutory common reserve fund until such fund has reached more than 50% of our registered capital. We will therefore only be able to declare dividends after (i) all our historically accumulated losses have been made up for; and (ii) we have allocated sufficient net profit to our statutory common reserve fund as described above.

For details, see “Financial Information – Dividend.”

FUTURE PLANS AND USE OF [REDACTED]

We estimate that we will receive net [REDACTED] from the [REDACTED] of approximately HK\$[REDACTED], after deducting [REDACTED], fees and estimated expenses payable by us in connection with the [REDACTED], assuming the [REDACTED] is not exercised and assuming an [REDACTED] of HK\$[REDACTED] per Share, being the mid-point of the indicative [REDACTED] range stated in this Document.

- Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used to further advance our current solutions, develop new solutions, and enhance our technology capabilities.
- Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used to deepen our penetration in an array of other industries.
- Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used to improve our marketing capabilities.
- The remaining [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be allocated for working capital and other general business purposes.

For details, see “Future Plans and Use of [REDACTED].”

[REDACTED] EXPENSES

The total [REDACTED] expenses payable by our Company are estimated to be approximately HK\$[REDACTED] (or approximately RMB[REDACTED]), accounting for [REDACTED]% of our gross [REDACTED], assuming the [REDACTED] is not exercised and based on an [REDACTED] of HK\$[REDACTED] (being the mid-point of our [REDACTED] range of HK\$[REDACTED] to HK\$[REDACTED] per [REDACTED]). These [REDACTED] expenses mainly include legal and other professional fees paid and payable to the professional parties, [REDACTED] payable to the [REDACTED], and printing and other expenses for their services rendered in relation to the [REDACTED] and the [REDACTED], comprising of (i) HK\$[REDACTED] of [REDACTED]-related expenses (including but not limited to [REDACTED] and fees); and (ii) HK\$[REDACTED] of non-[REDACTED]-related expenses, including HK\$[REDACTED] of fees and expenses of legal advisors and accountants and HK\$[REDACTED] of other fees and expenses.

During the Track Record Period, the [REDACTED] expenses (excluding [REDACTED]) incurred by our Company in relation to the [REDACTED] and the [REDACTED] were HK\$[REDACTED]. We estimate that additional [REDACTED] expenses of approximately HK\$[REDACTED] (including [REDACTED] and other expenses, assuming the [REDACTED] is not exercised and based on the mid-point of our

SUMMARY

[REDACTED] range of HK\$[REDACTED] to HK\$[REDACTED] per [REDACTED]) will be incurred by our Company, approximately HK\$[REDACTED] of which is expected to be charged to our consolidated statements of profit or loss, and approximately HK\$[REDACTED] of which is expected to be charged against equity upon the [REDACTED].

For details, see “Financial Information – [REDACTED]-Related Expenses Incurred and to be Incurred.”

RECENT DEVELOPMENT AND NO MATERIAL ADVERSE CHANGE

Throughout the Track Record Period, we had made substantial investments in the research and development of our solutions, which enabled us to make significant advancements and build a strong technological foundation. While this resulted in notable operating expenses during this period, we believe these investments were critical to positioning our solutions for long-term success and growth. In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, we recorded net losses of RMB96.5 million, RMB63.4 million, RMB97.8 million, RMB97.8 million and RMB108.0 million, respectively. We expect to record net losses for the year ended December 31, 2025, which is primarily due to our continued investments in the research and development of our technologies and solutions. We incurred adjusted net loss (Non-HKFRS measure) of RMB96.5 million, RMB58.3 million, RMB82.4 million, RMB87.1 million and RMB105.0 million in 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively. For details, see “Risk Factors — We had recorded net losses and operating cash outflow during the Track Record Period, and we may not be able to achieve or subsequently maintain profitability.”

Our Directors have confirmed that, up to the Latest Practicable Date, there had been no material adverse change in our financial, operational or trading position, indebtedness, contingent liabilities or prospects since June 30, 2025, being the end date of the periods reported on in the Accountants’ Report set out in Appendix I to this document, and there had been no event since June 30, 2025 that would materially affect the information shown in the Accountants’ Report set out in Appendix I to this document.

DEFINITIONS

In this Document, unless the context otherwise requires, the following terms and expressions have the meanings set forth below. Certain other terms are explained in the section headed “Glossary of Technical Terms” in this Document.

“Accountants’ Report”	The accountants’ report prepared by BDO Limited, details of which are set out in Appendix I to this Document
“AFRC” or “Accounting and Financial Reporting Council”	The Accounting and Financial Reporting Council of Hong Kong
“affiliate”	with respect to any specified person, any other person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person
“Articles of Association” or “Articles”	the articles of association of our Company, as amended, which shall become effective on the [REDACTED], a summary of which is set out in Appendix III to this Document
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Audit Committee”	the audit committee of the Board
“Beijing Huayinshangce”	Beijing Huayinshangce Data Technology Co., Ltd.* (北京華隱熵策數據科技有限公司), a limited liability company established under the laws of the PRC on August 30, 2021, and a non-wholly owned subsidiary of our Company
“Beijing Xunjing”	Beijing Xunjing Technology Co., Ltd.* (北京迅京科技有限公司), a limited liability company established under the laws of the PRC on May 8, 2020, and a wholly-owned subsidiary of our Company
“Board” or “Board of Directors”	the board of Directors of our Company
“Business Day”	a day on which banks in Hong Kong are generally open for normal banking business to the public and which is not a Saturday, Sunday or public holiday in Hong Kong
“CAGR”	compound annual growth rate

[REDACTED]

DEFINITIONS

“China”, “Chinese mainland” or “PRC”	the People’s Republic of China, which, for the purposes of this Document and for geographical reference only, references to “China”, “Chinese mainland” and the “PRC”, except where the context indicates or requires otherwise
“close associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Companies (Winding Up and Miscellaneous Provisions) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Company”, “our Company” or “the Company”	Shenzhen Xunce Technology Co., Ltd. (深圳迅策科技股份有限公司), a limited liability company established under the laws of the PRC on April 1, 2016 and converted into a joint stock company established in the PRC with limited liability on December 28, 2023
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“connected transaction(s)”	has the meaning ascribed thereto under the Listing Rules
“Corporate Governance Code”	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
“CSDCC”	China Securities Depository and Clearing Corporation Limited* (中國證券登記結算有限責任公司)
“CSRC”	the China Securities Regulatory Commission (中國證券監督管理委員會)
“Director(s)” or “our Director(s)”	the director(s) of our Company
“EIT”	enterprise income tax
“EIT Law”	Enterprise Income Tax Law of the PRC (中華人民共和國企業所得稅法) adopted by the Tenth National People’s Congress on March 16, 2007, and effective on January 1, 2008, as amended, supplemented or otherwise modified from time to time

[REDACTED]

DEFINITIONS

“Extreme Conditions” extreme conditions as announced by the government of Hong Kong in the case where a super typhoon or other natural disaster of a substantial scale seriously affects the working public’s ability to resume work or brings safety concern for a prolonged period

[REDACTED]

“Frost & Sullivan” Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., an independent professional market research and consulting company

[REDACTED]

“Group,” “our Group,” “we” or “us” our Company and our subsidiaries

[REDACTED]

“H Share(s)” share(s) in the share capital of our Company with a nominal value of RMB1.00 each, which is/are to be [REDACTED] and [REDACTED] in HK dollars and to be [REDACTED] on the Hong Kong Stock Exchange

“Hangzhou Shusheng” Hangzhou Shusheng Intelligent Technology Co., Ltd.* (杭州數生智能科技有限公司), a limited liability company established under the laws of the PRC on March 21, 2025, and a wholly-owned subsidiary of our Company

“Hangzhou Xunhang” Hangzhou Xunhang Technology Co., Ltd.* (杭州迅杭科技有限公司), a limited liability company established under the laws of the PRC on September 18, 2020, and a wholly-owned subsidiary of our Company

“HK dollars” or “HK\$” Hong Kong dollars and cents, respectively, the lawful currency of Hong Kong

“HKFRS(s)” the Hong Kong Financial Reporting Standards, which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”).

[REDACTED]

DEFINITIONS

[REDACTED]

“Hong Kong” or “HK”

the Hong Kong Special Administrative Region of the PRC

[REDACTED]

“Hong Kong Stock Exchange” or
“Stock Exchange”

The Stock Exchange of Hong Kong Limited, a subsidiary of Hong Kong Exchanges and Clearing Limited

[REDACTED]

DEFINITIONS

“Huace Alpha”	Beijing Huace Alpha Technology Center Partnership (Limited Partnership)* (北京華策阿爾法科技中心(有限合夥)), a limited partnership established under the laws of the PRC on July 8, 2021 with Beijing Xunjing as its general partner, and a non-wholly owned subsidiary of our Company
“Huace Omega”	Beijing Huace Omega Technology Center Partnership (Limited Partnership)* (北京華策歐米伽科技中心(有限合夥)), a limited partnership established under the laws of the PRC on October 13, 2021 with Beijing Xunjing as its general partner, and a non-wholly owned subsidiary of our Company
“Independent Third Party(ies)”	any entity(ies) or person(s) who is not a connected person of our Company within the meaning of the Hong Kong Listing Rules

[REDACTED]

DEFINITIONS

“Latest Practicable Date” September [12], 2025, being the latest practicable date for the purpose of ascertaining certain information contained in this Document prior to its publication

[REDACTED]

“Listing Committee” the Listing Committee of the Hong Kong Stock Exchange

[REDACTED]

“Listing Rules” or “Hong Kong Listing Rules” the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange, as amended, supplemented or otherwise modified from time to time

“Main Board” the stock exchange market (excluding the option market) operated by the Hong Kong Stock Exchange which is independent from and operated in parallel with GEM of the Hong Kong Stock Exchange

“MIIT” Ministry of Industry and Information Technology of the PRC (中華人民共和國工業和信息化部)

“Ministry of Finance” or “MOF” the Ministry of Finance of the PRC (中華人民共和國財政部)

“MOFCOM” the Ministry of Commerce of the PRC (中華人民共和國商務部)

“NDRC” the National Development and Reform Commission of the PRC* (中華人民共和國國家發展和改革委員會)

“Nomination Committee” the nomination committee of the Board

[REDACTED]

DEFINITIONS

[REDACTED]

“PBOC”	the People’s Bank of China (中國人民銀行), the central bank of the PRC
“PRC Company Law”	the Company Law of the People’s Republic of China (中華人民共和國公司法)
“PRC GAAP”	generally accepted accounting principles in the PRC
“PRC Government” or “State”	the central government of the PRC, including all governmental subdivisions (including provincial, municipal and other regional or local government entities) and instrumentalities
“PRC Legal Advisor”	King & Wood Mallesons, our legal advisor as to PRC laws
“Pre-[REDACTED] Investment(s)”	the investment(s) in our Company undertaken by the Pre-[REDACTED] Investors pursuant to the respective equity transfer agreement(s) and capital increase agreement(s), details of which are set out in the section headed “History, Development and Corporate Structure”
“Pre-[REDACTED] Investor(s)”	the investor(s) from whom our Company obtained several rounds of investments, details of which are set out in the section headed “History, Development and Corporate Structure”

[REDACTED]

DEFINITIONS

“Province”	each being a province or, where the context requires, a provincial-level autonomous region or municipality under the direct supervision of the central government of the PRC
“Regulation S”	Regulation S under the U.S. Securities Act
“Remuneration Committee”	the remuneration committee of the Board
“Reporting Accountant”	BDO Limited
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“SAFE”	the State Administration of Foreign Exchange of the PRC (中國國家外匯管理局)
“SAMR”	State Administration for Market Regulation (國家市場監督管理總局)
“Securities and Futures Ordinance” or “SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“SFC”	the Securities and Futures Commission of Hong Kong
“Shanghai-Hong Kong Stock Connect”	a securities trading and clearing links program developed by the Hong Kong Stock Exchange, Shanghai Stock Exchange, HKSCC and CSDCC for the establishment of mutual market access between Hong Kong and Shanghai, including Southbound Trading and Northbound Trading
“Shanghai Fangchou”	Shanghai Fangchou Digital Technology Co., Ltd. (上海方籌數字科技有限責任公司), a limited liability company established under the laws of the PRC on April 3, 2023, and a non-wholly owned subsidiary of our Company
“Shanghai Huayinshangce”	Shanghai Huayinshangce Data Technology Co., Ltd.* (上海華隱熵策數據科技有限公司) a limited liability company established under the laws of the PRC on June 2, 2023, and a wholly-owned subsidiary of Beijing Huayinshangce
“Shanghai Kaiyu”	Shanghai Kaiyu Information Technology Co., Ltd.* (上海愷域信息科技有限公司), a limited liability company established under the laws of the PRC on January 10, 2011, and a non-wholly owned subsidiary of our Company

DEFINITIONS

“Shanghai Kuanrui”	Shanghai Kuanrui Information Technology Co., Ltd.* (上海寬睿信息科技有限公司), a limited liability company established under the laws of the PRC on October 20, 2015, and a non-wholly owned subsidiary of our Company
“Shanghai Xunli”	Shanghai Xunli Technology Co., Ltd.* (上海迅理科技有限公司), a limited liability company established under the laws of the PRC on August 13, 2021, and a non-wholly owned subsidiary of our Company
“Share(s)”	ordinary share(s) in the capital of our Company with a nominal value of RMB1.00 each
“Shareholder(s)”	holder(s) of the Share(s)
“Shenzhen-Hong Kong Stock Connect”	a securities trading and clearing links program to be developed by the Hong Kong Stock Exchange, Shenzhen Stock Exchange, HKSCC and CSDCC for the establishment of mutual market access between Hong Kong and Shenzhen
“Shenzhen Xunpeng”	Shenzhen Xunpeng Technology Co., Ltd.* (深圳迅朋科技有限公司), a limited liability company established under the laws of the PRC on November 28, 2023, and a wholly-owned subsidiary of Shenzhen Xunshen
“Shenzhen Xunshen”	Shenzhen Xunshen Technology Co., Ltd.* (深圳迅深科技有限公司), a limited liability company established under the laws of the PRC on March 1, 2023, and a wholly-owned subsidiary of our Company
“Single Largest Group of Shareholders”	refers to Mr. Liu Chengxi, Zhuhai Enyuan, Zhuhai Fuqian, Zhuhai Guwen and Zhuhai Hengcheng, see “Relationship with our Single Largest Group of Shareholders”
“Sole Sponsor”	Guotai Junan Capital Limited

[REDACTED]

DEFINITIONS

“State Council”	the State Council of the PRC (中華人民共和國國務院)
“subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Supervisor(s)”	member(s) of our Supervisory Committee
“Supervisory Committee”	the supervisory committee of our Company
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC, as amended, supplemented or otherwise modified from time to time
“Track Record Period”	the periods comprising the years ended December 31, 2022, 2023, 2024 and the six months ended June 30, 2025
“treasury shares”	has the meaning ascribed to it under the Listing Rules

[REDACTED]

“Unlisted Share(s)”	ordinary share(s) (other than H Shares) in the share capital of our Company with a nominal value of RMB1.00 each
“U.S.” or “United States”	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
“U.S. Securities Act”	the United States Securities Act of 1933, as amended and supplemented or otherwise modified from time to time, and the rules and regulations promulgated thereunder
“U.S. dollar”, “US\$” or “USD”	United States dollar, the lawful currency of the United States

[REDACTED]

DEFINITIONS

“Xunce HK”	Xunce Technology HK Limited, a limited liability company incorporated under the laws of Hong Kong on November 9, 2018, and a wholly-owned subsidiary of our Company
“Xunsion HK”	Xunsion Technology HK Limited, a limited liability company incorporated under the laws of Hong Kong on May 4, 2023, and a wholly-owned subsidiary of Shenzhen Xunshen
“Zhuhai Enyuan”	Zhuhai Enyuan Technology Partnership (Limited Partnership)* (珠海恩圓科技合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on June 23, 2017, which is managed and controlled by its general partner Zhuhai Hengcheng, and a member of our Single Largest Group of Shareholders
“Zhuhai Fuqian”	Zhuhai Fuqian Technology Partnership (Limited Partnership)* (珠海富前科技合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on June 23, 2017, which is managed and controlled by its general partner Zhuhai Hengcheng, and a member of our Single Largest Group of Shareholders
“Zhuhai Guwen”	Zhuhai Guwen Technology Partnership (Limited Partnership)* (珠海股溫科技合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on June 22, 2017, which is managed and controlled by its general partner Zhuhai Hengcheng, and a member of our Single Largest Group of Shareholders
“Zhuhai Hengcheng”	Zhuhai Hengcheng Technology Co., Ltd.* (珠海亨呈科技有限責任公司), a limited liability company established under the laws of the PRC on June 14, 2017, and is owned as to 99.9% by Mr. Liu Chengxi and 0.1% by Mr. Geng Dawei, and the general partner of Zhuhai Enyuan, Zhuhai Fuqian and Zhuhai Guwen, and a member of our Single Largest Group of Shareholders
“%”	per cent

For ease of reference, the names of Chinese laws and regulations, governmental authorities, institutions, natural persons or other entities (including our subsidiary) have been included in this Document in both the Chinese and English languages and in the event of any inconsistency, the Chinese versions shall prevail.

** For identification purpose only*

GLOSSARY OF TECHNICAL TERMS

Unless the context otherwise requires, explanations and definitions of certain terms used in this Document in connection with our Group and our business shall have the meanings set out below. The terms and their meanings may not correspond to standard industry meaning or usage of these terms.

“analytical AI”	models that use deep learning and other statistical analysis methods aimed primarily at quantitative analysis
“Application Programming Interface” or “API”	acts as an intermediary between different software programs by allowing them to exchange data in a standardized way, which makes it easier for developers to build new applications or integrate existing ones
“asset managers”	professionals tasked with overseeing and optimizing the utilization of assets to meet the strategic objectives of their stakeholders, whether operating within financial institutions or as part of a non-financial enterprise’s internal department or else (such as high net-worth individuals)
“average revenue per user” or “ARPU”	a financial metric calculated by dividing a company’s total revenue by its total number of clients
“artificial intelligence” or “AI”	the simulation of human intelligence in machines or software, a field of study in computer science that develops and studies intelligent machines
“asset under management” or “AUM”	measures the total market value of all the financial assets which an individual or financial institution controls, typically on behalf of a client
“big data”	large and diverse data sets able to uncover hidden patterns, unknown correlations, market trends, customer preferences and other useful information assets under new processing model for greater decision-making power, insight and processing optimization capabilities
“CAGR”	compound annual growth rate
“city management”	refers to the management of an urban area that uses different types of electronic Internet of Things (IoT) sensors to collect data
“cloud-native”	“cloud-native” is an approach to designing, building, and deploying software applications specifically for cloud platforms, that fully utilize the capabilities of cloud computing
“COVID-19”	coronavirus disease 2019, a disease caused by a novel virus designated as severe acute respiratory syndrome coronavirus 2

GLOSSARY OF TECHNICAL TERMS

“data analytics”	the application layer that sits on top of data infrastructure, leveraging the collected, stored, and managed data to produce insights, make predictions, or inform decisions
“data infrastructure”	a unified data platform that collects, cleans, manages, analyzes and governs heterogeneous data from multiple sources, serving as the foundational layer that supports all data-related activities
“data lineage management”	to the process of tracking and managing the flow of data from its source to its destination, including any transformations, integrations, or other changes along the way. Such lineage information is critical for data governance, data quality, and regulatory compliance, as it enables organizations to understand and trace the origin and usage of data throughout its lifecycle
“deep learning”	a subset of AI and machine learning that mimics the working of biological neural systems such as human brains and uses multi-layered neural networks to deliver state-of-the-art accuracy in tasks such as object detection and recognition, speech recognition and natural language processing. Deep learning differs from traditional machine learning techniques in that it can automatically learn representations from data such as images, video or text, without introducing hand-coded rules or human domain knowledge. Its highly flexible architecture can learn directly from raw data and can increase its predictive accuracy when provided with some data
“DevOps”	a set of practices that combines software development and IT operations. It intends to reduce the time between committing a change to a system and the change being placed into normal production, while ensuring high quality
“DevOps agile development model”	involves continuous development and testing, with a focus on rapid iteration
“financial services (other than asset management)”	in the real-time data infrastructure and analytics market, financial services (other than asset management) include a broad range of financial services such as banking or brokerage services, the key application scenarios therein include anti-fraud, credit profile assessment, loan origination or customer acquisition for financial products
“generative AI”	often associated with modern techniques like deep learning, involves AI systems that can learn from data, identify patterns, and make decisions with minimal human intervention
“industry application”	in the context of revenue breakdown, the industry in which our solutions are adopted or applied, rather than the end industries

GLOSSARY OF TECHNICAL TERMS

	where our customers operate in. We identify industry application of our solutions sold based on (i) each customer’s business scope or (ii) the name of module(s) purchased or other terms of similar nature in the sales agreement
“industry-leading”	as confirmed by Frost & Sullivan, a level of superiority in relevant key metrics among major players in the real-time data infrastructure and analytics market in China
“IoT”	Internet of things, the extension of internet connectivity into physical devices and everyday objects
“IT”	Information technology
“machine learning”	the technology that automatically trains algorithms with data, learning patterns and relationships within the datasets to make predictions or decisions about new data they encounter
“manufacturing management”	the manufacturing sector which is equipped with fully-integrated, collaborative manufacturing systems that quickly respond to meet changing demands and conditions in the factory, in the supply network, and in customer needs
“MFO”	Money Market Fund Operations
“natural language processing” or “NLP”	the technology which enables machines to read, understand and derive meanings from human languages
“net dollar retention rate”	a ratio calculated by first identifying our customers and their contribution to our revenue for the same period in the previous year, then identifying the respective contribution from the same group of customers to our revenue for the current period, and finally calculating the ratio by dividing the revenue generated from the same group of customers during the current period by the revenue generated from them during the same period in the previous year
“optical character recognition” or “OCR”	the technology to convert different types of documents, such as scanned paper documents or images into editable and searchable data
“public cloud”; “private cloud”; “hybrid cloud”	“public cloud” is a type of cloud computing where resources (like servers and storage) are owned and operated by a third-party cloud service provider and delivered over the internet; “private cloud” refers to cloud computing resources used exclusively by one business or organization maintained on a private network; “hybrid cloud” combines public and private cloud elements, allowing data and applications to be shared between them

GLOSSARY OF TECHNICAL TERMS

“Qualified Domestic Institutional Investors” or “QDIIs”	institutional investors that have met certain qualifications set forth by the CSRC to invest in offshore capital markets
“R&D”	research and development
“Robotic Process Automation” or “RPA”	a form of business process automation that is based on software robots or artificial intelligence agents
“system integrator”	information technology service providers selected by end users to implement their projects to fulfill their specific demands and save them from the trouble of directly negotiating with a large number of different suppliers or service providers

FORWARD-LOOKING STATEMENTS

This Document contains forward-looking statements and information relating to us and our subsidiary that are based on the beliefs of our management as well as assumptions made by and information currently available to our management. When used in this Document, the words “aim,” “anticipate,” “believe,” “could,” “expect,” “going forward,” “intend,” “may,” “ought to,” “plan,” “project,” “seek,” “should,” “will,” “would,” “vision,” “aspire,” “target,” “schedules,” and the negative of these words and other similar expressions, as they relate to us or our management, are intended to identify forward-looking statements. Such statements reflect the current views of our management with respect to future events, operations, liquidity and capital resources, some of which may not materialize or may change. These statements are subject to certain risks, uncertainties and assumptions, including the risk factors as described in this Document, some of which are beyond our control and may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. You are strongly cautioned that reliance on any forward-looking statements involves known and unknown risks and uncertainties. The risks and uncertainties facing us which could affect the accuracy of forward-looking statements include, but are not limited to, the following:

- our operations and business prospects;
- our ability to maintain relationship with, and the actions and developments affecting, our major customers and suppliers;
- future developments, trends and conditions in the industries and markets in which we operate or plan to operate;
- general economic, political and business conditions in the markets in which we operate;
- changes to the regulatory environment in the industries and markets in which we operate;
- our ability to maintain the market leading positions;
- the actions and developments of our competitors;
- our ability to effectively contain costs and optimize pricing;
- the ability of third parties to perform in accordance with contractual terms and specifications;
- our ability to retain senior management and key personnel and recruit qualified staff;
- our business strategies and plans to achieve these strategies, including our service and geographic expansion plans;
- our ability to defend our intellectual rights and protect confidentiality;
- the effectiveness of our quality control systems;
- change or volatility in interest rates, foreign exchange rates, equity prices, trading volumes, commodity prices and overall market trends; including those pertaining to the PRC and the industry and markets in which we operate; and
- capital market developments.

By their nature, certain disclosures relating to these and other risks are only estimates and should one or more of these uncertainties or risks, among others, materialize, actual results may vary materially from those estimated, anticipated or projected, as well as from historical results. Specifically but without limitation, sales could decrease, costs could increase, capital costs could increase, capital investment could be delayed and anticipated improvements in performance might not be fully realized.

Subject to the requirements of applicable laws, rules and regulations, we do not have any and undertake no obligation to update or otherwise revise the forward-looking statements in this Document,

FORWARD-LOOKING STATEMENTS

whether as a result of new information, future events or otherwise. As a result of these and other risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this Document might not occur in the way we expect or at all. Accordingly, you should not place undue reliance on any forward-looking information. All forward-looking statements in this Document are qualified by reference to the cautionary statements in this section as well as the risks and uncertainties discussed in the section headed “Risk Factors” in this Document.

In this Document, statements of or references to our intentions or those of our Directors are made as of the date of this Document. Any such information may change in light of future developments.

RISK FACTORS

An [REDACTED] in our H Shares involves significant risks. You should carefully consider all of the information in this Document, including the risks and uncertainties described below, before making an [REDACTED] in our H Shares. The following is a description of what we consider to be our material risks. Any of the following risks could materially and adversely affect our business, prospects, results of operations and financial condition. The [REDACTED] of our H Shares could significantly decrease due to any of these risks, and you may lose all or part of your [REDACTED]. Additional risks and uncertainties not presently known to us or that we currently deem immaterial also may impair our business operations.

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

RISKS RELATING TO OUR BUSINESS AND INDUSTRY

We operate in an emerging and rapidly evolving industry and our success depends on our continuous innovation and ability to anticipate and respond to changes in industry trends and client demands in a timely and cost-effective manner. If we do not accurately anticipate, prepare for, and promptly respond to these industry changes and evolving client needs, our business, financial condition, results of operations and prospects would be materially and adversely affected.

We operate in an emerging and rapidly evolving industry, which may change in ways we do not anticipate. The real-time data infrastructure and analytics market in China, and particularly such market in the asset management industry, is at the early stage of development, and there is considerable uncertainty over the size and rate at which this market will grow, as well as whether our solutions will be widely adopted. If we do not accurately anticipate, prepare for, and promptly respond to these changes and evolving client needs, our business, financial condition, results of operations, and prospects would be materially and adversely affected.

The real-time data infrastructure and analytics market is characterized and affected by rapid technological change, evolving industry standards, changing regulations, as well as changing client needs, requirements, and preferences. While we have been investing in research and development to maintain our competitive edge and develop innovative solutions, we cannot guarantee that we will be able to successfully adapt to the changing market landscape. If we are unable to develop and launch new solutions or provide enhancements and new features to keep pace with rapid technological and industry changes, our business, results of operations, and financial condition could be adversely affected.

Additionally, if our industry judgment is inaccurate, or if the industry itself does not grow in ways that we anticipate, or if there is an emergence of any revolutionary technology that interrupts the entire industry and makes our solutions obsolete, our business will also be adversely affected. Navigating this uncertain landscape requires constant vigilance and adaptation to maintain a competitive edge and meet the demands of an ever-changing market. Our future success depends on our ability to anticipate and promptly respond to the challenges that come with operating in an emerging and rapidly evolving industry. Failure to do so may have a significant negative impact on our business and future growth prospects.

RISK FACTORS

If we are unable to attract and retain clients or continue to expand existing clients’ use and adoption of our solutions, our business, financial condition, results of operations and prospects may be materially and adversely affected.

Our success has been based on our ability to identify and anticipate the needs of our clients and develop solutions that enable asset managers to optimize all aspects of their asset management lifecycle. Our ability to attract new clients, retain existing clients and expand existing clients’ use and adoption of our solutions will depend in a large part on our ability to continue to improve and enhance the functionality, performance, reliability, design and scalability of our solutions and to innovate and introduce new solutions. If we fail to anticipate existing and potential clients’ rapidly changing needs and expectations or adapt to emerging trends, our market share and operating results and financial condition could suffer.

It is difficult to predict clients’ usage of our solutions accurately, and the loss or reductions in clients may negatively impact our business, results of operations, and financial condition. Our clients may cease using, not renew, or reduce their usage of our solutions due to various reasons, such as technological progress that renders our solutions obsolete, a decrease in solution quality, or other concerns related to our offerings. Unfavorable financial market conditions beyond our or our clients’ control may also affect usage.

Our historical net dollar retention rates may not be indicative of our net dollar retention rates in the future. Our net dollar retention rate decreased from 2023 to 2024 and from the six months ended June 30, 2024 to the same period in 2025, and there is possibility that our net dollar retention rate would further decline and/or we cannot maintain our net dollar retention rate at the current level. Our net dollar retention rate may decline or fluctuate as a result of a number of factors, including our customers’ dissatisfaction with our pricing or our products and services, and their ability to continue their operations and spending levels.

If we are unable to manage risks related to our revenue models, our business, financial condition, results of operations and prospects may be materially and adversely affected.

During the Track Record Period, we generated revenue under two models, namely a subscription model and a transaction model, mostly opted by the clients based on their own commercial needs. See “Business — Our Revenue Model” for more details. The subscription model, with payments generally due within 12 months, offers steady revenue over time but poses risks to short-term liquidity if payments are delayed. It promotes customer stickiness but requires consistent service quality to ensure renewals. On the other hand, the transaction model involves a one-time fee with payments generally due within 3 months from acceptance, leading to immediate cash inflow but causing cash flow variability and less predictable revenue streams. This model fosters less long-term customer loyalty. Both revenue models require efficient management to track usage, ensure solution quality, and handle renewals or project acceptance effectively, with any disruptions potentially impacting our financial performance. Additionally, the aforementioned variability in cash flow resulting from the transaction model and the potential short-term liquidity risks associated with the subscription model could impact our ability to manage our working capital, meet financial obligations, and invest in future growth opportunities. For more details, see “Business — Customers and Suppliers — Customers” and “Financial Information — Material Accounting Policy Information — Revenue Recognition.”

RISK FACTORS

The expansion into new client segments and verticals may expose us to new challenges and more risks.

Our journey started with the asset management industry where we have established a dominant market position. There are significant opportunities to expand our client base across the various client segments we serve today, such as larger institutional asset management clients. We have accumulated extensive knowhow and expertise over multiple years by serving the highly complex asset management industry, and we believe there is significant potential in extending our solutions to adjacent and emerging industries.

However, expanding our solutions into new client segments and verticals involves new risks and challenges. Our lack of familiarity with new verticals may make it more difficult for us to keep pace with the evolving client demands and preferences. In addition, there may be one or more existing market leaders in any vertical that we decide to expand into. Such companies may have advantages, and may be able to compete more effectively than us by leveraging their experience in doing business in that market as well as their deeper industry insight and greater brand recognition among potential clients. We will need to comply with new laws and regulations applicable to these businesses, the failure of which would adversely affect our reputation, business, results of operations and financial condition. Expansion into any new client segment or vertical may also place significant strain on our management and resources, and failure to expand successfully could have a material adverse effect on our business and prospects.

We operate in an increasingly competitive environment, and pricing pressure, new technologies, or other competitive dynamics may materially and adversely affect our business, financial condition, and results of operations.

Our future success relies significantly on our ability to navigate an increasingly competitive environment and effectively manage the growth of our business while maintaining and improving our profit margin. The industries in which we operate are subject to intense competition, pricing pressure, rapid technological advancements, and constantly changing competitive dynamics, which may materially and adversely affect our business, financial condition, and results of operations.

New technologies that emerge with the ability to deliver competitive solutions at lower prices or more efficiently could adversely impact our ability to compete effectively. Any failure of our solutions to operate effectively with evolving or new software and technologies could reduce the demand for our solutions. If we are unable to respond to these changes in a cost-effective manner, our solutions may become less marketable and less competitive or obsolete, and our business, results of operations, and financial condition could be adversely affected.

We implement a tailored pricing model — instead of a uniform pricing for each individual module, we price each module based on factors including but not limited to the volume and complexity of data involved and processing speed (from milliseconds to seconds). Accordingly, the pricing of each solution is determined by the number and type of modules required, the processing speed demanded by the client, level of customization, and the availability of similar solutions in the market, among others. If our pricing model is not optimal, it may result in our solutions being less competitive, less profitable, or not gaining market share. As competitors introduce new solutions that compete with ours, we may be unable to attract new clients at the same price or based on the same pricing models as we have used historically. As a result, in the future we may be required to reduce our selling prices, which could adversely affect our revenue, gross

RISK FACTORS

profit, financial position and cash flows. Additionally, the gross profit margins we achieved vary under different revenue models, and it is possible that an increasing portion of our future revenue is generated under the revenue model with relatively lower gross profit margin and based on one-off transactions in nature.

In summary, our future success depends on our ability to navigate the competitive landscape, optimize pricing model, effectively manage the growth of our business, maintain and improve our profit margins, and continue to commercialize our solutions successfully. Failure to address these challenges could have a material and adverse effect on our business, financial condition, and results of operations.

We have a limited history in providing certain of our major services offerings. Our historical results may not be indicative of our future performance, and we may not be able to sustain our historical growth rates.

We commenced our operations in 2016 and our sales have grown rapidly since our inception. However, such growth should not be considered indicative of our future performance. Our future growth, profitability and cash flows depend upon our ability to successfully execute our business strategy, which is dependent upon a number of factors, including our ability to:

- anticipate and respond to rapidly changing client needs and market trends in the real-time data infrastructure and analytics market in China;
- continue to improve and enhance our current solutions and to innovate and introduce new solutions;
- continue to increase the productivity of our existing employees and to hire, train and manage new employees, especially those related to R&D, as needed;
- improve our financial and management controls and our reporting processes and procedures;
- maintain and expand margins through sales growth and efficiency initiatives;
- effectively manage our relationships with clients, suppliers and business partners;
- effectively manage our debt, working capital and capital investments to maintain and improve the generation of cash flow; and
- execute any acquisitions or strategic alliances quickly and efficiently and integrate businesses successfully.

Our limited operating history may make it difficult to evaluate our future prospects and the risks and uncertainties associated with new offerings, and our historical performance may not be indicative of our future prospects and operating results. You should consider our prospects and future profitability in light of the risks, uncertainties, and difficulties encountered by any new company. Such risks and uncertainties may affect our ability to develop and maintain our range of services for our clients and partners and to compete with our competitors.

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Changes in the global, national, or regional economic and market conditions, political and social conditions, as well as government policies, could have a material adverse effect on our business, financial condition, results of operations and prospects.

As of the Latest Practicable Date, the vast majority of our assets and operations were located in China. Accordingly, our business, prospect, financial condition, and results of operations are influenced to a significant degree by political, economic and social conditions in China and by continued economic growth in China.

The Chinese government has implemented various measures to encourage economic growth. Some of these measures may benefit the overall Chinese economy but may not have the same effect on us.

In addition, the global economic, political and social conditions are evolving rapidly and subject to uncertainties. For example, health epidemics have in the past caused significant downward pressure for the global economy. Geopolitical tension and conflicts, energy crisis, inflation risk, interest rate increases, instability in the financial system, and the tightening of monetary policy by the U.S. Federal Reserve impose new challenges and uncertainties on the global economy. It is unclear whether these challenges and uncertainties will be contained or resolved, and what effects they may have on the global political and economic conditions in the long term. Furthermore, sanctions and export control measures may be unilaterally imposed by the U.S. or other jurisdictions from time to time. These measures are expected to have significant impact on the targeted countries, markets and/or entities. Chinese companies may be affected by such sanctions or export control measures. We may also be exposed to risks in dealing with business partners subject to sanctions or export controls. For example, some underlying technology platforms or service providers for our development might be restricted due to sanctions or export control, which would adversely affect our business and innovation. As a result, we could be required to incur additional costs to comply with these complicated regulations and measures and could face penalties for any violation, even if inadvertent.

We are subject to the performance of the overall financial market. Events affecting the global and Chinese financial markets could materially and adversely affect our business and operating results.

We are subject to the performance of the overall financial market. Events affecting the global and Chinese financial markets could materially and adversely affect our business. As our clients cover a wide variety of institutional asset managers in China, spanning insurance companies, mutual funds, asset management department within banks, securities houses, corporate treasuries, family offices, high net worth individuals and more, our operations and financial performance are inherently linked to the overall health and stability of the financial sector.

The global and Chinese financial markets are susceptible to a range of factors, such as macroeconomic conditions, changes in interest rates, regulatory policies, and geopolitical events, which can lead to market fluctuations, reduced investor confidence, and increased volatility. In recent years, the banking sector has experienced periods of instability, with some institutions facing financial distress, insolvency, or even bankruptcy. As a result, these institutions may experience reduced profitability, liquidity issues, or an inability to meet their financial obligations, including payments to service providers like us. The past three years have witnessed a temporary slowdown in the financial sector’s growth, attributable to the overarching impacts of COVID-19 and the global political climate, leading to a decline in our revenue contributed by solutions adopted in the asset management industry as a percentage to our total revenue.

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In the event of a financial crisis or significant downturn in the global and/or Chinese financial market, our clients may be forced to reduce or delay their spending on our solutions. This could lead to a decline in demand for our offerings, impacting our financial performance. Moreover, clients facing distress may be more likely to default on their payments to us or negotiate more favorable payment terms, which could affect our cash flow and working capital. Additionally, the failure of one or more larger institutional asset managers could have a ripple effect throughout the industry, potentially leading to further instability and negatively impacting our business prospects.

The successful operation of our business depends upon the digitalization efforts and progress of China’s asset managers and other market players.

Our business relies on the digitalization efforts and progress of asset managers and other market players in China and other countries and regions in which we may operate. The adoption of digital solutions by businesses across industries is crucial for the growth and success of our business. While we strive to offer innovative and efficient technological solutions, the ultimate decision to embrace digitalization and integrate our offerings lies with these market players. Factors such as organizational culture, resistance to change, regulatory restrictions, or concerns over data security could hinder the willingness of enterprises to adopt digital solutions. If these market players are slow to adopt or invest in digitalization, it may limit our ability to grow and expand our business.

The industry that we operate in and the clients we collaborate with are highly regulated, and if we or our offerings fail to adapt to the tightening of laws, regulations or standards applicable to us or our clients, our business, financial condition and results of operations could be materially and adversely affected.

The industry that we operate in and the clients we collaborate with are highly regulated, and our ability to adapt to changes in laws, regulations, or standards applicable to us or our clients is crucial for the success of our business. If we, or our offerings, fail to adapt to the tightening of these regulatory frameworks, our business, financial condition, and results of operations could be materially and adversely affected.

As our business operates in an environment where legal and regulatory frameworks are constantly changing, we must remain vigilant in monitoring and adapting to new laws, rules, and regulations. Although we do not directly engage in the financial industry, the regulations affecting the industry and our clients can indirectly impact our operations. For example, if our clients and their business activities face increased regulatory scrutiny or are subject to new compliance requirements, it may lead to a decrease in demand for our solutions or expose us to potential legal and reputational risks. For instance, we could face situations where our clients are restricted from using our solutions due to regulatory constraints, or we may be limited in our ability to provide certain services to them.

Furthermore, the potential misuse of our solutions by clients for illegal activities, even without our knowledge or consent, could result in regulatory investigations, sanctions, or litigation against us. Such situations may not only harm our reputation but also lead to financial penalties, operational disruptions, or even the suspension or revocation of our licenses to operate.

Our inability to comply with or adapt to the evolving regulatory landscape could result in the termination of business relationships with key clients, loss of revenue streams, legal actions, fines, or penalties. These consequences could have a significant adverse impact on our reputation, business performance, and growth prospects.

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Our inability to attract, retain and motivate qualified personnel or loss of key management members or technical staff may materially and adversely affect our growth and prospects.

Our success is built upon our market leading talents. We possess a strong research and development team with approximately 320 experienced professionals as of June 30, 2025, representing approximately 67.0% of our total staff, who are equipped with extensive knowhow and expertise over multiple years’ industry experience accumulated while serving highly complex asset management companies and other leading information technology companies. Our future success depends, in part, on our ability to continue to attract and retain highly skilled personnel. We believe that there is, and will continue to be, intense competition for highly skilled management, technical, sales and other personnel with experience in the industries in which we operate. We must provide competitive compensation packages and a high-quality work environment to hire, retain and motivate employees. If we are unable to retain and motivate our existing employees and attract qualified personnel to fill important positions or there is a significant increase in our labor costs, we may be unable to manage our business effectively, including the research and development, marketing and sale of our solutions, which could adversely affect our business, operating results and financial condition. To the extent we hire personnel from competitors, we also may be subject to allegations that they have been improperly solicited or divulged proprietary or other confidential information.

We may not be able to prevent unauthorized use of our intellectual property, which could harm our business, brand, reputation, and competitive position, while we may also be subject to intellectual property infringement claims that may be expensive and time-consuming to defend, disrupting our business and operations by diverting our financial and management resources.

Our success depends, in part, on our ability to protect our brand and the proprietary methods and technologies that we develop under patent and other intellectual property laws in China so that we can prevent others from using our inventions and proprietary information. As of the Latest Practicable Date, we had 51 patents, 478 copyrights and 7 patent applications in the PRC, and registered 59 trademarks and 10 domain names. There can be no assurance that any patents that have been issued or that may be issued in the future will provide significant protection for our intellectual property. If we fail to protect our intellectual property rights adequately, our competitors might gain access to our technology and our business, results of operations and financial condition may be adversely affected. There can be no assurance that the particular forms of intellectual property protection that we seek, including business decisions about when to file trademark applications and patent applications, will be adequate to protect our business. We may have to spend significant resources to monitor and protect our intellectual property rights. Litigation may be necessary in the future to enforce our intellectual property rights, determine the validity and scope of our proprietary rights or those of others, or defend against claims of infringement or invalidity. Such litigation could be costly, time-consuming, and distracting to management, result in a diversion of significant resources, the narrowing or invalidation of portions of our intellectual property and have an adverse effect on our business, results of operations and financial condition. Our efforts to enforce our intellectual property rights may be met with defenses, counterclaims and countersuits attacking the validity and enforceability of our intellectual property rights or alleging that we infringe the counterclaimant’s own intellectual property. Any of our patents, copyrights, trademarks or other intellectual property rights could be challenged by others or invalidated through administrative process or litigation.

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We also rely, in part, on confidentiality agreements and non-compete agreements with our business partners, employees, consultants, advisors, clients and others in our efforts to protect our proprietary technology, processes and methods. These agreements may not effectively prevent disclosure of our confidential information, and it may be possible for unauthorized parties to copy our software or other proprietary technology or information, or to develop similar software independently with us lacking an adequate remedy for unauthorized use or disclosure of our confidential information. In addition, others may independently discover our trade secrets and proprietary information, and in these cases we would not be able to assert any trade secret rights against those parties. Costly and time-consuming litigation could be necessary to enforce and determine the scope of our proprietary rights, and failure to obtain or maintain trade secret protection could adversely affect our competitive business position. In addition, to the extent we expand our international activities, our exposure to unauthorized copying, transfer and use of our proprietary technology or information may increase.

We cannot be certain that our means of protecting our intellectual property and proprietary rights will be adequate or that our competitors will not independently develop similar technology. If we fail to meaningfully protect our intellectual property and proprietary rights, our business, results of operations and financial condition could be adversely affected.

On the other hand, we may be subject to lawsuits brought by our competitors, individuals, or other entities against us, as well as regulatory investigations or proceedings, in matters primarily relating to intellectual property rights, antitrust, and competition claims concerning our technology and solutions. We cannot predict the outcomes of such lawsuits or regulatory actions, which may not be successful or favorable to us. Lawsuits or regulatory investigations or actions against us, our shareholders, Directors, officers or employees may also generate negative publicity that significantly harms our reputation, which may adversely affect our client base and relationships with our business partners. In addition to the related cost, managing and defending litigation and regulatory proceedings can significantly divert our management’s attention from operating our business. We may also need to pay damages or settle lawsuits or regulatory proceedings with a substantial amount of cash, or be required by the relevant regulatory authorities to make substantive changes to our existing business model. For more details, see “Business — Legal Proceedings and Non-compliance.”

We invest heavily in our research and development, and such investments may prove fruitless or unsuccessful, which would materially and adversely affect our business, financial condition and results of operations.

We have committed significant resources to research and development of our solutions to meet the evolving needs of clients in the real-time data infrastructure and analytics market. During the Track Record Period, we recorded total research and development expenses of RMB258.8 million, RMB379.1 million, RMB450.4 million, RMB248.2 million and RMB168.1 million in 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively. Our research and development efforts may require substantial upfront costs without generating corresponding revenue, which could lead to continued net losses in the short term.

Additionally, there is no guarantee that our research and development efforts will be fruitful. We may spend significant resources on research and development activities that may not result in marketable

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solutions or enhancements thereof, or that may require significant additional investment to become commercially viable. Such outcomes could have a negative impact on our financial performance and may limit our ability to compete effectively in the industry in which we operate.

Therefore, our investment in research and development may not generate the results we expect to achieve, and our financial performance may be negatively impacted in the short term. Any failure to generate a sufficient return on our investment in research and development may adversely affect our ability to attract [REDACTED] and maintain our market position.

Actual or perceived errors or failures in our solution or the implementation or maintenance of our solution may affect our reputation, cause us to lose clients and reduce sales which may harm our business and results of operations and subject us to liability for breach of contract claims.

Any errors, defects or disruptions to our solutions and any other performance problems with our solutions could result in our clients’ dissatisfaction, in turn, hurt our brand and reputation. We provide regular and ad-hoc updates to our solutions, which have in the past contained, and may in the future contain, undetected errors, failures, vulnerabilities and bugs when first introduced or released. Real or perceived errors, failures, bugs or security vulnerabilities in our solutions could result in negative publicity, loss of or delay in market acceptance of our solutions, loss of competitive position, lower client retention or claims by clients for losses sustained by them. In such an event, we may be required, or may choose, for client relations or other reasons, to expend additional resources in order to help correct the problem. As a result, our reputation and our brand could be harmed, and our business, operating results and financial condition may be adversely affected.

If we are unable to successfully execute our growth strategies or realize our anticipated growth in a cost-efficient manner, our operating results will be harmed.

We will continue to drive growth by deepening and broadening client base, advancing and extending our solutions, and exploring and accelerating business expansion. See “Business — Our Strategies” for further details of our strategies. Pursuing such strategies has resulted in, and will continue to result in, substantial demands on capital and other resources. In addition, managing our growth and executing on our growth strategies will require, among other things, our ability to continue to innovate and develop advanced technology in the highly competitive real-time data infrastructure and analytics market in China, effective coordination and integration of our facilities and teams across different sites, successful hiring and training of personnel, effective cost control, sufficient liquidity, effective and efficient financial and management control, increased marketing and client support activities, effective quality control, and management of our suppliers to leverage our purchasing power. Any failure to execute our growth strategies or realize our anticipated growth could adversely affect our business, financial condition and results of operations.

We may fail to make investments to pursue business expansion opportunities, and we may not be able to achieve the anticipated benefits from these partnerships, acquisitions or investments, or business expansions, and we may encounter difficulties in successfully integrating and operating acquired assets or businesses.

As part of our business strategy, we have pursued, and intend to continue to pursue, selective strategic investments and acquisitions of businesses and assets that complement our existing business and help us execute our growth strategies. A significant challenge we may face in this regard is the successful

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integration and operation of the acquired assets or businesses. We intend to make other strategic investments and acquisitions in the future if suitable opportunities arise. Investments and acquisitions involve uncertainties and risks, including, but not limited to:

- anticipate and respond to rapidly changing client needs and market trends in the real-time data infrastructure and analytics market in China;
- non-occurrence of anticipated or speculative transactions and any resulting negative impact;
- costs and difficulties of integrating acquired businesses and managing a larger business;
- in the case of investments where we do not obtain management and operational control, lack of influence over the controlling partner or shareholder, which may prevent us from achieving our strategic goals in the investments;
- possible unsatisfactory operational or financial performance, including financial loss, or fraudulent activities of a target business;
- possible loss of key employees of a target business;
- potential claims or litigation regarding our board’s exercise of its duty of care and other duties required under applicable law in connection with any of our significant acquisitions or investments approved by the board;
- diversion of resources and management attention;
- difficulties in integrating and operating acquired assets or businesses, which may hinder our ability to achieve the intended objectives, benefits, or revenue-enhancing opportunities;
- regulatory hurdles and compliance risks, including the anti-monopoly and competition laws, rules and regulations of China and other jurisdictions and the enhanced compliance requirement for outbound acquisitions and investment under the laws and regulations of China; and
- in the case of acquisitions of businesses or assets outside of China, the need to integrate operations across different business cultures and languages and to address the particular economic, currency, political, and regulatory risks associated with specific countries and regions.

Any failure to address the challenges of integrating and operating acquired assets or businesses may have a material and adverse effect on our financial condition and results of operations. Investments and acquisitions may require a significant amount of capital, which would decrease the amount of cash available for working capital or capital expenditures. In addition, if we use our equity securities to pay for investments and acquisitions, we may dilute the value of our securities. If we borrow funds to finance investments and acquisitions, such debt instruments may contain restrictive covenants that could, among other things, restrict us from distributing dividends. Moreover, acquisitions may also generate significant amortization expenses related to intangible assets. We are required to test our goodwill for impairment annually or more frequently if events or changes in circumstances indicate that they may be impaired. We may also incur significant impairment charges to earnings for investments and acquired businesses and assets. Moreover, there can be no assurance that our investments will bring the anticipated strategic benefits to us.

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If we are unable to effectively integrate our solution with other systems used by our clients, or if there are performance or compatibility issues with such third-party systems, our solution will not operate effectively and our business will be adversely affected.

Our solutions allow our clients to integrate legacy systems and data-sources, as well as transition to and build on their bespoke public or private cloud within their ecosystem with a closed-loop data flow, subject to their preference and capacity. If we are unable to effectively integrate our solution with other systems used by our clients, or if there are performance or compatibility issues with such third-party systems, our solution will not operate effectively, and our business will be adversely affected.

The process of developing integration-ready solutions with various third-party systems can be complex and time-consuming, as it often involves addressing multiple technical and operational challenges. These challenges may arise from differences in software architecture, data structures, or communication protocols, among others. If we are unable to overcome these challenges and provide a smooth and efficient integration experience, our clients may be less inclined to choose our solution or renew their contracts with us, leading to a decline in client satisfaction and potential loss of revenue.

Moreover, the rapidly evolving technology landscape and the increasing prevalence of new and emerging systems in the real-time data infrastructure and analytics market in China may require us to continually update and enhance our solution to ensure compatibility with a wide range of third-party systems. Our ability to adapt to these changes and maintain compatibility with our clients’ systems is crucial for our long-term success.

We had recorded net losses and operating cash outflow during the Track Record Period, and we may not be able to achieve or subsequently maintain profitability.

In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, we recorded net losses of RMB96.5 million, RMB63.4 million, RMB97.8 million, RMB97.8 million and RMB108.0 million, respectively. In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, we recorded net cash outflow from operating activities of RMB185.0 million, RMB194.0 million, RMB170.2 million, RMB107.3 million and RMB128.1 million, respectively. Additionally, we incurred adjusted net loss (Non-HKFRS measure) of RMB96.5 million, RMB58.4 million, RMB82.4 million, RMB87.1 million and RMB105.0 million in 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively. Throughout the Track Record Period, we had made substantial investment in the research and development of our solutions, which resulted in significant operating expenses. For a detailed operating cash flow analysis, see “Financial Information — Liquidity and Capital Resources — Net Cash Flows Generated from/(Used in) Operating Activities.” We cannot guarantee that our prospective business activities and/or other matters beyond our control (such as market competition and changes to the macroeconomic environment) will not adversely affect our operating cash flow and lead to net operating cash outflows in the future. If we encounter long-term and continuous net operating cash outflow in the future, we may not have sufficient working capital to cover our operating costs, and our business, financial position and results of operations may be materially and adversely affected. For further details, see “Business — Business Sustainability and Path to Profitability.”

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We are exposed to credit risk from our clients and the recoverability of our trade receivables is subject to uncertainties.

We are exposed to credit risk from our clients to the extent we allow them a credit period on a case-by-case basis. Our trade receivables amounted to RMB76.7 million, RMB266.3 million, RMB251.7 million and RMB253.7 million as of December 31, 2022, 2023, 2024 and June 30, 2025, respectively. The general upward trend of our trade receivables during the Track Record Period was attributable primarily to (i) our strategic expansion into industries beyond asset management, under which we selectively granted more flexible payment terms to certain high-quality customers to deepen market penetration and capture greater market share;(ii) the refinement of our credit policy through a pilot program of a more granular customer credit assessment system, under which customers meeting our internal credit rating requirements were provided with preferential credit terms to stimulate sales; and(iii) the adoption of a more prudent approach in the accounting recognition of receivables. Specifically, for receivables outstanding for more than one year, we applied an impairment provision ratio of over 60%. For further details, see “Financial Information — Discussion of Certain Selected Items from the Consolidated Statements of Financial Position.”

A client’s ability to make payments on a timely basis depends on various factors such as general economic and market conditions, the client’s cash flow position, and their own operational performance, which are out of our control. Poor operational performance by our clients may result in their inability to pay us, increasing our exposure to credit risk. Delays in receiving payments from our clients may adversely affect our cash flow position and our ability to meet our working capital requirements. Defaults in making payments to us on projects for which we have already incurred significant costs and expenditures can materially and adversely affect our results of operations and reduce our financial resources that would otherwise be available for other purposes. There is no assurance that our clients will pay us on a timely basis or at all, which may adversely affect the recoverability of our trade receivables, as well as our business and financial performance.

Failure to effectively develop and expand our sales and marketing capabilities could harm our ability to increase our client base and achieve broader market acceptance of our solutions.

Our growth strategies include, among other things, deepening and broadening client base, extending our solutions to adjacent and emerging industries, and exploring international business expansion. See “Business — Our Strategies” for further details of our strategies. Pursuing such strategies will require us to further develop and expand our sales and marketing capabilities, which in turn requires significant investments in financial and other resources, including in industries and sales channels in which we have limited experience to date. Our business and results of operations will be harmed if our sales and marketing efforts generate increases in revenue that are smaller than anticipated. We may not achieve anticipated revenue growth from expanding our sales force if we are unable to hire, develop, integrate, and retain talented and effective sales personnel, if our new and existing sales personnel are unable to achieve desired productivity levels in a reasonable period of time, or if our sales and marketing programs are not effective.

We may be involved in disputes arising from our operations or breaches of our clients’ security systems, and the resulting client complaints, regulatory actions and legal proceedings against us may harm our reputation and have a material and adverse effect on our business, financial condition, results of operations and prospects.

As a provider of real-time data infrastructure and data analytics solutions, we may face disputes with clients, suppliers, partners, or other third parties. These disputes may arise from issues related to our solutions, services, intellectual property rights, contracts, or other matters, and may lead to legal proceedings or arbitration. We cannot assure you that we will not be a party to any regulatory action,

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litigation, arbitration or other disputes in the future. If such proceedings are commenced by or against us, our reputation, business, financial condition, results of operations and prospects may be materially and adversely affected, and our resources and management’s attention may be diverted from our core business operations.

In particular, breaches of our clients’ security systems, including cyberattacks, data loss, and other security incidents on our solutions, could expose us to various risks that may adversely affect our business and results of operations. Our solutions are deployed and run on our clients’ self-managed cloud or local systems, and we do not store or have access to our clients’ data during their operation. We also disclaim our responsibilities for any damages or losses caused by the clients’ own operating environment, the improper use or accidents caused by the clients and any other damages or losses not intentionally caused by us in the agreements we enter into with our clients. However, we have in the past been, and may in the future be defendants in the disputes arising from data loss or cyberattacks on our clients’ end system, even though such incidents were not intentionally caused by us.

During the Track Record Period and up to the Latest Practicable Date, we had not been a party to any material legal, arbitral or administrative proceedings and we were not aware of any material pending or threatened legal, arbitral or administrative proceedings against us or any of our Directors that may have a material and adverse effect on our business, financial condition, results of operations and prospects as a whole. Along with the growth of our business, however, we may become involved in litigations, regulatory proceedings and other disputes arising from our business operation. Such litigations and disputes may result in claims for actual damages, freezing of our assets and diversion of our management’s attention, as well as legal proceedings against our Directors, officers or employees. Given the uncertainty, complexity, and scope of many of these litigation matters, their outcome generally cannot be predicted with a reasonable degree of certainty. As a result, any unfavorable final resolution of disputes, including substantial liabilities arising from lawsuit judgments, may have a material and adverse effect on our business, financial condition, results of operations and prospects. Moreover, even if we eventually prevail in these matters, we could incur significant legal fees or suffer significant reputational harm, which could have a material and adverse effect on our prospects and future growth.

Our business operations are subject to seasonality.

Historically, we have received a higher volume of orders from new and existing clients in the third and fourth fiscal quarters of each year. We believe that this results from the procurement, budgeting, and deployment cycles of many of our clients, particularly certain larger institutional asset managers. As a result of the seasonal fluctuations in our results of operations, comparing our results of operations on a period-to-period basis may not be meaningful, and you should not rely on our past results as an indication of our future performance. Our short-term, interim and annual revenues and costs and expenses as a percentage of our revenues in a given period may be significantly different from our historical or projected rates and our results of operations in future quarters may fall below expectations.

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We cooperate with certain third parties to develop and provide our technology solution offerings. Our business, results of operations, financial condition and reputation may be materially and adversely affected if these third parties do not continue to maintain or expand their relationship with us, or if they suffer from negative publicity or fail to perform in accordance with the terms of our contracts.

We collaborate with various third-party entities to develop and provide our technology solution offerings, including but not limited to software developers and technical service providers. Our business, results of operations, financial condition, and reputation may be materially and adversely affected if these third parties do not continue to maintain or expand their relationships with us, or if they suffer from negative publicity or fail to perform in accordance with the terms of our contracts.

Additionally, as a Chinese company, we may be adversely affected by the current China-U.S. relationship, which could possibly result in restricted access to certain essential software or technology services that are vital for our operations, and will significantly impact our ability to innovate and maintain a competitive edge in the market.

We are exposed to risks associated with current tensions in international trade and geopolitical friction.

As a company operating in China and seeking to expand the footprint to the global marketplace, we may be exposed to risks arising from geopolitical tensions and international trade disputes. Recently, there have been heightened tensions in international economic relations, such as that between the United States and China. In particular, tensions between China and the U.S. have escalated, resulting in increased tariffs, import/export restrictions, and other measures that could adversely affect our business. Additionally, recent conflicts between Russian and Ukraine, the Israeli–Palestinian conflict since October 2023, and potential escalation of hostilities between these countries or regions may further complicate the geopolitical landscape and affect global economy. These tensions may create uncertainty, volatility, and instability in the global economy, financial markets, and currency exchange rates, which could adversely affect our business and financial performance. There can be no assurance that we will be successful in mitigating these risks, and any failure to do so could have a material adverse effect on our business, financial condition, and results of operations.

We may not be able to detect or prevent fraud or other misconduct committed by our employees or third parties, which may have a negative impact on our reputation and business.

We are exposed to fraudulent or illegal activities or other misconduct by our employees, clients, suppliers or other third parties that could subject us to liabilities, fines and other penalties imposed by government authorities and negative publicity. Although we have implemented internal controls and policies with regard to the review and approval of merchant accounts, sales activities, interactions with business partners and government officials and other relevant matters, there can be no assurance that our controls and policies will prevent fraud or illegal activity by such persons or that similar incidents will not occur in the future. Any illegal, fraudulent, corrupt or collusive activity by our employees, clients, suppliers or other third parties, including, but not limited to, those in violation of anti-corruption or anti-bribery laws, could subject us to negative publicity that could severely damage our brand and reputation and, if conducted by our employees, could further subject us to significant financial and other liabilities to third parties and fines and other penalties imposed by government authorities. Accordingly, our failure to detect and prevent fraudulent or illegal activities or other misconduct by our employees, clients, suppliers or other third parties could materially and adversely affect our business, financial condition, results of operations and prospects.

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Data security and privacy threats, leakage or misappropriation of know-how, confidential information, and trade secrets from unauthorized copying, use or disclosure could have an adverse impact on our reputation and operations.

Our solutions are deployed in our clients’ self-managed cloud or local systems and we do not directly access or store our clients’ data. Nevertheless, during the course of providing our services, we may have access to and be entrusted with information that is confidential in nature, such as information that relates to our clients’ systems, operations or affairs. Our information technology systems could be subject to cyber-attack or data privacy breaches by employees, others with authorized access, and unauthorized persons. Such attacks could result in disruption to our operations and/or loss or disclosure of, or damage to, ours or any of our business partners’ confidential information, or reputation. Our information technology systems security measures may also be breached due to employee error, malfeasance, or otherwise. Additionally, outside parties may attempt to fraudulently induce employees, customers, or suppliers to disclose sensitive information in order to gain access to our data and information technology systems. Any such breach could result in significant legal and financial exposure, damage to our reputation, loss of competitive advantage, and a loss of confidence in the security of our information technology systems. Because the techniques used to obtain unauthorized access, disable or degrade, or sabotage our information technology systems change frequently and often are not recognized until launched, we may be unable to anticipate these techniques or to implement adequate preventive measures. We continue to make investments seeking to address risks and vulnerabilities, and maintain a comprehensive and rigorous data security program. See “Business — Data Privacy and Security” in this Document. However, there is no assurance that the steps taken by us to protect the confidentiality of our clients’ information will successfully prevent any leakage or misappropriation of confidential information of our clients. Any leakage or misappropriation of confidential information of our clients could expose us to complaints or claims, which may materially and adversely affect our reputation and business operations.

In addition, we seek to protect our know-how, confidential information and trade secrets, in part, by entering into non-disclosure and confidentiality agreements or other means to such effect, with parties who have access to them, such as our employees. Despite these efforts, any of these parties may breach such agreements, intentionally or unintentionally and disclose our proprietary information and we may not be aware of or able to obtain adequate remedies for such breaches. The unauthorized disclosure and/or misappropriation of trade secrets is difficult to detect and/or to prove. As such, it is difficult, expensive and time-consuming to establish trade secret misappropriation claims, with no guarantee of success or adequate remedies. Such disclosures could also lead to a loss of trade secret protection, which could materially and adversely affect our business, competitive position, financial conditions, and results of operations.

Our sales cycle and related client implementation, especially with regard to large institutional asset managers and other complex clients, can be lengthy and variable, depend upon factors outside our control, and could cause us to expend significant time and resources and therefore adversely impact our business stability.

Our sales cycle and related client implementation, particularly concerning large institutional asset managers and other complex clients, can be lengthy and variable, depend upon factors outside our control, and could cause us to expend significant time and resources, thereby adversely impacting our business stability. The duration of our sales cycle may vary significantly depending on various factors, such as the size and complexity of the client’s requirements, the need for customization, and the client’s internal decision-making and approval processes.

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The lengthy and variable sales cycles may result in increased unpredictability in our revenue recognition and financial results, and the significant time and resources we expend during lengthy sales cycles may reduce our capacity to engage with other potential clients or pursue other business opportunities, limiting our growth potential. If we are unable to secure contracts with these large institutional asset managers or other complex clients after investing considerable time and resources, our operating results and financial condition may be materially and adversely affected.

We require various approvals, licenses, permits and certifications to operate our business, any failure to obtain or renew any of these approvals, licenses, permits or certifications could materially and adversely affect our business and results of operations.

In accordance with the laws and regulations in the jurisdictions in which we operate, we are required to maintain certain approvals, licenses, permits and certifications in order to operate our business. Complying with such laws and regulations may require substantial expense, and any non-compliance may expose us to liability. We cannot guarantee that we will be able to obtain all requisite approvals, licenses, permits and certifications at all times. Regulatory authorities who have extensive authority to supervise and regulate the industry we operate in may not interpret relevant laws and regulations the way we do. In addition, as the regulatory regime for the financial services, technology service and related industries in China continues to evolve, new laws, regulations and regulatory requirements are promulgated and implemented from time to time, and the interpretation and application of existing laws, regulations and regulatory requirements are subject to changes. We may be required to obtain approvals, licenses, permits and certifications that we do not currently have for our existing business or new scope of business that we may expand into in the future. In the event of non-compliance, we may have to incur significant expenses and divert substantial management time to rectify the incidents. In the future, if we fail to obtain all the necessary approvals, licenses, permits and certifications required by relevant laws and regulations or if we are deemed to have conducted business operations requesting certain approvals, licenses, permits and certifications without having one, we may be subject to fines or the suspension of operations of the relevant business segments or facilities that do not have all the requisite approvals, licenses, permits and certifications, which could materially and adversely affect our business and results of operations. We may also experience adverse publicity arising from non-compliance with government regulations, which would negatively impact our reputation.

Furthermore, in the event that we are required to renew our existing licenses or permits or acquire new ones, whether as a result of the promulgation of new laws and regulations or otherwise, we cannot assure you that we will be able to meet the requisite conditions and requirements, or that the relevant government authorities will always, if ever, exercise their discretion in our favor. If we are unable to obtain, or experience material delays in obtaining, necessary government approvals, our operations may be substantially disrupted, which could materially and adversely affect our business, financial condition and results of operations.

We are in the process of prudently seeking offshore expansions, which exposes us to significant regulatory, economic and political risks, the failure to handle which may adversely affect our business, results of operations and financial condition.

During the Track Record Period, most of our solutions were offered to onshore asset managers in China. We are currently pursuing offshore opportunities for portfolio diversification and plan to introduce

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iterated solutions in the near future covering overseas financial assets. We also aim to establish a presence and increase our investments in other geographies, which exposes us to various risks and challenges. These risks include, but are not limited to, political instability, changes in laws and regulations, economic downturns, and cultural differences. Any failure to handle these risks effectively could result in disruptions to the execution of our business plans and our operations, increased in costs, and damage to our reputation. In addition, our plans for business development overseas may require significant investments in marketing, research and development, and human resources, which may not yield the expected return on investment. The timing of our expansion plans may also be affected by factors beyond our control, such as changes in economic conditions, political instability, or delays in obtaining necessary licenses and permits. Furthermore, we may be subject to additional regulatory requirements in foreign countries, which may increase our compliance costs and subject us to legal and regulatory risks. These requirements may also limit our ability to operate in certain regions or countries, which could negatively impact our growth prospects. In light of these risks, we may need to allocate significant resources to manage and mitigate these risks, which could increase our expenses and negatively impact our financial performance. If we are unable to manage these risks effectively, our business, results of operations, and financial condition may be materially and adversely affected.

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

A series of precautionary and control measures have been implemented worldwide to contain the virus since the COVID-19 outbreak. Our Directors confirmed that, up to the Latest Practicable Date, the COVID-19 outbreak had not had a material adverse effect on our business, results of operations and financial condition. Any future impact caused by the COVID-19 pandemic will depend on its subsequent development. We are closely monitoring the development of the COVID-19 pandemic and continually responding to any potential impact on our business operations. If a disaster or other disruption were to occur in the future that affects the regions where we operate our business, our operations could be materially and adversely affected due to loss of personnel and damage to property. Even if we are not directly affected, such a disaster or disruption could affect the operations or financial conditions of our clients, which could harm our results of operations. In addition, our business could be affected by public health epidemics, such as the outbreak of avian influenza, severe acute respiratory syndrome, or SARS, Zika virus, Ebola virus or other diseases.

In the event of a major disruption caused by a natural disaster or man-made problems, such as political events, war, terrorism, power disruptions, computer viruses or data security breaches, we may be unable to continue our operations and may endure system interruptions, reputational harm, delays in our development activities, lengthy interruptions in service, breaches of data security and loss of critical data, any of which could adversely affect our business, results of operations and financial condition. In addition, as our services rely on the stable performance of servers managed by third-parties, any of the foregoing events may give rise to server interruptions, breakdowns, system failures, technology infrastructure failures or internet failures, which could cause malfunctions of our software or hardware as well as adversely affect our ability to provide solutions and services.

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Legal defects regarding some of our leased properties may affect our interests in the leased properties. Challenges to our interests in the leased properties could significantly disrupt our business and may adversely affect our business, financial condition and results of operations.

As of the Latest Practicable Date, four of our leased properties with an aggregate gross floor area over 400 square meters had not provided us with valid title certificates or relevant authorization documents evidencing the right to lease the property to us. As a result, the lease may not be valid, and we may not be able to continue to use such property if the lessor’s right to lease such property is challenged by any third party. For further information, see “Business — Properties.” Further, we cannot assure you that we are able to renew our lease on commercially acceptable terms upon expiry, or at all. If the title of any of our leased properties is controversial or the validity of the relevant lease is challenged by any third party, or if we fail to renew our lease upon expiry, we may be compelled to relocate from the affected premises. Such relocation may result in additional expenses or business interruption, which could, in turn, have an adverse effect on our business, financial condition and results of operations.

Some leasing agreements of our leased properties have not been registered as required by applicable PRC laws and regulations. We may be subject to penalties should we fail to register these lease agreements upon request by the relevant authorities.

As of the Latest Practicable Date, 17 of our leased properties had not been registered with the competent PRC government authorities as required by applicable PRC laws and regulations. We may have a maximum penalty of RMB10,000 imposed on us for each non-registered lease if we fail to complete the lease registration after we are requested to do so by the competent PRC government authorities. For details, see “Business — Properties.”

Failure to comply with relevant regulations relating to social insurance and the housing provident fund may subject us to penalties and adversely affect our business, financial condition, results of operations and prospects.

PRC laws and regulations require us to pay several statutory social welfare benefits for our employees, including pension insurance, unemployment insurance, medical insurance, work-related injury insurance, maternity insurance and housing provident fund. The amounts of our contributions for our employees under such benefit plans are calculated based on certain percentage of salaries, including bonuses and allowances, up to a maximum amount specified by the local government from time to time at locations where we operate. During the Track Record Period and up to the Latest Practicable Date, we had not made full contributions to the social insurance plan and housing provident fund based on the actual salary level of some of our employees as prescribed by relevant laws and regulations. As of the Latest Practicable Date, there were no pending material disputes or controversies with our employees in relation to the payment of social insurance and housing provident funds during the Track Record Period, and we had not received any objections from our employees or the competent authorities regarding such payments.

Pursuant to relevant PRC laws and regulations, the under-contribution of social insurance within a prescribed period may subject us to a daily overdue charge of 0.05% of the delayed payment amount. If such payment is not made within the stipulated period, the competent authority may further impose a fine

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of one to three times of the overdue amount. Pursuant to relevant PRC laws and regulations, if there is a failure to pay the full amount of housing provident fund as required, the housing provident fund management center may require payment of the outstanding amount within a prescribed period. If the payment is not made within such time limit, an application may be made to the PRC courts for compulsory enforcement. To this end, in 2022, 2023, 2024 and the six months ended June 30, 2025, we made a provision in the amount of RMB1 million, RMB2 million, nil and nil, respectively. We cannot assure you that the relevant government authorities will not require us to pay the outstanding amount within a prescribed time and impose late charges or fines on us, which may materially and adversely affect our business, financial condition and results of operations.

Failure for us, our employees, affiliates and business partners to comply with anti-corruption, anti-bribery or anti-money laundering laws and regulations and our anti-corruption, anti-bribery or anti-money laundering policies and procedures could severely damage our reputation, and materially and adversely affect our business, financial condition, results of operations and prospects.

We are exposed to fraudulent or illegal activities or other misconduct by our employees, clients, suppliers or other third parties that could subject us to liabilities, fines and other penalties imposed by government authorities and negative publicity. There can be no assurance that our controls and policies will prevent fraud or illegal activity by such persons or that similar incidents will not occur in the future. Any illegal, fraudulent, corrupt or collusive activity by our employees, clients, suppliers or other third parties, including, but not limited to, those in violation of anti-corruption or anti-bribery laws, could subject us to negative publicity that could severely damage our brand and reputation and, if conducted by our employees, could further subject us to significant financial and other liabilities to third parties and fines and other penalties imposed by government authorities. Accordingly, our failure to detect and prevent fraudulent or illegal activities or other misconduct by our employees, clients, suppliers or other third parties could materially and adversely affect our business, financial condition, results of operations and prospects.

The unavailability of any preferential tax treatment and government subsidies, as well as unfavorable changes in the application of tax policy, could adversely affect our business, financial condition, and results of operations.

We received government grants of RMB5.3 million, RMB4.0 million, RMB7.1 million and RMB2.9 million in 2022, 2023, 2024 and the six months ended June 30, 2025, respectively. We also received certain VAT refunds from the PRC government during the Track Record Period, which are non-recurring in nature. Such VAT refunds approximated RMB9.4 million, RMB6.3 million, RMB0.1 million and nil in 2022, 2023, 2024 and the six months ended June 30, 2025, respectively. In addition, we benefited from preferential tax treatments from the PRC government during the Track Record Period. For example, our Company and certain of our wholly owned subsidiaries qualified as a high-tech enterprise and accordingly was entitled to a preferential income tax rate of 15%. Furthermore, our Company and certain of our subsidiaries operating in the PRC were eligible for certain tax credits on their research and development expenses during the Track Record Period. See Note 12 to the Accountant’s Report included in Appendix I to this Document for more details. We cannot assure you that we will continue to receive government grants at the same level or at all, or that we will continue to enjoy the current preferential tax treatments, in which case our business, financial condition and results of operations may be materially and adversely affected.

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

We have obtained or caused relevant counterparties to obtain insurance to cover certain potential risks and liabilities. We provide social security insurance, including pension insurance, unemployment insurance, work-related injury insurance, maternity insurance and medical insurance for our employees. However, as the insurance industry in China is still evolving, insurance companies in China currently offer limited business-related insurance products. As of the Latest Practicable Date, we had not obtained any business liability or disruption insurance to cover our operations, nor do we maintain key-man insurance. There can be no assurance that our insurance coverage is sufficient to prevent us from any loss or that we will be able to successfully claim our losses under our current insurance policies on a timely basis, or at all. If we incur any loss that is not covered by our insurance policies, or the compensated amount is significantly less than our actual loss, our business, financial condition and results of operations could be materially and adversely affected.

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

We, our Shareholders, Directors, officers, employees and business partners may be subject to negative media coverage and publicity from time to time. Such negative coverage in the media and publicity could threaten the perception of our reputation as a trustworthy real-time data infrastructure and data analytics solutions provider. In addition, to the extent our employees and business partners were incompliant with any laws or regulations, we may also suffer negative publicity or harm to our reputation. As a result, we may be required to spend significant time and incur substantial costs in response to allegations and negative publicity and may not be able to diffuse them to the satisfaction of our [REDACTED] and clients.

We are subject to various risks relating to third-party settlements.

During the Track Record Period, as requested by one of our customers (the “Relevant Customer”), we settled its payments with us through third-party payers (such payer(s), the “Third-Party Payer(s),” and such arrangement(s), the “Third-Party Payment Arrangement(s)”). The Third-party Payers comprised of senior management of the Relevant Customer. In 2022, the aggregate amount of third-party payments (the “Third-Party Payments”) we received from Third-Party Payers was RMB4.8 million, which accounted for 1.7% of our total revenue for the corresponding period. In 2023, 2024 and the six months ended June 30, 2025, we did not have any Third-Party Payment Arrangements. As of the Latest Practicable Date, we had ceased all Third-party Payment Arrangements. We were subject to various risks relating to such Third-party Payment Arrangements during the Track Record Period, such as (i) possible claims from third-party payors for return of funds as they were not contractually indebted to us and possible claims from liquidators of third-party payors; and (ii) potential money laundering risks as we have limited knowledge about the source and purpose of the funds utilized by the third-party payors. In the event of any claims from third-party payors or their liquidators, or legal proceedings (whether civil or criminal) instituted or brought against us to demand return of the relevant payment or for violation or non-compliance of laws and regulations, we will have to spend significant financial and managerial resources to defend against such claims and legal proceedings, and we may be forced to comply with the court ruling and return the payment for the products that we sold. Our financial condition and results of operations may as a result be adversely affected.

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Our provisions for impairment losses on our financial assets at amortized cost and trade and other receivables may not be adequate to cover future credit losses.

Our financial performance may be adversely impacted if our provisions for impairment losses on financial assets at amortized cost and trade and other receivables are insufficient to cover future credit losses. We face the risk of credit losses resulting from counterparties’ inability or unwillingness to fulfill their payment obligations. Our provisions rely on evaluations of counterparties’ credit quality, financial health, historical loss experience, and current economic conditions. However, our assessments may not accurately predict future credit losses due to unforeseen shifts in economic conditions or counterparties’ financial stability, potentially causing actual credit losses to surpass our provisions. Inadequate provisions may necessitate increases, negatively impacting our financial performance and reducing net income. This could also affect our ability to meet regulatory capital requirements, potentially harming our business, financial condition, and results of operations.

We are subject to risks relating to our equity investments. In particular, the fluctuation of fair value changes of our equity investment may affect our financial performance, our business, and results of operations.

Our financial performance depends on the value of our equity investments. On the one hand, if the companies in which we hold equity stakes make unsound decisions or manage their operations ineffectively and inefficiently, resulting in poor performance or financial difficulties, this could have a negative impact on the value of our equity investments, which in turn would have a negative impact on our financial performance. On the other hand, weakened market conditions or unfavorable regulatory policies that adversely and materially affect the industries in which these companies operate may also have an adverse effect on the valuation of our equity investments, which in turn have an adverse effect on our financial performance. In addition, we may experience losses on our equity investments where the business model of these companies proves unsuccessful in the markets, and we may lose part of or all our investments as a result.

In particular, the fluctuation of conditions and trends of capital markets could significantly affect the fair value of our equity investments, which in turn affects our financial performance. In the event of a bull market or bear market in the capital market, the fair value changes of our equity investments may be magnified, and therefore the changes in our financial statements may be magnified. As a result, the fair value changes of our equity investments may result in volatility in the results of our operations from period to period. Significant fluctuations in the market conditions, for example, a sudden change from a bull market to a bear market, also may cause significant volatility in our financial statements, and therefore it may materially and adversely affect our financial performance and results of operations.

The fair value measurements of certain financial assets require the use of estimates that are based on unobservable inputs, which inherently involves a certain degree of uncertainty.

Some of our financial assets are measured at fair value, such as the financial assets at fair value through profit or loss. In 2022, 2023, 2024 and the six months ended June 30, 2025, our fair value gains of financial assets measured at fair value through profit or loss amounted to RMB6.7 million, RMB12.2 million, RMB2.0 million and RMB21.6 million, respectively. For financial reporting purposes, fair value measurements of these financial assets are categorized into level 1, 2 or 3, based on, among other things, the observability and significance of the inputs used in the valuation technique. The fair

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value of financial assets classified in levels 1 and 2 is determined based on observable inputs, while the determination of the fair value of level 3 financial assets is based on valuation techniques and various assumptions of inputs that are unobservable which inherently involve a certain degree of uncertainty. See “Material Accounting Policy Information” in Note 4 to the Accountants’ Report as included in Appendix I to this Document for more information.

A range of factors, many of which are beyond our control, may influence and cause adverse changes to the estimates we use and thereby affect the fair value of these assets. These factors include, but are not limited to, general economic conditions, changes in market interest rates and stability of the capital markets. Any of these factors, as well as others, could cause our estimates to vary from actual results and cause the fair value of our financial assets to fluctuate substantially, which may in turn have a material adverse effect on our financial position and results of operations. The fair value of our financial assets at fair value through profit or loss are subject to changes beyond our control, and any adverse movements in their fair value may directly affect our results of operations. If the fair value of our financial assets at fair value through profit or loss were to fluctuate, our business, financial condition and results of operations could be materially adversely affected.

We have exposures to the fair value change of financial liabilities measured at fair value through profit and loss.

Some of our financial liabilities are measured at fair value, such as the financial liabilities measured at fair value through profit or loss. The financial liabilities at fair value through profit or loss include financial liabilities held for trading. For more details, see note 25 to the Accountant’s Report in Appendix I to this Document. For reasons including but not limited to general economic conditions, changes in market interest rates and stability of the capital markets, the fair value of our financial liabilities may fluctuate substantially, which may in turn have a material adverse effect on our financial position and results of operations. The fair value of our financial liabilities measured at fair value through profit or loss is subject to changes beyond our control, and any adverse movements in their fair value may directly affect our results of operations. If the fair value of our financial liabilities measured at fair value through profit or loss were to fluctuate, our business, financial condition and results of operations could be materially adversely affected.

Significant impairment of our intangible assets, including goodwill, could materially impact our financial position and results of our operations.

We have recorded a significant amount of intangible assets, which consist primarily of software and software copyright. As of December 31, 2022, 2023, 2024 and June 30, 2025, our net intangible assets was RMB34.5 million, RMB28.5 million, RMB22.7 million and RMB19.7 million, respectively. We record goodwill primarily in connection with acquisitions. Our goodwill remained stable of RMB388.5 million as of December 31, 2022, 2023, 2024 and June 30, 2025, respectively.

We may evaluate our intangible assets for impairment whenever events or changes in circumstances, such as a significant adverse change to market conditions that will impact the future use of the assets, indicate that the carrying amount of the intangible assets in an asset group may not be fully recoverable. When these events occur, we may evaluate the recoverability of intangible assets by comparing the carrying amount of the assets to the future undiscounted cash flows expected to result from the use of the assets and their eventual disposition. If the sum of the expected undiscounted cash flows is less than the carrying

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amount of the assets, we may recognize an impairment loss based on the excess of the carrying amount of the assets over their fair value. The application of this long-lived asset impairment test requires significant management judgment. If our estimates and judgments are inaccurate, the fair value determined could be inaccurate and the impairment may not be adequate, and we may need to record additional impairments in the future. We did not record any impairment of our intangible assets in 2022, 2023, 2024 and the six months ended June 30, 2025. However, we may record significant impairments on intangible assets in the future. Any significant impairment losses charged against our intangible assets could have a material adverse effect on our results of operations.

Our risk management and internal control systems may not be adequate or effective in all respects, which may materially and adversely affect our business, prospects, results of operations and financial condition.

We have designed and implemented risk management and internal control systems comprising organizational framework policies and procedures, financial reporting processes, compliance rules, and risk management measures that we believe are appropriate for our business operations. While we seek to improve our risk management and internal control systems on a continuous basis, we cannot assure you that these systems are sufficiently effective in ensuring, among other things, accurate reporting of our financial results and the prevention of fraud. See “Business — Risk Management and Internal Control” for further information on our internal control policies. Since our risk management and internal control systems depend on implementation by our employees, and even though we provide relevant internal trainings in this regard, we cannot assure you that our employees are sufficiently or fully trained to implement these systems, or that their implementation will be free from human error or mistakes. If we fail to timely update, implement, and modify, or fail to deploy sufficient human resources to maintain our risk management policies and procedures, our business, financial condition, results of operations and prospects could be materially and adversely affected.

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

To grow our business and remain competitive, we may require additional capital from time to time for our daily operations. Our ability to obtain additional capital is subject to a variety of uncertainties, including:

- our market position and competitiveness in the industries in which we operate;
- our future profitability, overall financial condition, results of operations and cash flows;
- general market conditions for capital-raising activities by our competitors in China; and
- economic, political and other conditions in China and internationally.

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

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Our directors, officers and principal shareholders have substantial influence over our Company and their interests may not be aligned with the interests of our other shareholders.

Certain of our existing shareholders have substantial influence over our Company. See “History, Development and Corporate Structure” for more information. These shareholders, and our directors and officers have, and will continue to have substantial influence over our business, including significant corporate actions such as change of directors, mergers, change of control transactions and other significant corporate actions.

They may take actions that are not in the best interest of us or our other shareholders and conflicts of interest between them and us may arise as a result of their operation of or investment in businesses that compete with us. Such concentration of ownership and corporate governance mechanism may discourage, delay or prevent a change in control of our Company, which could deprive our shareholders of a premium for their shares as part of a sale of our Company and may reduce the [REDACTED] of our H Shares. These actions may be taken even if they are opposed by our other shareholders. In addition, such significant concentration of share ownership and corporate governance mechanism may adversely affect the [REDACTED] of our H Shares due to [REDACTED] perception that conflicts of interest may exist or arise.

RISKS RELATING TO CONDUCTING BUSINESS IN JURISDICTIONS WHERE WE OPERATE

Any uncertainties embedded in the legal system of the jurisdiction where we operate could adversely affect our business, financial condition and results of operations and our [REDACTED] could be affected as a result.

The PRC legal system is based on written statutes and court decisions can only be cited as reference. Since 1979, the PRC government has promulgated laws and regulations in relation to economic matters such as foreign investment, corporate organization and governance, commerce, taxation and trade, with a view to developing a comprehensive system of commercial law. However, as these laws and regulations are continually evolving in response to changing economic and other conditions, and because of the limited volume of published cases and their non-binding nature, we cannot foresee how these laws, rules and regulations will be interpreted and enforced, which may adversely affect the legal protections and remedies that are available to [REDACTED] and us.

You may experience difficulties in effecting service of legal process, enforcing foreign judgments or bringing actions in China against us or our management named in this [REDACTED] document based on foreign laws.

We are a company incorporated under the laws of the PRC. As of the Latest Practicable Date, the vast majority of our assets and operations were located in China. In addition, most of our senior executive officers reside within China for a significant portion of the time and are PRC nationals. The PRC does not have treaties with certain jurisdictions that provide for the reciprocal recognition and enforcement of judicial rulings and awards. As a result, recognition and enforcement in the PRC of the judgment of a non-PRC court in relation to any matter not subject to a binding arbitration provision may be difficult or impossible. Judgments obtained in a Hong Kong court may be enforced in the PRC, provided that certain conditions are satisfied. However, there are uncertainties as to the outcome of any applications to recognize and enforce such judgments in the PRC.

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We may be subject to the filing, approval or other requirements of the CSRC or other PRC governmental authorities in connection with the [REDACTED] and future capital raising activities.

On July 6, 2021, the General Office of the State Council, together with another regulatory authority, jointly promulgated the Opinions on Strictly Combating Illegal Securities Activities in Accordance with the Law (關於依法從嚴打擊證券違法活動的意見), which calls for, among others, enhanced administration and supervision of overseas-[REDACTED] China-based companies, proposes to revise the relevant regulation governing the overseas [REDACTED] and [REDACTED] of shares by such companies, and clarifies the responsibilities of competent domestic industry regulators and government authorities.

On February 17, 2023, the CSRC released the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (境內企業境外發行證券和上市管理試行辦法) (the “Trial Measures”) and five supporting guidelines, which came into effect on March 31, 2023. Pursuant to the Trial Measures, domestic companies that seek to [REDACTED] overseas, both directly and indirectly, should fulfill the filing procedure and report relevant information to the CSRC. The filing is required to be conducted within three business days after the submission of the application for [REDACTED] and [REDACTED] overseas to the overseas regulators. The CSRC will review the filing application and may have queries and may consult with other relevant regulators. Filings granted by the CSRC will have a valid term of one year during which the issuer should complete the [REDACTED]. If the issuer has not completed the [REDACTED] within one year, the filing should be updated. Further follow-up [REDACTED] in different overseas markets after overseas [REDACTED] should follow the filing requirements for the [REDACTED]. Further follow-up [REDACTED] in the same overseas market after overseas [REDACTED] also require a filing within three business days after the completion of the [REDACTED], and the [REDACTED] companies will need to report to the CSRC upon the occurrence and public disclosure of certain significant matters such as a change in control, penalty received from overseas securities regulators or relevant PRC regulators, a switch of [REDACTED] status and a termination of [REDACTED]. See “Regulatory Overview — PRC Laws, Regulations and Policies — Laws and Regulations relating to Overseas Listing” for details. If a domestic company fails to complete the filing procedure or conceals any material fact or falsifies any major content in its filing documents, such domestic company may be subject to administrative penalties, such as orders to rectify, warnings, fines, and its controlling shareholders, actual controllers, the person directly in charge and other directly liable persons may also be subject to administrative penalties, such as warnings and fines. We cannot assure you that we could always meet such requirements, obtain such permit from the relevant government authorities, or complete such filing in a timely manner or at all. Any failure may restrict our ability to complete the proposed [REDACTED] or any future capital raising activities, which would have a material adverse effect on our business and financial positions.

On February 24, 2023, the CSRC, the Ministry of Finance, the National Administration of State Secrets Protection, and the National Archives Administration of China published the revised Provisions on Strengthening the Confidentiality and Archives Administration of Overseas Securities Offering and Listing by Domestic Companies (關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定) (“Archives Rules”) which came into effect on March 31, 2023. The Archives Rules require that, in relation to the overseas securities [REDACTED] and [REDACTED] activities of domestic enterprises, either in direct or indirect form, such domestic enterprises, as well as securities companies and securities service institutions providing relevant securities services, are required to strictly comply with relevant requirements on confidentiality and archives management, establish a sound confidentiality and archives system, and take necessary measures to implement their confidentiality and archives management responsibilities. According to the Archives Rules,

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during an overseas [REDACTED] and [REDACTED], if a domestic company needs to provide or publicly disclose to securities companies, securities service providers and overseas regulators, any materials that contain relevant state secrets or work secrets of state agencies, or that have an adverse impact on the national security or public interests, the domestic company should complete the relevant approval/filing and other regulatory procedures.

As there are still uncertainties regarding the implementation or interpretation of the recently-promulgated Trial Measures, Archives Rules and related regulations and guidelines, we are closely monitoring how they will affect our operations and our future financing. Failure to obtain or delay in obtaining any approval or completing any filing procedures for the [REDACTED] or the [REDACTED], or a rescission of any such approval, could subject us to sanctions by the relevant PRC governmental authorities. The governmental authorities may impose restrictions and penalties on our operations in China, such as shutting down part of our operations, limiting our ability to pay dividends outside of China, delaying or restricting the repatriation of the [REDACTED] from the [REDACTED] into China or taking other actions that could have a material adverse effect on our business, financial condition, results of operations and prospects, as well as the [REDACTED] of the H Shares. The PRC governmental authorities also may take actions requiring us, or making it advisable for us, to suspend the [REDACTED] before settlement and delivery of the H Shares [REDACTED] hereby. Consequently, if you engage in market trading or other activities in anticipation of and prior to settlement and delivery, you do so at the risk that settlement and delivery may not occur. In addition, if the PRC governmental authorities later promulgate new laws, regulations, rules or explanations requiring that we obtain their approvals for filings, registrations or other kinds of authorizations for the [REDACTED] and/or the [REDACTED], we cannot assure you that we can obtain the approval, authorizations, or complete required procedures or other requirements in a timely manner, or at all, or obtain a waiver of the requisite requirements if and when procedures are established to obtain such a waiver.

We face challenges from the complex and evolving regulatory environment regarding cybersecurity, information security, privacy and data protection, and user attitude toward data privacy and protection. Many of these laws and regulations are subject to change and uncertain interpretation, and any actual or alleged failure to comply with related laws and regulations regarding cybersecurity, information security, data privacy and data protection could result in negative publicity, legal proceedings, suspension or disruption of operations, increased cost of operations, or otherwise harm our business.

We operate in the regulatory environment in which the protection of cybersecurity, information security and data privacy is evolving. We are subject to numerous laws and regulations that address cybersecurity, information security, privacy and data protection in various jurisdictions. In particular, on June 10, 2021, the Standing Committee of the National People’s Congress of China promulgated the Data Security Law (《數據安全法》), which took effect in September 2021. The Data Security Law sets forth data security and privacy related compliance obligations of entities and individuals carrying out data related activities. The Data Security Law also introduces a data classification and layered protection system based on the importance of data and the degree of impact on national security, public interests or legitimate rights and interests of individuals or organizations if such data is tampered with, destroyed, leaked or illegally acquired or used. In addition, the Data Security Law provides a national security review procedure for data activities that may affect national security, and imposes export restrictions on certain data and information.

In early July 2021, regulatory authorities in China launched cybersecurity investigations with regard to several China-based companies listed in the United States. On December 28, 2021, the CAC, together

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with several other governmental authorities, jointly released the Cybersecurity Review Measures (《網絡安全審查辦法》), which took effect on February 15, 2022. Pursuant to the Cybersecurity Review Measures, the purchase of network products and services by an operator of critical information infrastructure or the data processing activities of a network platform operator that affect or may affect national security will be subject to a cybersecurity review. In addition, network platform operators with personal information of over one million users shall be subject to cybersecurity review before [REDACTED] abroad (國外[REDACTED]). The competent governmental authorities may also initiate a cybersecurity review against the operators if the authorities believe that the network product or service or data processing activities of such operators affect or may affect national security. The cybersecurity review will evaluate, among others, the risk of critical information infrastructure, core data, important data, or the risk of a large amount of personal information being influenced, controlled or maliciously used by foreign governments after going public, and cyber information security risk.

On July 30, 2021, the State Council promulgated the Regulations on Security Protection of Critical Information Infrastructure (《關鍵信息基礎設施安全保護條例》), effective on September 1, 2021, which provide that a “critical information infrastructure” refers to an important network facility and information system in important industries such as public communications and information services, as well as other important network facilities and information systems that may seriously endanger national security, the national economy, the people’s livelihood, or the public interests in the event of damage, loss of function, or data leakage. The competent governmental authorities and regulatory authorities of the aforementioned important industries will be responsible for organizing the identification of critical information infrastructures in their respective industries. The competent governmental authorities shall also notify operators who are identified as “operators of critical information infrastructure” in accordance with these provisions. According to the Regulations on Security Protection of Critical Information Infrastructure, the competent PRC government authorities of important industries and sectors are responsible for identifying critical information infrastructures in their own industries and sectors based on the identification rules and informing the operator of the critical information infrastructure if such infrastructure is identified and designated as critical information infrastructure in a timely manner. The PRC government authorities have discretion in the identification of critical information infrastructures as well as the interpretation and enforcement of these regulations.

On August 20, 2021, the Standing Committee of the National People’s Congress of China promulgated the Personal Information Protection Law of the People’s Republic of China (《中華人民共和國個人信息保護法》), effective from November 1, 2021. The Personal Information Protection Law requires, among others, that (i) the processing of personal information should have a clear and reasonable purpose which should be directly related to the processing purpose, in a method that has the least impact on personal rights and interests, and (ii) the collection of personal information should be limited to the minimum scope necessary to achieve the processing purpose to avoid the excessive collection of personal information. Different types of personal information and personal information processing will be subject to various rules on consent, transfer, and security. Entities handling personal information shall bear responsibilities for their personal information handling activities, and adopt necessary measures to safeguard the security of the personal information they handle. Otherwise, the entities handling personal information could be ordered to correct, or suspend or terminate the provision of services, and face confiscation of illegal income, fines or other penalties.

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In the meantime, the PRC regulatory authorities have also enhanced the supervision and regulation on cross-border data transfer. On March 22, 2024, the CAC enacted the Provisions on Promoting and Regulating Cross-border Data Flows (《促進和規範數據跨境流動規定》). The Provisions on Promoting and Regulating Cross-border Data Flows requires the following data processor to pass a security assessment for outbound data transfer organized by the CAC before transferring data to abroad: (i) data processors seeking to transfer Important Data to abroad; (ii) critical information infrastructure operators seeking to transfer personal information to abroad; and (iii) data processors other than CIIOs who have cumulatively transferred personal information of more than one million individuals (excluding sensitive personal information) or sensitive personal information of more than 10,000 individuals out of China since January 1, 2024 of the year. If none of the thresholds for the security assessment is triggered, a data exporter who has cumulatively transferred personal information of more than 100,000 individuals but less than one million individuals (excluding sensitive personal information) or sensitive personal information of less than 10,000 individuals out of China since January 1, 2024 of the year, is seeking to transfer any personal information out of China can opt to either conclude a contract with the foreign recipient in the form of the Standard Contract for Cross-border Transfer of Personal Information formulated by the CAC, or undergo the personal information protection certification conducted by specialized institutions according to the requirements of the CAC. Furthermore, the Provisions on Promoting and Regulating Cross-border Data Flows also provides some exempted scenarios where data process will not be required to pass the security assessment, sign the Standard Contract for Cross-border Transfer of Personal Information or undergo the personal information protection certification, before transferring data to abroad, for example, export of employees’ personal information that is necessary for purposes of implementing cross-border human resource management according to the legally-formulated internal labor policies or legally-signed collective labor contracts. Given that the above measures are relatively new, their interpretation, application and enforcement and how they will affect our business operation remain uncertain, See “Regulatory Overview — Laws and Regulations in Relation to the Protection of Cyber Security, Data and Privacy.”

As of the Latest Practicable Date, (i) we had not been informed by any PRC governmental authority of any requirement to file for approval for this [REDACTED]; (ii) we had not been subject to any material fines or administrative penalties, mandatory rectifications, or other sanctions by any competent regulatory authorities in relation to the infringement of cybersecurity and data protection laws and regulations; (iii) there was no leakage of data or personal information or violation of cybersecurity and data protection and privacy laws and regulations by us which will have a material adverse impact on our business operations; (iv) there had been no material cybersecurity and data protection incidents or infringement upon the rights of any third parties, or other legal proceedings, administrative or governmental proceedings, pending or, to the best of the knowledge of the Company, threatened against or relating to the Company; and (v) we had implemented comprehensive cybersecurity and data protection policies, procedures and measures to safeguard personal information rights and ensure secured storage and transmission of data and prevent unauthorized access or use of data.

Furthermore, based on the fact that we have not been involved in any investigations on cybersecurity review initiated by the CAC on such basis and nor have we received any inquiry, notice, warning, or sanctions in such respect, after consulting with our legal advisor as to PRC data security law, our Directors are of the view that such regulations do not have a material adverse impact on our business operations and financial performance as of the Latest Practicable Date, and will not affect our compliance with laws and regulations in any material aspects as of the Latest Practicable Date. As of the Latest Practicable Date, we

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had not received any cybersecurity, data security and personal data protection related inquiries from any competent PRC regulatory authorities. As there might be newly issued explanations or implementation rules on the existing regulations, laws and opinions or the draft measures or regulations mentioned above might become effective, we will actively monitor future regulatory and policy changes to ensure strict compliance with all applicable laws and regulations.

Given that the above mentioned newly promulgated laws, regulations and policies are relatively new, their enactment, interpretation, application and enforcement remain uncertain. We have incurred, and will continue to incur, significant expenses in an effort to comply with cybersecurity, privacy, data protection and information security related laws, regulations, standards and protocols, especially as a result of such newly promulgated laws and regulations. Despite our efforts to comply with applicable laws, regulations and policies relating to cybersecurity, privacy, data protection and information security, we cannot assure you that our practices, offerings, services or platform will meet all of the requirements imposed on us by such laws, regulations or policies. Any failure or perceived failure to comply with applicable laws, regulations or policies may result in inquiries or other proceedings being instituted against, or other lawsuits, decisions or sanctions being imposed on us by governmental authorities, users, consumers or other parties, including but not limited to warnings, fines, directions for rectifications, suspension of the related business and termination of our applications, as well as in negative publicity on us and damage to our reputation, any of which could have a material adverse effect on our business, results of operations, financial condition and prospects. The above mentioned newly promulgated laws, regulations, policies or relevant drafts may result in the publication of new laws, regulations and policies to which we may be subject, though the timing, scope and applicability of such laws or regulations are currently unclear. Any such laws, regulations or policies could negatively impact our business, results of operations and financial condition. We may be notified for cybersecurity review by the CAC if we were regarded as a critical information infrastructure operator by the CAC, or if our data processing activities and overseas [REDACTED] were regarded as having impact or potential impact to national security, and be required to make significant changes to our business practices, suspend certain business, or even be prohibited from providing certain service offerings in jurisdictions in which we currently operate or in which we may operate in the future. Such review could also result in negative publicity with respect to us and diversion of our managerial and financial resource. There can be no assurance that we would be able to complete the applicable cybersecurity review procedures in a timely manner, or at all, if we are required to follow such procedures.

Moreover, we may become subject to regulatory requirements as a result of utilization of our solutions by residents of, or travelers who visit, certain jurisdictions, such as the General Data Protection Regulation of the European Union, or the GDPR. Complying with additional or new regulatory requirements could force us to incur substantial costs or require us to change our business practices. Moreover, if a high profile security breach occurs with respect to our competitors, people may lose trust in the security of software services and operating system providers generally, including us, which could damage the reputation of the industry, result in heightened regulation and strengthened regulatory enforcement and adversely affect our business and results of operations.

Regulatory requirements regarding the protection of data are constantly evolving and can be subject to differing interpretations or significant changes, making the extent of our responsibilities in that regard uncertain. While in the U.S., the state of California enacted the California Consumer Privacy Act, which became effective on January 1, 2020 and imposes heightened obligations with respect to data privacy,

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including the ability for individuals in California to object to the sale of their personal data in certain instances. If other states in the United States adopt similar laws, or if a comprehensive federal data privacy law is enacted, we may be required to expend considerable resources to meet the applicable requirements to the extent our operations are expanded into the United States.

We expect that we will continue to face uncertainty as to whether our efforts to comply with evolving obligations under global data protection, privacy and security laws will be sufficient. From time to time, we may be subject to inspections conducted by governmental authorities. In the event that any failure or perceived failure by us to comply with applicable laws and regulations is identified during such inspections, we may be required to implement rectification measures in accordance with the inspection results. In addition, any failure or perceived failure by us to comply with applicable laws and regulations could result in reputational damage or proceedings or actions against us by governmental authorities, individuals or others. These proceedings or actions could subject us to significant civil or criminal penalties and negative publicity, require us to change our business practices, increase our costs and materially harm our business, prospects, financial condition and results of operations. In addition, our current and future relationships with clients, vendors and other third parties could be negatively affected by any proceedings or actions against us or current or future data protection obligations imposed on them under applicable law. Furthermore, a data breach affecting personal information could result in significant legal and financial exposure and reputational damage that could potentially have an adverse effect on our business.

Similar risks exist with respect to our business partners and our clients in relation to the process of personal data. Any failure of our partners or clients to comply with applicable laws and regulations could result in their reputational damage or governmental investigations, inquiries, enforcement actions and prosecutions, private litigation, fines and penalties or adverse publicity, which may harm our business partnership and have a negative impact on our business.

The custodians or authorized users of our controlling non-tangible assets, including chops and seals, may fail to fulfill their responsibilities, or misappropriate or misuse these assets.

Under PRC law, legal documents for corporate transactions, including agreements and contracts are executed using the chop or seal of the signing entity or with the signature of a legal representative whose designation is registered and filed with relevant PRC market regulation administrative authorities.

In order to secure the use of our chops and seals, we have established internal control procedures and rules for using these chops and seals. In any event that the chops and seals are intended to be used, the responsible personnel will submit the application through our office automation system and the application will be verified and approved by authorized employees in accordance with our internal control procedures and rules. In addition, in order to maintain the physical security of our chops, we generally have them stored in secured locations accessible only to authorized employees. Although we monitor such authorized employees, the procedures may not be sufficient to prevent all instances of abuse or negligence. There is a risk that our employees could abuse their authority, for example, by entering into a contract not approved by us or seeking to gain control of one of our subsidiaries. If any employee obtains, misuses or misappropriates our chops and seals or other controlling non-tangible assets for whatever reason, we could experience disruption to our normal business operations. We may have to take corporate or legal action, which could involve significant time and resources to resolve and divert management from our operation.

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Any adverse change in our tax treatment could have a material and adverse impact on our business and results of operations.

We are subject to income tax as well as other taxes, such as VAT, consumption tax, stamp duty, environmental protection tax, withholding taxes and obligations and local surcharges in China. We are also subject to reviews, examinations and audits by Chinese tax authorities. If Chinese tax authorities disagree with our tax positions, we could face additional tax liabilities, including but not limited to potential interest, late fees and penalties. Payment of such additional amounts upon final settlement or adjudication of any disputes could have a material adverse impact on our results of operations and financial condition.

Moreover, the tax regime in China is rapidly evolving and there can be uncertainty for taxpayers in China as Chinese tax laws may be subject to interpretations. Any increases in tax rates, changes in legislation, regulation or interpretation of existing laws and regulations in China where we are subject to taxation could increase our taxes and have an adverse effect on our results of operations and financial condition.

Our shareholders may be subject to PRC taxation.

Under the current tax laws and regulations in China, non-Chinese resident individuals and non-Chinese resident enterprises are subject to different tax obligations with respect to the dividends paid to them by us and the gains realized upon the sale or other disposition of our H Shares.

Non-Chinese resident individuals are required to pay individual income tax at a rate of 20% under Individual Income Tax Law of the People’s Republic of China (《中華人民共和國個人所得稅法》) for the interests, dividends and bonuses they obtain from China. Accordingly, we are required to withhold such tax from dividend payments, unless applicable tax treaties between China and the jurisdiction in which the foreign individual resides reduce or provide an exemption for the relevant tax obligations. Generally, in accordance with the Notice on Matters Concerning the Levy and Administration of Individual Income Tax After the Repeal of Guo Shui Fa [1993] No. 045 issued by the State Taxation Administration (STA) (《國家稅務總局關於國稅發 [1993]045 號文件廢止後有關個人所得稅徵管問題的通知》), domestic non foreign-invested enterprises issuing shares in Hong Kong may, when distributing dividends to overseas resident individuals in the jurisdiction of the tax treaty, withhold individual income tax at the rate of 10%. When a tax rate of 10% is not applicable, the withholding company shall: (a) return the excess tax amount pursuant to due procedures if the applicable tax rate is lower than 10%; (b) withhold such foreign individual income tax at the effective tax rate agreed on if the applicable tax rate is between 10% and 20%; or (c) withhold such foreign individual income tax at a rate of 20% if no taxation treaty is applicable.

For non-PRC resident enterprises that do not have establishments or premises in China, and for those which have establishments or premises in China but whose income is not related to such establishments or premises, under the EIT Law, dividends paid by us and gains realized by such foreign enterprises upon the sale or other disposition of H Shares are ordinarily subject to PRC enterprise income tax at a 20% rate. In accordance with the Circular on Issues Relating to the Withholding of Enterprise Income Tax by Chinese Resident Enterprises on Dividends Paid to Overseas Non-Chinese Resident Enterprise Shareholders of H Shares (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》) issued by the SAT, such tax rate has been reduced to 10%.

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If there is any change to applicable tax laws and regulations or in the interpretation or application of such laws and regulations, the value of your [REDACTED] in our H Shares may be materially affected.

Gains on the sales of H Shares and dividends (if any) may be subject to restrictions under PRC law.

Under the laws in the PRC, we may only pay dividends out of our distributable profit. Distributable profit refers to our after-tax profit as determined under PRC GAAP or HKFRS, whichever is lower, less any recovery of accumulated losses and appropriations to statutory reserves, discretionary reserves and general risk reserves that we are required to make according to relevant rules. As a result, we may not have sufficient or any distributable profit to enable us to make dividend distributions to our Shareholders. Any distributable profit not distributed in a given year is retained and available for distribution in the subsequent years.

Moreover, our subsidiaries in the PRC may not have distributable profit as determined under PRC GAAP. Accordingly, we may not obtain distributable profit from dividend payments by our subsidiaries. Failure to receive dividend payments from our subsidiaries could adversely impact our cash flows and our ability to make dividend distributions to our Shareholders and our cash flows.

Fluctuations in the value of the Renminbi could result in foreign currency exchange losses and have an adverse effect on our business, results of operations and financial condition.

Although substantially all of our revenue and expenses are denominated in Renminbi, fluctuations in exchange rates may nonetheless in the future adversely affect the value of our investment funds and fee earnings. In particular, distributions to holders of our H Shares are made in Hong Kong dollar. Any unfavorable movement in the exchange rate of the Renminbi against the Hong Kong dollar may adversely affect the value of our distributions. In addition, any unfavorable movement in the exchange rate of the Renminbi against other foreign currencies may also lead to an increase in our costs, which could adversely affect our business, financial condition and results of operations.

Governmental policies of currency conversion may limit our ability limit our foreign exchange transactions, including exchange for dividend payment to holders of H shares.

As of the Latest Practicable Date, Renminbi still could not be freely converted into any foreign currency, and the conversion and remittance of foreign currencies were subject to certain foreign exchange regulations in the PRC. It cannot be guaranteed that under a certain exchange rate, we will have sufficient foreign exchange to meet its foreign exchange requirements. Under the existing PRC foreign exchange system, foreign exchange transactions under the current account conducted by us, including the payment of dividends, do not require advance approval from the relevant PRC regulatory authorities, but we are required to present documentary evidence of such transactions and conduct such transactions at designated foreign exchange banks within the PRC that have the requisite licenses to carry out foreign exchange business. Foreign exchange transactions under the capital account conducted by us must be approved in advance by the relevant PRC regulatory authorities.

Under the existing foreign exchange regulations, following the completion of the [REDACTED], we will be able to pay dividends in foreign currencies without prior approval from the relevant PRC regulatory

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authorities by complying with certain procedural requirements. However, there is no assurance that these foreign exchange policies regarding payment of dividends in foreign currencies will continue in the future. If we fail to obtain approval from the relevant PRC regulatory authorities to convert Renminbi into any foreign exchange for any of the above purposes, our business, financial condition and results of operations may be materially and adversely affected.

Increasing focus with respect to environmental, social and governance matters may impose additional costs on us or expose us to additional risks. Failure to adapt to or comply with the evolving expectations and standards on environmental, social and governance matters from investors and the PRC government may adversely affect our business, financial condition and results of operations.

The PRC government and public advocacy groups have been increasingly focused on environment, social and governance (“ESG”) issues in recent years, making our business more sensitive to ESG issues and changes in governmental policies and laws and regulations associated with environment protection and other ESG-related matters. Investor advocacy groups, certain institutional investors, investment funds, and other influential investors are also increasingly focused on ESG practices and in recent years have placed increasing importance on the implications and social cost of their investments. Regardless of the industry, increased focus from investors and the PRC government on ESG and similar matters may hinder access to capital, as investors may decide to reallocate capital or to not commit capital as a result of their assessment of a company’s ESG practices. Any ESG concern or issue could increase our regulatory compliance costs. If we do not adapt to or comply with the evolving expectations and standards on ESG matters from investors and the PRC government or are perceived to have not responded appropriately to the growing concern for ESG issues, regardless of whether there is a legal requirement to do so, we may suffer from reputational damage and the business, financial condition, and the [REDACTED] of our H Shares could be materially and adversely effected.

RISKS RELATING TO THE [REDACTED]

There has been no prior [REDACTED] market for the H Shares and the liquidity and [REDACTED] of our H Shares may be volatile.

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

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

The [REDACTED] and [REDACTED] of our H Shares may be volatile and could fluctuate widely in response to factors beyond our control, including general market conditions of the securities markets in Hong Kong, China, the United States and elsewhere in the world. In particular, the performance and fluctuation of the market prices of other companies with business operations located mainly in China that have listed their

RISK FACTORS

securities in Hong Kong may affect the volatility of the [REDACTED] of, and [REDACTED] for our H Shares. A number of PRC-based companies have listed their securities, and some are in the process of preparing for listing their securities, in Hong Kong. Some of these companies have experienced significant volatility, including significant price declines after their offerings. The trading performances of the securities of these companies at the time of, or after, their offerings may affect the overall investor sentiment towards PRC-based companies listed in Hong Kong, and consequently may impact the [REDACTED] of our H Shares. These broad market and industry factors may significantly affect the [REDACTED] and volatility of our H Shares, regardless of our actual operating performance.

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

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

Future sales or perceived sales of substantial amounts of our H Shares in the [REDACTED] market could have a material and adverse effect on the [REDACTED] of our H Shares and our ability to raise additional capital in the future.

The [REDACTED] of our H Shares could decline as a result of future sales of a substantial number of our H Shares or other securities relating to our H Shares in the [REDACTED] market, the [REDACTED] of new shares or other securities, or the perception that such sales or issuances may occur. Future sales, or perceived sales, of substantial amounts of our securities, including any future [REDACTED], could also materially and adversely affect our ability to raise capital at a specific time and on terms favorable to us. In addition, our Shareholders may experience dilution in their holdings if we [REDACTED] more securities in the future. New shares or shares-linked securities [REDACTED] by us may also confer rights and privileges that take priority over those conferred by the H Shares.

We may not be able to pay any dividends on our Shares.

We cannot guarantee when and in what form dividends will be paid on our Shares following the completion of the [REDACTED]. The declaration of dividends is proposed by the Board and is based on, and limited by, various factors, including without limitation, our business and financial performance, capital and regulatory requirements and general business conditions. We may not have sufficient or any profits to enable us to make dividend distributions to our Shareholders in the future, even if our financial statements indicate that our operations have been profitable. For details, see “Financial Information — Dividend.”

We cannot assure you of the accuracy or completeness of certain facts, forecasts and other statistics obtained from various independent third-party sources contained or referenced to in this Document.

This Document, particularly the sections headed “Business” and “Industry Overview,” contains information and statistics relating to our industry. Such information and statistics have been derived from

RISK FACTORS

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

You must rely on the judgment of our management as to the use of the [REDACTED] of the [REDACTED], and such use may not produce income or increase the [REDACTED] of our H Shares.

Our management will have considerable discretion in the application of the net [REDACTED] received by us. You will not have the opportunity, as part of your [REDACTED] decision, to assess whether [REDACTED] are being used appropriately. The net [REDACTED] may be used for corporate purposes that do not improve our efforts to achieve or maintain profitability or increase the [REDACTED] of our H Shares. The net [REDACTED] may be placed in [REDACTED] that do not produce income or that lose value.

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

There may be, subsequent to the date of this Document but prior to the completion of the [REDACTED], press and media coverage regarding us and the [REDACTED], which may contain, among other things, certain financial information, projections, valuations and other forward-looking information about us and the [REDACTED]. We have not authorized the disclosure of any such information in the press or media and do not accept responsibility for the accuracy or completeness of such press articles or other media coverage. We make no representation as to the appropriateness, accuracy, completeness or reliability of any of the projections, valuations or other forward-looking information about us. To the extent such statements are inconsistent with, or conflict with, the information contained in this Document we disclaim responsibility for them. Accordingly, prospective [REDACTED] are cautioned to make their [REDACTED] decisions on the basis of the information contained in this Document only and should not rely on any other information.

You should rely solely upon the information contained in this Document, the [REDACTED] and any formal announcements made by us in Hong Kong in making your [REDACTED] decision regarding our H Shares. We do not accept any responsibility for the accuracy or completeness of any information reported by the press or other media, nor the fairness or appropriateness of any forecasts, views or opinions expressed by the press or other media regarding our H Shares, the [REDACTED] or us. We make no representation as to the appropriateness, accuracy, completeness or reliability of any such data or publication. Accordingly, prospective [REDACTED] should not rely on any such information, reports or publications in making their decisions as to whether to [REDACTED] in our [REDACTED]. By applying to purchase our H Shares in the [REDACTED], you will be deemed to have agreed that you will not rely on any information other than that contained in this Document and the [REDACTED].

INFORMATION ABOUT THIS DOCUMENT AND THE [REDACTED]

[REDACTED]

INFORMATION ABOUT THIS DOCUMENT AND THE [REDACTED]

[REDACTED]

INFORMATION ABOUT THIS DOCUMENT AND THE [REDACTED]

[REDACTED]

INFORMATION ABOUT THIS DOCUMENT AND THE [REDACTED]

[REDACTED]

WAIVERS

In preparation for the [REDACTED], we have sought the following waivers from strict compliance with the relevant provisions of the Listing Rules:

WAIVER IN RESPECT OF MANAGEMENT PRESENCE IN HONG KONG

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

Our headquarters are based, and most of the business operations of our Company and our subsidiaries are managed and conducted in the PRC. Our executive Directors ordinarily reside in the PRC and they play very important roles in our Company’s business operations, it is in our best interests for them to be based in places where our Group has significant operations. We consider it practically difficult and commercially unreasonable for us to arrange for two executive Directors to be ordinarily resident in Hong Kong, either by means of relocation of existing executive Directors or appointment of additional executive Directors. Therefore, our Company does not have, and does not contemplate in the foreseeable future that we will have sufficient management presence in Hong Kong for the purpose of satisfying the requirements under Rules 8.12 of the Listing Rules.

Accordingly, pursuant to Rule 19A.15 of the Listing Rules, we have applied to the Hong Kong Stock Exchange for, and the Hong Kong Stock Exchange [has granted] us, a waiver from strict compliance with Rule 8.12 and Rule 19A.15 of the Listing Rules subject to the following conditions:

- (a) We have appointed Mr. Liu Zhijian (劉志堅) and Ms. Leung Wing Han Sharon (梁穎嫻) as our authorized representatives (the “**Authorized Representatives**”) pursuant to Rules 3.05 of the Listing Rules. The Authorized Representatives will act as our Company’s principal channel of communication with the Hong Kong Stock Exchange. Each of the Authorized Representatives is authorized to communicate on our behalf with the Hong Kong Stock Exchange. The Authorized Representatives will be readily contactable by phone and email to promptly deal with enquiries from the Hong Kong Stock Exchange. Ms. Leung is situated and based in Hong Kong and will also be available to meet with the Hong Kong Stock Exchange to discuss any matter within a reasonable period of time upon request of the Hong Kong Stock Exchange. Our Company has provided contact details of the two Authorized Representatives to the Stock Exchange and will inform the Stock Exchange promptly in respect of any change in the Company’s authorized representatives;
- (b) both Authorized Representatives have all necessary means to contact all Directors (including the independent non-executive Directors) promptly at all times as and when the Hong Kong Stock Exchange wishes to contact our Directors on any matters. Our Company has implemented a policy whereby (i) each Director has provided their respective valid phone numbers or other means of communication to the Authorized Representatives; (ii) in the event that a Director expects to travel or is otherwise out of office, he/she will endeavor to provide his/her phone number of the place of his/her accommodation to the Authorized Representatives or maintain an

WAIVERS

open line of communication via his/her mobile phone; and (iii) each Director has provided his/her mobile phone number, office phone number, e-mail address and, where available, fax number to the Hong Kong Stock Exchange and will inform the Hong Kong Stock Exchange promptly if there are any changes to the contact details of the Directors;

- (c) pursuant to Rule 3.20 of the Listing Rules, each Director (including our independent non-executive Directors) has provided his/her contact information (such as mobile phone number, office phone number and email address) to the Hong Kong Stock Exchange and to the Authorized Representatives. This will ensure that the Hong Kong Stock Exchange and the Authorized Representatives should have means for contacting all Directors promptly at all times as and when required;
- (d) All Directors who do not ordinarily reside in Hong Kong possess or can apply for valid travel documents to visit Hong Kong and can meet with the Hong Kong Stock Exchange within a reasonable period;
- (e) We have appointed Somerley Capital Limited as our compliance adviser (the “**Compliance Adviser**”) upon [REDACTED] pursuant to Rule 3A.19 of the Listing Rules for a period commencing on the [REDACTED] and ending on the date on which we comply with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year commencing after the [REDACTED]. The Compliance Adviser will have access at all times to our Authorized Representatives, our Directors and our senior management as prescribed by Rule 3A.23 of the Listing Rules, who will act as the additional channel of communication with the Hong Kong Stock Exchange. The contact details of the Compliance Adviser have been provided to the Hong Kong Stock Exchange;
- (f) The Authorized Representatives, Directors and other officers of our Company will provide promptly such information and assistance as the Compliance Adviser may reasonably require in connection with the performance of the Compliance Adviser’s duties as set forth in Chapter 3A of the Listing Rules. There will be adequate and efficient means of communication between our Company, Authorized Representatives, Directors and other officers of our Company and the Compliance Adviser, and, to the extent reasonably practicable and legally permissible, we will keep the Compliance Adviser informed of all communications and dealings between the Hong Kong Stock Exchange and us; meetings between the Hong Kong Stock Exchange and our Directors could be arranged through our Authorized Representatives or the Compliance Adviser, or directly with our Directors within a reasonable time frame. We will inform the Hong Kong Stock Exchange as soon as practicable in respect of any change of Authorized Representatives and/or the Compliance Adviser; and
- (g) We have designated our staff members as the communication officer at our headquarters after the [REDACTED] who will be responsible for maintaining day-to-day communication with the Authorized Representatives and the Company’s professional advisors in Hong Kong, including our legal advisors in Hong Kong and the Compliance Adviser, to keep abreast of any correspondences and/or enquiries from the Stock Exchange and report to our executive Directors to further facilitate communication between the Stock Exchange and our Company.

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WAIVER IN RESPECT OF APPOINTMENT OF JOINT COMPANY SECRETARY

Pursuant to Rules 3.28 and 8.17 of the Listing Rules and Chapter 3.10 of the Guide for New Listing Applicants published by the Stock Exchange, we must appoint a company secretary who, by virtue of his/her academic or professional qualifications or relevant experience, is, in the opinion of the Hong Kong Stock Exchange, capable of discharging the functions of the company secretary. Note 1 to Rule 3.28 of the Listing Rules provides that the Hong Kong Stock Exchange considers the following academic or professional qualifications to be acceptable:

- (a) a member of The Hong Kong Chartered Governance Institute;
- (b) a solicitor or barrister as defined in the Legal Practitioners Ordinance (Chapter 159 of the Laws of Hong Kong); and
- (c) a certified public accountant as defined in the Professional Accountants Ordinance (Chapter 50 of the Laws of Hong Kong).

Note 2 to Rule 3.28 of the Listing Rules further provides that the Hong Kong Stock Exchange considers the following factors in assessing the “relevant experience” of the individual:

- (a) length of employment with the issuer and other issuers and the roles he/she played;
- (b) familiarity with the Listing Rules and other relevant laws and regulations including the SFO, the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Takeovers Code;
- (c) relevant training taken and/or to be taken in addition to the minimum requirement under Rule 3.29 of the Listing Rules; and
- (d) professional qualifications in other jurisdictions.

Our Company has appointed Mr. Xuan Ran (宣然) (“**Mr. Xuan**”) as one of our joint company secretaries. Mr. Xuan, as the executive Director and president of the Company, has extensive experience in matters concerning our Board and our corporate governance. The Company believes that it would be in the best interests of the Company and the corporate governance of the Group to have as its joint company secretary a person such as Mr. Xuan, who has day-to-day knowledge of the Company’s affairs. Mr. Xuan has the necessary nexus to the Board and close working relationship with management of the Company in order to perform the function of a joint company secretary and to take the necessary actions in the most effective and efficient manner. However, presently he does not possess any of the qualifications under Rules 3.28 and 8.17 of the Listing Rules, and may not be able to solely fulfill the requirements of the Listing Rules. Therefore, we have appointed Ms. Leung Wing Han Sharon (梁穎嫻) (“**Ms. Leung**”), a fellow member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom, who fully meets the requirements stipulated under Rules 3.28 and 8.17 of the Listing Rules to act as the other joint company secretary and to provide assistance to Mr. Xuan for an initial period of three years from the [REDACTED] to enable Mr. Xuan to acquire the “relevant experience”

WAIVERS

under Note 2 to Rule 3.28 of the Listing Rules so as to fully comply with the requirements set forth under Rules 3.28 and 8.17 of the Listing Rules. See “Directors, Supervisors and Senior Management – Joint Company Secretaries” for their biographical details.

Accordingly, we have applied to the Hong Kong Stock Exchange for, and the Hong Kong Stock Exchange [has granted], a waiver from strict compliance with the requirements under Rules 3.28 and 8.17 of the Listing Rules such that Mr. Xuan may be appointed as a joint company secretary of our Company. Pursuant to paragraph 13 of Chapter 3.10 under the Guide for New Listing Applicants published by the Stock Exchange, the waiver will be for a fixed period of time (“**Waiver Period**”) and on the following conditions: (i) the proposed company secretary must be assisted by a person who possesses the qualifications or experience as required under Rule 3.28 and is appointed as a joint company secretary throughout the Waiver Period; and (ii) the waiver can be revoked if there are material breaches of the Listing Rules by the issuer. The waiver is valid for an initial period of three years from the [REDACTED], and is granted on the condition that Ms. Leung will work closely with Mr. Xuan to jointly discharge the duties and responsibilities as company secretary and assist Mr. Xuan in acquiring the relevant experience as required under Rules 3.28 and 8.17 of the Listing Rules. Ms. Leung will also assist Mr. Xuan in organizing Board meetings and Shareholders’ meetings of our Company as well as other matters of our Company which are incidental to the duties of a company secretary. Ms. Leung is expected to work closely with Mr. Xuan and will maintain regular contact with Mr. Xuan, the Directors, the Supervisors and the senior management of our Company. The waiver will be revoked immediately if Ms. Leung ceases to provide assistance to Mr. Xuan as a joint company secretary for the three-year period after the [REDACTED] or where there are material breaches of the Listing Rules by our Company. In addition, Mr. Xuan will comply with the annual professional training requirement under Rule 3.29 of the Listing Rules and will enhance his knowledge of the Listing Rules during the three-year period from the [REDACTED]. Mr. Xuan will also be assisted by (a) Compliance Adviser of our Company, particularly in relation to compliance with the Listing Rules; and (b) the Hong Kong legal advisors of our Company, on matters concerning our Company’s ongoing compliance with the Listing Rules and the applicable laws and regulations.

Before the expiration of the initial three-year period, the qualifications of Mr. Xuan will be re-evaluated to determine whether the requirements as stipulated in Rules 3.28 and 8.17 of the Listing Rules can be satisfied and whether the need for ongoing assistance will continue. We will demonstrate that Mr. Xuan, having benefited from the assistance of Ms. Leung for the preceding three years, will have acquired the skills necessary to carry out the duties of company secretary and the relevant experience within the meaning of Note 2 to Rule 3.28 of the Listing Rules so that a further waiver will not be necessary.

DIRECTORS, SUPERVISORS AND PARTIES INVOLVED IN THE [REDACTED]

DIRECTORS

Name	Address	Nationality
Executive Directors		
Mr. Liu Zhijian (劉志堅)	E and F, 20th Floor, Building 1 Chunshui'an Garden (Phase 7) West Side of Xiangshan Middle Street Overseas Chinese Town Nanshan District, Shenzhen Guangdong Province, PRC	Chinese (Hong Kong)
Mr. Geng Dawei (耿大為)	Room 301, No. 11 Lane 395, Jipu Road Yangpu District Shanghai, PRC	Chinese
Mr. Yang Yang (楊陽)	13C, Block A2, Qianhai Kerry Center Nanshan District, Shenzhen Guangdong Province, PRC	Chinese
Mr. Xuan Ran (宣然)	Room 2602, Block 6, Jin Xiu Ling Long Fu Binjiang District, Hangzhou Zhejiang Province, PRC	Chinese
Mr. Jiang Chunfei (姜春飛)	2E, Building 6, Group 8 Xinghai Famous City Phase II Qianhai Road Nanshan District, Shenzhen Guangdong Province, PRC	Chinese
Non-Executive Director		
Mr. Cai Xiang (蔡祥)	19/F Flat A, Tower 2 One West Kowloon 873 Lai Chi Kok Road Hong Kong	Chinese (Hong Kong)
Independent Non-Executive Directors		
Mr. Wong Ti (汪棣)	Building 11, No. 160 Xinfu Street Neihu District, Taipei City Taiwan, PRC	Chinese (Taiwan)

DIRECTORS, SUPERVISORS AND PARTIES INVOLVED IN THE [REDACTED]

Name	Address	Nationality
Mr. Jiang Changjian (蔣昌建)	Room 604, No. 8 Lane 5 Lane 1324 Shuidian Road Hongkou District Shanghai, PRC	Chinese
Ms. Tian Jiangchuan (田江川)	Flat C, 18/F, Po Tak Mansion 85 Smithfield, Hong Kong	Chinese

SUPERVISORS

Name	Address	Nationality
Mr. Guo Kexin (國可心)	27A02, 24th floor, No.13 Zhao Gong Kou A Fengtai District Beijing, PRC	Chinese
Mr. Sun Zhengzhang (孫正章)	5-1701, Xing Long Jia Yuan Jianguo Road, Chaoyang District Beijing, PRC	Chinese
Mr. Zheng Shenglei (鄭聖磊)	Room 801, Unit 3, No. 5 Vanke Century Light Xiaoshan District, Hangzhou Zhejiang Province, PRC	Chinese

For details with respect to our Directors and Supervisors, see “Directors, Supervisors and Senior Management.”

PARTIES INVOLVED IN THE [REDACTED]

Sole Sponsor

Guotai Junan Capital Limited
27/F, Low Block
Grand Millennium Plaza
181 Queen’s Road Central
Hong Kong

[REDACTED]

DIRECTORS, SUPERVISORS AND PARTIES INVOLVED IN THE [REDACTED]

Sole Financial Advisor

Deutsche Bank AG, Hong Kong Branch

Level 60, International Commerce Centre
1 Austin Road West
Kowloon
Hong Kong

[REDACTED]

Legal Advisors to our Company

As to Hong Kong law and United States law

Davis Polk & Wardwell

10/F, The Hong Kong Club Building
3A Chater Road
Central
Hong Kong

As to PRC law

King & Wood Mallesons

17th Floor, One ICC
Shanghai ICC
999 Huai Hai Road (M)
Shanghai
PRC

**Legal Advisors to the Sole Sponsor and
the [REDACTED]**

As to Hong Kong law

Haiwen & Partners LLP

Suites 1101-1104
11/F, One Exchange Square
8 Connaught Place
Central
Hong Kong

As to PRC law

Haiwen & Partners

20/F, Fortune Financial Center
5 Dong San Huan Central Road
Chaoyang District
Beijing, PRC

DIRECTORS, SUPERVISORS AND PARTIES INVOLVED IN THE [REDACTED]

Reporting Accountants and Independent Auditor

BDO Limited

Certified Public Accountants

Registered Public Interest Entity Auditors

25/F, Wing On Centre

111 Connaught Road

Central

Hong Kong

Industry Consultant

Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.

Suite 2504

Wheelock Square

1717 Nanjing West Road

Shanghai, China

Compliance Adviser

Somerley Capital Limited

20/F China Building

29 Queen’s Road Central

Hong Kong

[REDACTED]

CORPORATE INFORMATION

Registered Office	66/F, Tower A, Building 2, Shenzhen Bay Innovation Technology Center No. 3156 Keyuan South Road Gaoxin Community, Yuehai Street Nanshan District, Shenzhen Guangdong Province, PRC
Headquarters and Principal Place of Business in the PRC	66/F, Tower A, Building 2, Shenzhen Bay Innovation Technology Center No. 3156 Keyuan South Road Gaoxin Community, Yuehai Street Nanshan District, Shenzhen Guangdong Province, PRC
Principal Place of Business in Hong Kong	Room 1920, 19/F Lee Garden One 33 Hysan Avenue Causeway Bay Hong Kong
Company’s Website	<u>www.xuncetech.com</u> <i>(The information contained in this website does not form part of this Document)</i>
Joint Company Secretaries	Mr. Xuan Ran (宣然) 66/F, Tower A, Building 2, Shenzhen Bay Innovation Technology Center No. 3156 Keyuan South Road Gaoxin Community, Yuehai Street Nanshan District, Shenzhen Guangdong Province, PRC Ms. Leung Wing Han Sharon (梁穎嫻) <i>(FCG, HKFCG, HKICPA)</i> Room 1920, 19/F Lee Garden One 33 Hysan Avenue Causeway Bay Hong Kong

CORPORATE INFORMATION

Authorized Representatives

Mr. Liu Zhijian (劉志堅)
66/F, Tower A, Building 2, Shenzhen Bay
Innovation Technology Center
No. 3156 Keyuan South Road
Gaoxin Community, Yuehai Street
Nanshan District, Shenzhen
Guangdong Province, PRC

Ms. Leung Wing Han Sharon (梁穎嫻)
(FCG, HKFCG, HKICPA)
Room 1920, 19/F
Lee Garden One
33 Hysan Avenue
Causeway Bay
Hong Kong

Audit Committee

Mr. Wong Ti (汪棣) (*Chairperson*)
Mr. Cai Xiang (蔡祥)
Ms. Tian Jiangchuan (田江川)

Remuneration and Assessment Committee

Ms. Tian Jiangchuan (田江川) (*Chairperson*)
Mr. Jiang Changjian (蔣昌建)
Mr. Liu Zhijian (劉志堅)

Nomination Committee

Mr. Liu Zhijian (劉志堅) (*Chairperson*)
Ms. Tian Jiangchuan (田江川)
Mr. Jiang Changjian (蔣昌建)

Strategy Committee

Mr. Liu Zhijian (劉志堅) (*Chairperson*)
Mr. Yang Yang (楊陽)
Mr. Xuan Ran (宣然)

[REDACTED]

Principal Bank

**Shenzhen Software Base Branch of China Merchants
Bank**
Floor 1A1, Shenzhen Software Industry Base
Yuehai Street, Nanshan District
Shenzhen, PRC

INDUSTRY OVERVIEW

The information presented in this section, unless otherwise indicated, is derived from various official government publications and other publications generally believed to be reliable and from the market research report prepared by Frost & Sullivan, which we commissioned. We believe that the information has been derived from appropriate sources and we have taken reasonable care in extracting and reproducing such information. We have no reason to believe that such information is false or misleading in any material respect or that any fact has been omitted that would render the information false or misleading in any material respect. However, information and statistics from official government sources have not been independently verified by us or any other parties involved in the [REDACTED] and no representation is given as to their accuracy.

SOURCE AND RELIABILITY OF INFORMATION

We have commissioned Frost & Sullivan, an independent market research and consulting company, to conduct an analysis of, and to prepare a report on the real-time data infrastructure and analytics market in China. The report prepared by Frost & Sullivan for us is referred to in the Document as the Frost & Sullivan Report. A total fee of RMB625,000 was paid to Frost & Sullivan for the preparation of the report, which we believe reflects market rates for reports of this type. Frost & Sullivan is a global consulting company founded in 1961 in New York and has over 40 global offices with more than 2,000 industry consultants, market research analysts, technology analysts and economists.

The Frost & Sullivan Report was undertaken through both primary and secondary research obtained from various sources using intelligence collection methodologies. Primary research involved discussing the status of the industry with certain leading industry participants across the industry value chain and conducting interviews with relevant parties to obtain objective and factual data and prospective predictions. Secondary research involved reviewing information integration of data and publication from publicly available sources, including official data and announcements from government agencies, and company reports, independent research reports and data based on Frost & Sullivan’s own data base.

In compiling and preparing the Frost & Sullivan Report, Frost & Sullivan has adopted the following assumptions: (i) the social, economic, and political environment in China is likely to remain stable in the forecast period and (ii) identified industry key drivers are likely to drive the real-time data infrastructure and analytics market in China in the forecast period.

Our Directors have confirmed that there has been no adverse change in the market situation since the date of the Frost & Sullivan Report which may qualify, contradict, or have impact on the information of this section.

INDUSTRY OVERVIEW

OVERVIEW OF REAL-TIME DATA INFRASTRUCTURE AND ANALYTICS MARKET IN CHINA

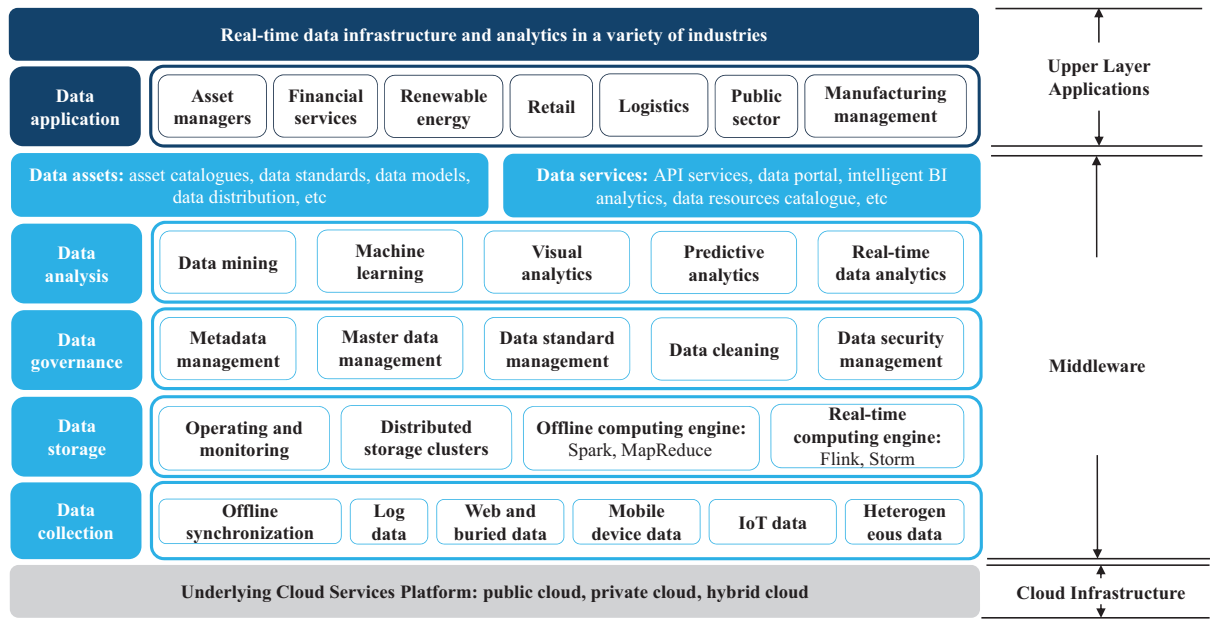
Data infrastructure refers to the systems that support the collection, cleaning, management, analysis or governance of data within an organization. Based on the processing mechanism and efficiency, data infrastructure can be categorized into real-time data infrastructure and non-real-time data infrastructure. These two types of data infrastructure are respectively designed for addressing different needs for processing data. The table below illustrates the main differences between the two types of data infrastructure:

	Real-time data infrastructure	Non-real-time data infrastructure
Processing mechanism	• Streaming processing: the system processes data as it is collected and produces near-instantaneous output • Event-driven	• Batch processing: Data is gathered over a certain period of time and stored; data is processed in bulk based on users’ queries and a batch output of data is produced • Querying-driven
Processing efficiency	• Milliseconds to seconds	• Usually minutes to T+1
Application scenarios	• Application scenarios featured by the supply of high-frequency and continuously generated data and growing demands for in-the-moment decision making • Typical use cases include financial asset price analysis, financial asset trading, online personalized recommendation, fraud detection and prevention, anti-money laundering, and IoT data analysis	• Application scenarios in which organizations have general demands for data storage, management or processing and do not need real-time output of data • Typical use cases include storage and analysis of bank account transaction records, data storage and analysis for enterprise applications (such as ERP systems), analysis of daily or monthly operation results of enterprises, or query services provided to end consumers.
User value	• Providing higher processing efficiency • Delivering unique capabilities to organizations with more stringent and higher demands for processing real-time data in certain application scenarios	• Providing acceptable processing efficiency • Delivering fundamental capabilities to organizations with demands for building their data infrastructure that support various business processes

Real-time data infrastructure is a unified data platform that collects, cleans, manages, analyzes and governs heterogeneous data from multiple sources within seconds. Data infrastructure serves as the foundational layer that supports all data-related activities, including analytics. Data analytics is the application layer that sits on top of this infrastructure, leveraging the collected, stored, and managed data to produce insights, make predictions, or inform decisions. Leveraging big data and AI technologies, real-time data infrastructure and analytics solutions transform disperse data into business insights by building and analyzing data models, and developing intelligent

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analytics solutions based on actual business scenarios. The graph below demonstrates the functionalities of real-time data infrastructure and analytics across the IT infrastructure of an enterprise:



Source: Frost & Sullivan

Development of Real-Time Data Infrastructure and Analytics Market in China

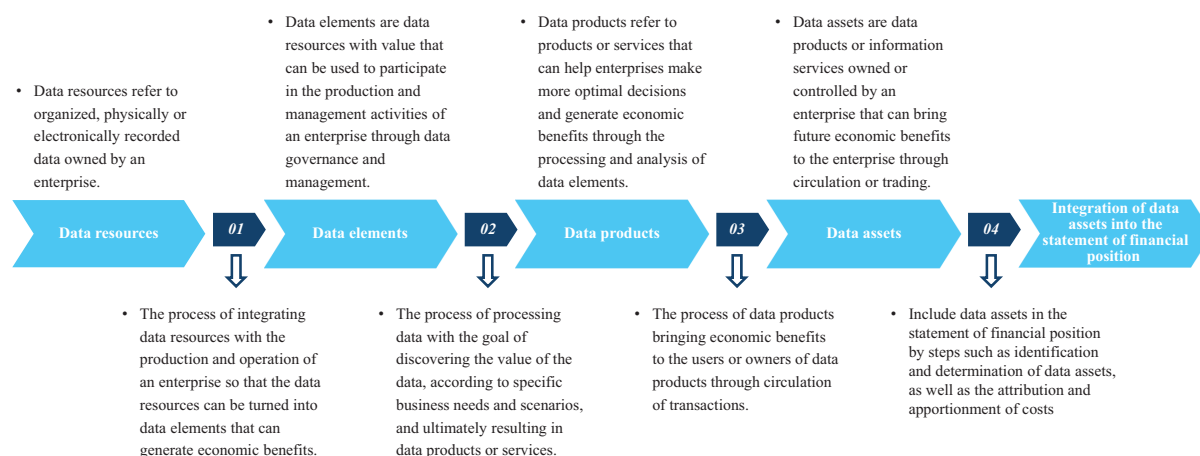
Regulatory Background for Market Development

Since 2017, “Digital China” has become a national-level development strategy, and the development of the digital economy has become an important means of promoting high-quality economic growth in China.

In the era of the digital economy, data has become one of the most important assets, with significant practical value. In August 2023, the General Office of the Ministry of Finance issued the Interim Provisions on Accounting Treatment Related to Enterprise Data Resources, which became effective on January 1, 2024, recognizing data assets as intangible assets and inventories in corporate statement of financial position according to relevant accounting principles (數據資產入表). To record data as assets on a statement of financial position, it

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must first be converted into data assets that can be applied to business scenarios through the enterprises’ real-time data infrastructure and analytics capabilities. The chart below summarizes the process of data capitalization:



Source: Ministry of Finance of the People’s Republic of China, Frost & Sullivan

This regulatory development is expected to encourage businesses to actively promote their internal data processing and analytics capabilities, which serve as a direct means to enhancing the value of raw data, and in turn drive the further expansion of real-time data infrastructure and analytics market in China in the following aspects:

- **Enhancing Data Asset Awareness:** By allowing data to be included on statement of financial position the policy formally categorizes it as an asset, akin to physical or financial assets. This recognition raises awareness of stakeholders across all industries about the intrinsic value of data. Following this policy, enterprises in China are likely to seek out technologies that enable them to leverage this asset in real-time, leading to the rapid growth of the real-time data infrastructure and analytics market.
- **Stimulating Market Demand:** The introduction of the policy of including data assets in the statement of financial position has encouraged a societal shift to actively explore innovative application scenarios for data, and has pushed various industries to strengthen the construction of real-time data infrastructure. This policy has thus inspired industries to actively deploy real-time data infrastructure and analytics applications to optimize business processes and further stimulate the demand for real-time data infrastructure and analytics solutions providers.

Driven by this policy, more and more enterprises in various industries will actively increase their investment in real-time data infrastructure and analytics solutions to unleash the additional value of their data, which will lead to a continuous rise in the total addressable market of China’s real-time data infrastructure and analytics market. The additional addressable market size of real-time data infrastructure and analytics market in China attributable to this policy was RMB33.7 billion in 2024 and is expected to reach RMB77.2 billion in 2029. Benefitting from this policy, the value of total assets of the enterprise and government sectors in China is expected to increase by 4.0%-6.5%, attributed to the incremental value of data assets. As of the end of 2024, there were over 50 data exchange platforms operated by local state-owned enterprises in 27 provinces or municipalities in China. Typical examples include Guiyang Global Big Data Exchange, Shanghai Data Exchange and Beijing International Data Exchange.

More initiatives have been introduced in recent years on enhancing data application across various industries to unlock the value of data and strengthen real-time data infrastructure in China. Since 2020, when China officially recognized data as the fifth major factor of production in Opinions on Building a More Comprehensive Institutional Mechanism for the Market based Allocation of Factors promulgated by the Central Committee of the Communist Party of China and State Council, there has been a significant push at the national level to foster the development of a data-driven market, supported by a series of pivotal policies including the 14th Five-Year Plan for the Development of the Digital Economy and the Opinions on Building a Data Base System to Better Utilize the Role of Data Elements. In January 2024, the National Data Bureau of China, the

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Cyberspace Administration of China and the Ministry of Science and Technology, along with 14 other departments across various industries, released a three-year action plan (“Data Element X” Three-Year Action Plan (2024-2026)), to fully leverage the multiplier effect of data as an economic factor. This plan is aimed at empowering economic and social development by guiding and encouraging various types of social capital to invest in the data industry, and supporting data companies in raising funds through public listings.

Market Demands and Development Trends

As data volume continues to grow and new data types and sources emerge, enterprises have increasingly sophisticated needs for data platforms and applications, including the below, in order to unleash the full potential of their data value:

- *Timeliness*: The ability to process data in real-time to meet the needs of real-time data processing and business strategy implementation.
- *Uniformity*: Automated collection and management of data from different sources, processing both structured and unstructured data, and avoiding data and system silos.
- *Efficiency*: Building a next-generation real-time data infrastructure to construct and operate scalable applications in dynamic environments such as public, private and hybrid clouds, thus supporting diverse business scenarios and operational efficiencies.

However, traditional data technologies and products often have difficulty in meeting the above needs due to limited processing speed, high latency, and inability to cope with large volumes of and multiple types of data. In particular:

- *Timeliness*: Traditional data technologies primarily offer batch processing capabilities. Although stream processing technologies are becoming more popular, real-time processing capability remains a challenge.
- *Uniformity*: Most traditional data products can only support one or a few data types. As a result, enterprises often have to use multiple databases to meet their increasing data need. In addition, traditional databases rely on centralized architectures and store data in costly specialist hardware equipment, lack of scalability and cost-efficiency.
- *Efficiency*: The construction of traditional data infrastructure usually lacks systematic planning, resulting in multiple disconnected business and data systems within enterprises, hindering efficient data flow and the strategic value of data in supporting business development and decision-making.

The mismatch between enterprises’ emerging demands arising from the digital transformation process and traditional data technologies has led to the emergence and rapid growth of the real-time data infrastructure and analytics market in China.

As China’s real-time data infrastructure and analytics market forges ahead, the country’s significant strides in technological innovation are poised to catalyze a trend towards globalization. The ongoing advancement of the Internet, mobile connectivity, IoT, 5G, and associated information and communication technologies has led to an exponential increase in global data. An increasing number of homegrown enterprises are anticipated to venture into international arenas, exporting their deep industry expertise and sophisticated real-time data processing technologies to a global clientele.

Industry Application of Real-Time Data Infrastructure and Analytics Solutions in China

Real-time data infrastructure and analytics solutions mainly target industries with the following characteristics:

- *Maturity of IT infrastructure*: The industry has already accumulated a large amount of historical data and established mature IT infrastructure in the early years of development. Based on such foundation,

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through next-generation real-time data infrastructure and analytics, the industry will become the first to explore the value of data as an asset and achieve digital transformation

- *Demands for digital transformation and real-time data processing:* The industry is characterized by diverse and complex business scenarios with multiple business lines and interconnected departments, where real-time processing of massive and high-frequency data is necessary to support front-end business operations.
- *Budget:* The industry has adequate budget for data platform construction.
- *Data standardization:* Data has great reusable value for the industry — aggregating, analyzing and managing data can bring benefits to enterprises in terms of optimizing business processes and improving operational efficiency — such industry usually attaches greater importance to the accumulation and management of data assets.
- *Requirement for data security compliance:* The industry focusing on safeguarding sensitive information and protecting the privacy of clients.

The table below illustrates the industries where real-time data infrastructure and analytics solutions are mostly adopted in terms of the above-mentioned characteristics:

● High degree ○ Low degree

	Maturity of IT infrastructure	Demands for digital transformation	Budget	Degree of data standardization	Requirement for data security compliance
Asset management	●	●	●	●	●
Financial services (other than asset management)	●	●	●	●	●
Renewable energy	○	○	○	○	○
Retail	○	●	○	○	○
Logistics	○	○	○	○	○
Public sector (such as city management)	○	○	○	○	●
Manufacturing management	○	○	○	○	●
Agriculture	○	○	○	○	○
Telecommunications	●	●	●	○	●

Source: Expert interview, Frost & Sullivan

Based on the above, the asset management industry is currently the most in need of real-time data infrastructure and analytics solutions primarily due to its strong willingness for digital transformation and high demand for real-time data processing.

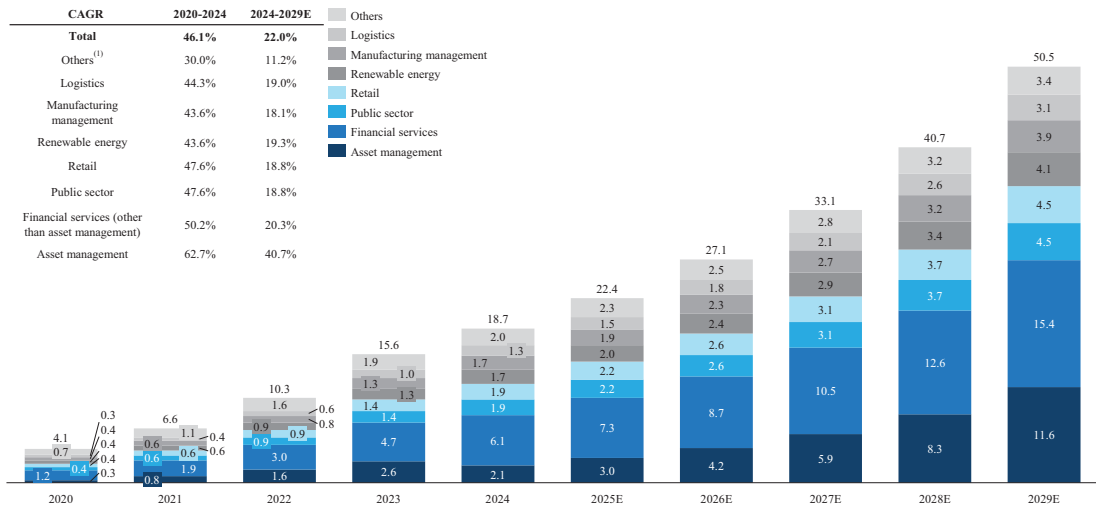
Market Size and Total Addressable Market Size of Real-time Data Infrastructure and Analytics Market in China

The market size for real-time data infrastructure and analytics market in China has reached RMB18.7 billion in 2024, representing a CAGR of 46.1% from 2020 to 2024. This market size will continue to grow at a high rate and is forecasted to reach RMB50.5 billion in 2029, representing a CAGR of 22.0% from 2024 to 2029,

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as illustrated below, driven by favorable national policies and the huge demand from the digital transformation of enterprises across industries.

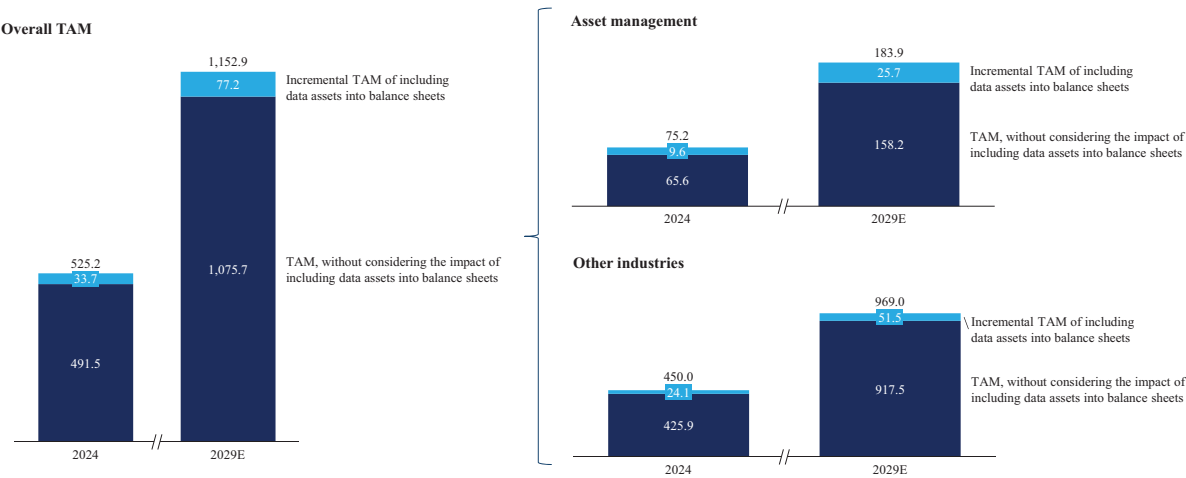
Market Size of Real-time Data Infrastructure and Analytics Market in China, in terms of Actual Vendor Revenue (RMB billion, 2020-2029E)



Note:
(1) Include telecommunications, agriculture, healthcare, and other industries
Source: Expert interview, Frost & Sullivan

The overall real-time data infrastructure and analytics market in China is featured by its nascent stage and rapid expansion. The total addressable market size of real-time data infrastructure and analytics market in China has reached RMB525.2 billion in 2024. Due to multiple favorable factors, such as the implementation of the policy to record data assets on statement of financial position, this total addressable market size is expected to reach RMB1,152.9 billion in 2029, as illustrated below:

Total Addressable Market Size of Real-time Data Infrastructure and Analytics Market in China (RMB billion, 2024/2029E)



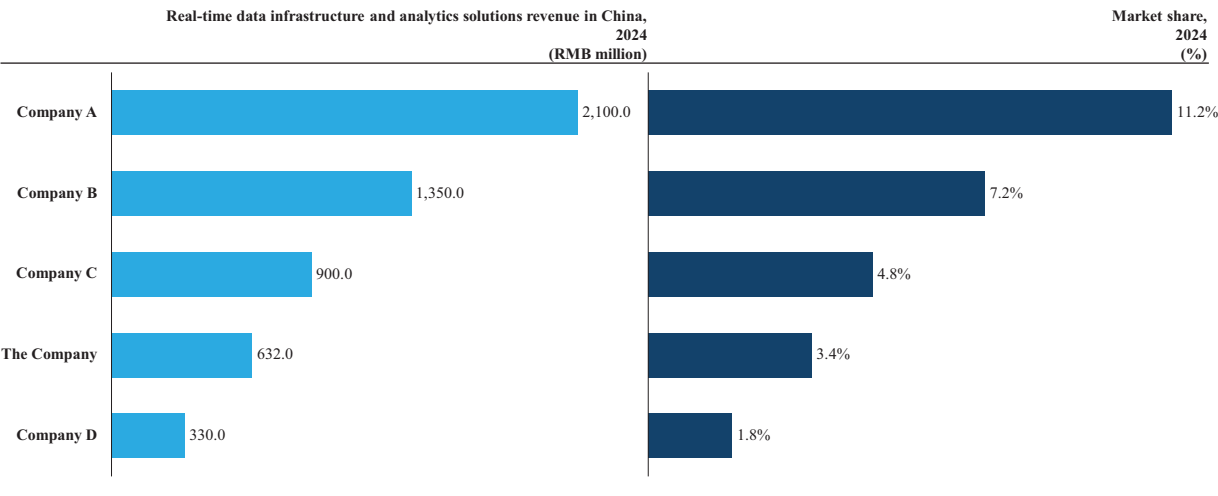
Abbreviation: TAM = total addressable market
Source: Asset Management Association of China, Insurance Asset Management Association of China, China Trustee Association, China Financial Futures Exchange, China Banking Association, Research Center for National Balance Sheet, Frost & Sullivan

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The penetration rate of real-time data infrastructure and analytics market in China in terms of potential budgets of enterprises in all industries for real-time data infrastructure and analytics solutions was 3.6% in 2024, indicating significant potential for market expansion.

Competitive Landscape of Real-time Data Infrastructure and Analytics Market in China

The real-time data infrastructure and analytics market in China is highly competitive and dynamic, with significant contributions from major players in the technology sector. The total number of players in real-time data infrastructure and analytics market in China was more than 400 by the end of 2024. As the market is experiencing robust growth, driven by increasing investment in digital transformation and a growing demand for data and analytics solutions across various sectors, industry pioneers are rapidly growing up supported by advancements in technologies such as big data and AI. The top five players within this market in terms of revenue in 2024 is illustrated below:



Notes:

- (1) Company A is a public company founded in 1999 and listed on New York Stock Exchange and Hong Kong Stock Exchange. It is a leading technology company offering Internet-related services and products in online commerce and local services, artificial intelligence, cloud service and other technologies.
- (2) Company B is a private company founded in 1987. It is a leading cloud service, telecom equipment and consumer electronics provider.
- (3) Company C is a public company founded in 1998 and listed on Hong Kong Stock Exchange. It is a leading cloud services, communication and social services, advertising and enterprise service provider.
- (4) Company D is a private company founded in 1989. It mainly focuses on providing digital transformation solutions to financial services industry and other critical industries.

Source: Public fillings, Websites of market players, Frost & Sullivan

Key Success Factors and Entry Barriers of Real-Time Data Infrastructure and Analytics Market in China

Based on their competitive advantages, the leading players in the real-time data infrastructure and analytics market in China are able to maintain their leadership position and form a strong barrier to new entrants. Some of these competitive advantages include:

- *Extensive industry know-how:* Market players who were the first to establish business relationships with large-scale and sophisticated industry clients have amassed deep insights into client requirements, business scenarios, and clients’ underlying technical architecture and diverse data types. These players have also been invested heavily in developing their offerings to meet industry demands. Consequently, new entrants face substantial time and cost challenges to accumulate similar industry experience.

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- *Broad application value:* Leading providers of real-time data infrastructure and application solutions offer a comprehensive range of products that cover all stages of data lifecycle management. These providers are capable of quickly and comprehensively empowering enterprise customers in various core business scenarios, making their solutions highly valuable and applicable across a wide range of industries.
- *High level of standardization:* By offering standardized core products, top providers of real-time data infrastructure and application solutions are able to commercialize across multiple industries rapidly and cost-effectively. This approach increases the market share of their products by facilitating widespread adoption and compatibility with different business environments.
- *Advanced technological capabilities:* Leading providers of real-time data infrastructure and application solutions leverage their years of technology accumulation and research and development achievements to consolidate underlying proprietary technologies. They prioritize the integration of industry-leading emerging technologies such as big data, artificial intelligence and cloud computing. This strategic focus enables them to establish a robust technology research and development capability and stay at the forefront of technological advancements in the industry.
- *Strong client base:* Throughout their long-term development, the leading providers of real-time data infrastructure and application solutions have garnered a significant number of top-tier clients and valuable project experiences. They have achieved this by consistently delivering high-quality, practical, and reliable data analytics solutions to enterprises. As a result, their client base has continuously expanded, and client loyalty has steadily improved over time.

OVERVIEW OF REAL-TIME DATA INFRASTRUCTURE AND ANALYTICS MARKET FOR CHINA’S ASSET MANAGEMENT INDUSTRY

Overview of China’s Asset Management Industry

Asset managers, whether operating within financial institutions or as part of a non-financial enterprise’s internal department or else, are professionals tasked with overseeing and optimizing the utilization of assets to meet the strategic objectives of their stakeholders. Asset managers can be generally categorized as licensed financial institutions (such as mutual funds, asset management department within banks, insurance companies, private funds, trust companies, securities companies and futures companies), non-financial institutions (such as non-financial public or private companies, government investment institutions, finance companies and family offices) and others (such as high networth individuals).

The market size of China’s asset management industry has experienced robust growth in recent years, driving by overall economic development, financial reforms and technology advancements in China. The market size of the asset management market in China in terms of AUM, has grown from RMB354.8 trillion in 2020 to RMB480.2 trillion in 2024, in terms of AUM, representing a CAGR of 7.9% from 2020 to 2024. This market size is expected to continue its growth and reach RMB790.6 trillion in 2029, representing a CAGR of 10.5% from 2024 to 2029.

Development Trends in China’s Asset Management Industry

The market size of the asset management industry is expected to continue to expand in the future, coupled with the following industry trends:

- The asset management industry in China is witnessing an increasing variety of trading instruments and targets, leading to increasing complexity in macroeconomic factors and market microstructures.

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As such, asset management institutions need to continuously enhance their data management and analytics capabilities for business expansion, leading to further expansion of the asset management market in China.

- With the rapid growth of the asset management industry in China, domestic asset management institutions are facing intensified competition. Such competition is further escalated as foreign asset management institutions with strong digital capabilities entering China in recent years.
- Regulatory authorities in China are actively promoting digital transformation and strengthening compliance requirements, and financial regulatory compliance systems are becoming more complex, as well as the intensifying focus on data security, bringing more challenges for asset management institutions to meet regulatory requirements.
- Risk management is gaining increased focus among asset managers in China to efficiently respond to market changes and deliver reliable returns for investors.
- Asset management institutions in China are rapidly embracing digital transformation to enhance operational efficiency and market competitiveness. Digital transformation expenditure in China’s asset management industry is forecasted to exceed RMB66.0 billion by 2029, representing a CAGR of 19.1% from 2024 to 2029. As the national digital transformation expenditure continues to rise, asset management institutions in China are allocating more resources to enterprise data infrastructure construction.

Overview of Real-time Data Infrastructure and Analytics Market for China’s Asset Management Industry

The real-time data infrastructure and analytics solutions for asset management industry refer to data platforms and analytics applications which enable asset managers to collect, clean, manage, analyze and govern thousands of external and internal data sources with high accuracy at a frequency within seconds, and leverage the collected, stored, and managed data to produce insights, make predictions, or inform investment decisions.

The investment data each asset manager keeps is one of the most complex datasets and highest demands for data accuracy and timeliness, featuring numerous and complex data formats stored in incompatible systems. In particular, the asset management industry faces the following unique challenges during the digitalization process:

- *Timeliness*: Traditional data platforms are built on previous-generation data technologies, where data aggregation and analytics primarily rely on batch processing with time intervals ranging from minutes to hours, or even days. Some data processing tasks required manual intervention, which makes it subject to limited efficiency and accuracy. Such limitation presents a greater obstacle in the asset management industry where actual transactions occur every second, requiring real-time data processing and analysis capabilities.
- *Uniformity*: During the IT system construction and digital transformation process, different business segments within one asset management institution may have developed separate systems, and market data provided by multiple data vendors, resulting in system and data silos, hindering their ability to conduct investment research, formulate investment strategies, execute orders, monitor portfolios, manage risks and comply with regulatory reporting obligations in a unified manner.
- *Efficiency*: As the data processing capabilities of underlying data platforms are subject to limitations in terms of timeliness and uniformity as discussed above, business operation efficiencies of asset managers are encumbered because the traditional IT systems in each business segment of asset management institutions are closely linked to their underlying traditional data platform.

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Leveraging various technologies, real-time data infrastructure and analytics solutions possess the unique ability to automatically collect, standardize and integrate multiple sources of heterogeneous data as well as the data that is scattered across internal systems of asset management institutions. Driven by real-time data capabilities, these solutions support business decision-making processes throughout the asset management lifecycle, from investment decision, portfolio monitoring and performance analysis, order execution, valuation, to risk management and compliance.

Through the above functions, real-time data infrastructure and analytics solutions bring the following value propositions to asset managers:

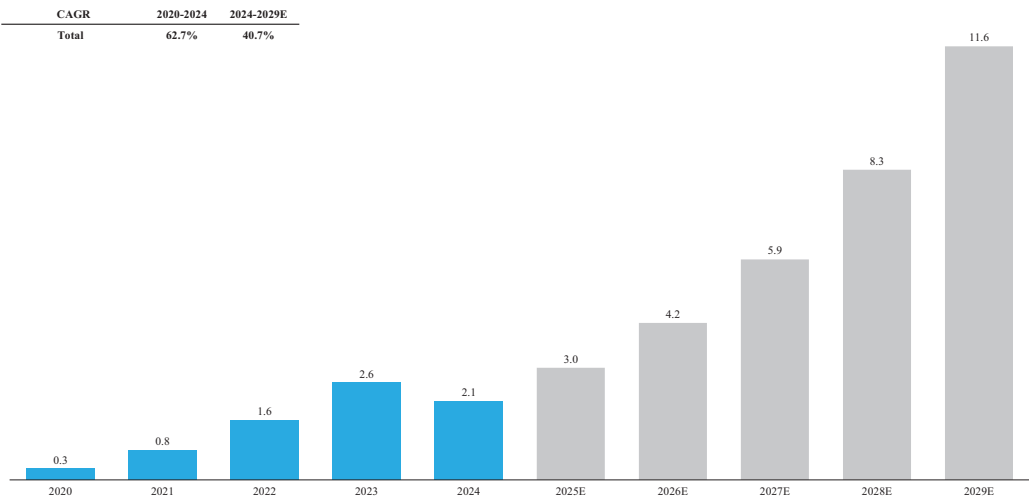
- Providing end-to-end solutions to the asset management industry, which greatly improves data integrity and traceability, solves system and data silo problems, and enhances the efficiency of unified data management and utilization.
- Significantly enhancing asset managers’ speed and capability of real-time data processing, which enables asset managers to meet their growing demand for data management and increases their operational efficiencies.
- Optimizing investment performance and risk management of asset managers through combined functions of real-time data aggregation, processing and outputs.

Due to high implementation costs and limited in-house technology capabilities, most asset managers in China need to rely on third-party data infrastructure and analytics solutions providers to achieve real-time data management.

Market Size and Total Addressable Market of Real-time Data Infrastructure and Analytics Market for China’s Asset Management Industry

As asset managers continue to undertake the digital transformation process, the market size of the real-time data infrastructure and analytics market for China’s asset management industry, has grown significantly in the past few years in terms of actual vendor revenue. The market has grown from RMB0.3 billion in 2020 to RMB2.1 billion in 2024, representing a CAGR of 62.7% from 2020 to 2024, and is forecasted to reach RMB11.6 billion in 2029, at a CAGR of 40.7% from 2024 to 2029.

Market Size of Real-time Data Infrastructure and Analytics Market for China’s Asset Management Industry, in terms of actual vendor revenue (RMB billion, 2020-2029E)



Source: Expert interview, Frost & Sullivan

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The total addressable market size of the real-time data infrastructure and analytics market for China’s asset management industry was RMB75.2 billion in 2024 and is expected to reach RMB183.9 billion in 2029, at a CAGR of 19.6% from 2024 to 2029, based on the potential budgets of asset management institutions for real-time data services.

The penetration rate of real-time data infrastructure and analytics market for China’s asset management industry in terms of potential budgets of asset management institutions for real-time data infrastructure and analytics solutions, however, was only 2.8% in 2024. The significant gap between the market size and total addressable market suggests massive market growth potential.

Development Trends of Real-time Data Infrastructure and Analytics Market for China’s Asset Management Industry

The real-time data infrastructure and analytics market for China’s asset management industry will continue to advance with the following trends:

Product Development

- As asset managers in China increasingly adopt real-time data infrastructure and analytics solutions, third-party real-time data infrastructure and analytics solutions providers have steadily amassed a wealth of business scenario capabilities. As these providers continue to engage with various business scenarios within the asset management sector, real-time data infrastructure and analytics solutions will encompass a wider range of assets and transactions, enriching the business scenario capabilities and data models, and thus becoming able to address more diverse business needs of asset managers across the whole industry.

Industry Competition

- *Early-Mover Advantage:* Asset managers exhibit a cautious approach when it comes to switching real-time data infrastructure and analytics solutions providers, as they tend to be highly sticky to their existing supplier once a solid relationship has been established. Consequently, real-time data infrastructure and analytics solutions providers who enter the industry early and establish themselves as trusted partners enjoy a substantial advantage.
- *Dominant Effect:* Dominant players in the real-time data infrastructure and analytics market for China’s asset management industry established their robust market reputation given their technological expertise, industry insights and effective marketing strategies, thus enjoying significant advantages such as brand recognition, market share, resources, or network effects, which will contribute to their further market share growth and leading position maintenance. In addition, asset managers have an exceptionally high demand for technical and system stability. Dominant players’ service track records evidencing their ability to deliver offerings with high stability and reliability make them well-positioned to acquire new clients in this vertical.

Technological Iteration

- In addition to AI, big data, cloud computing technologies, real-time data infrastructure and analytics solutions will continue to innovate as emerging technologies such as cloud native, privacy computing and microservices are gradually becoming more widely adopted. Problems such as delivery delays, inconsistent standards and data security that are existing in the traditional data architecture are expected to be solved, driving the further development of real-time data infrastructure and analytics solutions – they will not only be able to collect, manage and analyze heterogeneous data from multiple sources with low latency and high efficiency, but also gradually gain increasing systematic elasticity and scalability, as well as data security and reliability.

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Market Expansion

- Leading market participants in China are likely to export proven offerings to overseas asset management institutions, seizing opportunities in overseas markets. Regions such as Hong Kong, Southeast Asia, and the Middle East, which have been rapidly developing asset management industries or strategic development relationships with China, will be the primary choices for industry leaders to explore untapped opportunities.

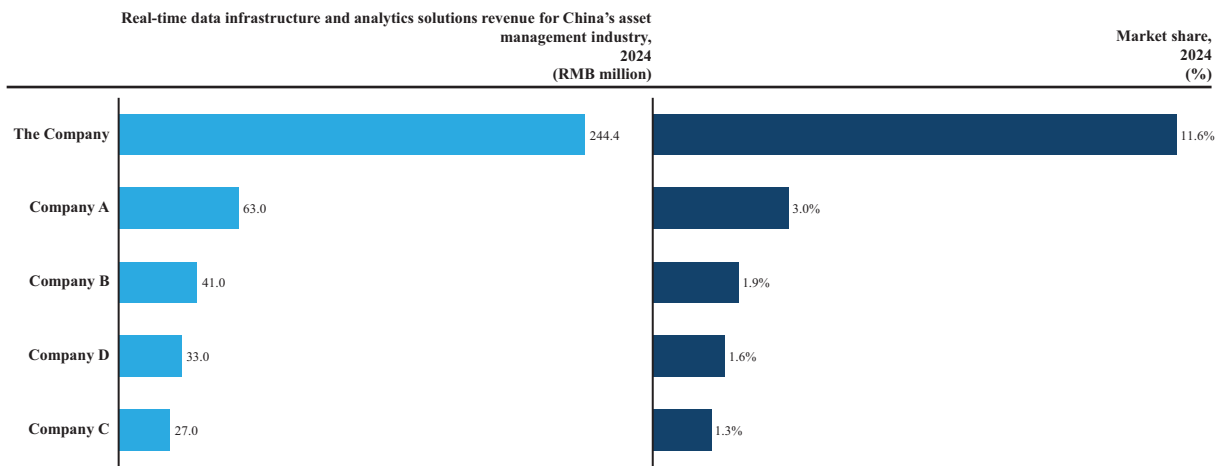
Competitive Landscape of Real-time Data Infrastructure and Analytics Market for China’s Asset Management Industry

Key Market Players in Real-Time Data Infrastructure and Analytics Market for China’s Asset Management Industry

The total number of players in real-time data infrastructure and analytics market for China’s asset management industry was more than 50 by the end of 2024. Key players in the real-time data infrastructure and analytics market for China’s asset management industry include dedicated real-time data infrastructure and analytics solutions providers, cloud service providers and traditional financial IT solution providers:

- Dedicated real-time data infrastructure and analytics solutions providers: dedicated to providing real-time data infrastructure and analytics solutions for the asset management industry and other industries.
- Cloud service providers: providing diversified cloud services from IT infrastructure to applications for various industries and continuing to extend their service offerings in multiple fields, such as real-time data infrastructure and analytics.
- Traditional financial IT solution providers: currently mainly providing legacy financial IT solutions for financial institutions and managing to invest more to develop emerging technologies, such as real-time data infrastructure and analytics, to enhance their competitiveness.

In 2024, Xunce Technology ranked first in terms of both revenue and market share in the real-time data infrastructure and analytics market for China’s asset management industry, achieving a market share of 11.6% with an industry-specific revenue of over RMB200 million, greatly exceeding the other top five players as illustrated below.



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Note: The above top five players in the real-time data infrastructure and analytics market for China’s asset management industry overlap with the top five players within the total real-time data infrastructure and analytics market in terms of revenue in 2024.

Source: Frost & Sullivan

OVERVIEW OF REAL-TIME DATA INFRASTRUCTURE AND ANALYTICS MARKET IN OTHER SECTORS IN CHINA

With the widespread application of 5G, AI, IoT and other technologies, the digitization process in various industries in China has been speeding up. The application scenarios for data have increased, data sources have become more diversified, and the volume of data is rising rapidly. In addition to the asset management industry, many other industries have a growing need for managing data in real-time as the digital transformation of enterprises continues to accelerate. Some of these industries include the financial services industry (other than asset management), renewable energy, retail, logistics, manufacturing management, agriculture, and telecommunications industries, as well as public sector. The demand and key application scenarios for real-time data infrastructure and analytics solutions in these sectors vary based on different business needs:

Demands and key applications for real-time data infrastructure and analytics solutions in different industries

Financial services (other than asset management) ⁽¹⁾	Real-time identification of fraudulent transactions: Real-time collect and process transaction data from various channels, including customers’ basic information, transaction history, and behavioral patterns. By comparing customers’ normal behavioral patterns with current transaction behavior, helps financial institutions to quickly identify abnormal transactions and potential fraud.
Renewable energy	Operation optimization: Real-time monitor the operation of renewable energy equipment and systems, including fuel consumption, pressure, temperature, etc., so as to help renewable energy enterprises to optimize their energy use and reduce costs and negative impacts on the environment.
Retail	Precise marketing: Through real-time data analysis of user profiles, retail enterprises are able to achieve precise marketing for different user groups.
Logistics	Logistics management: Real-time monitor and analyze data such as vehicle operating status, traffic condition and cargo condition to improve the efficiency of logistics and transportation.
Public sector	Public service management: Real-time process and analyze large amounts of data, including social, economic, environmental and other data, enabling the public sector to optimize public services. City management: Real-time analyze data such as urban traffic conditions, environmental conditions, and urban emergencies to ensure the safety and efficiency of daily city operations.
Manufacturing management	Production and quality management: Real-time monitor and manage production equipment and product quality issues during the production process to increase equipment capacity and reduce wastage.
Agriculture	Agricultural decision support: Real-time processing and analysis of a large amount of agricultural data allows agricultural enterprises to formulate more precise agricultural management measures and accumulate a wealth of experimental data and case resources for agricultural research.
Telecommunications	Optimization of network resource allocation: Through real-time collection and processing of network performance, user behavior and other data, help telecommunications manufacturers to optimize network resource allocation, improve service quality, and accurately formulate market strategies.

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Note:

- (1) As advised by Frost & Sullivan, the financial services (other than asset management) sector and asset management sector in the real-time data infrastructure and analytics market have differences in service provider, usage scenarios, user value, and application scenarios:
- Among asset managers, licensed financial institutions are able to provide both asset management services and other financial services such as personal credit and savings account management. However, the other major subsets of asset managers, i.e. non-financial institutions and high net-worth individuals, are not qualified to provide such financial services.
 - Financial services (other than asset management) are typically used in regular business operation scenarios; asset management typically refers to financial scenarios (such as investment management and asset allocation).
 - The user value brought by financial services (other than asset management) is typically to achieve growth in the users' own business, as compared to achieve financial asset appreciation in the asset management sector.
 - Financial services (other than asset management) in the real-time data infrastructure and analytics market include a broad range of financial services such as banking or brokerage services, the key application scenarios therein include anti-fraud, credit profile assessment, loan origination or customer acquisition for financial products. In comparison, the key application of real-time data infrastructure and analytics in the asset management industry include investment decision, portfolio monitoring and performance analysis, order execution, valuation, risk management and compliance.

Source: Expert interview, Frost & Sullivan

The market for real-time data infrastructure and analytics market in industries outside the asset management sector in China, has been growing rapidly in recent years, in terms of actual vendor revenue, from RMB3.8 billion in 2020 to RMB16.6 billion in 2024, representing a CAGR of 44.6% from 2020 to 2024, and is expected to reach RMB38.9 billion in 2029, representing a CAGR of 18.6% from 2024 to 2029.

The total addressable market of real-time data infrastructure and analytics market in other sectors in China was RMB450.0 billion in 2024 and is expected to reach RMB969.0 billion in 2029. The sizable gap between the market size and total addressable market represents substantial untapped market opportunities.

OVERVIEW OF REAL-TIME DATA INFRASTRUCTURE AND ANALYTICS MARKET IN OVERSEAS ASSET MANAGEMENT INDUSTRY

As the economies of the Asia Pacific grow, increasing investment opportunities have contributed to the growth of the asset management industry in these regions. China's economic development and liberalization policies have boosted investment and capital inflows in other Asia Pacific regions including Hong Kong, Singapore and Japan. The market size of the asset management market in Hong Kong, Singapore and Japan, in terms of AUM, has increased from US\$22.8 trillion in 2020 to US\$29.1 trillion in 2024, representing a CAGR of 6.3% from 2020 to 2024, and is expected to reach US\$45.9 trillion in 2029, representing a CAGR of 9.5% from 2024 to 2029.

The total number of players in the real-time data infrastructure and analytics market in Hong Kong, Singapore and Japan was around 10, over 20 and over 30, respectively, in 2024. As the real-time data infrastructure and analytics industry in Hong Kong, Singapore and Japan is an emerging market in a rapid development phase, the competitive landscape is fragmented and currently no leading players have been identified in the market.

As more and more asset management institutions enter overseas markets to seize market opportunities, the competition in the overseas asset management industry has become increasingly fierce. Real-time data infrastructure and analytics solutions, equipping asset management institutions the ability to explore value of data, improve data management efficiency and promote business automation and intelligence, will gain increasing attention from asset managers in the future. As a result, the total addressable market of real-time data infrastructure and analytics in the asset management industry in Hong Kong, Singapore and Japan was US\$3.5 billion in 2024 and is expected to reach US\$7.8 billion in 2029, representing a CAGR of 17.5% from 2024 to 2029.

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PRC LAWS, REGULATIONS AND POLICIES

This section sets out summaries of certain aspects of PRC laws, regulations and policies that are relevant to the Company’s business and operations.

LAWS, REGULATIONS AND POLICIES RELATING TO COMPUTER SOFTWARE

According to the Regulations on Computers Software Protection (《計算機軟件保護條例》) promulgated by the State Council on June 4, 1991 and most recently amended on January 30, 2013 and taking effect on March 1, 2013, Chinese citizens, legal entities or other organizations enjoy copyright (including the right of divulgation, the right of developer-ship, the right of alteration, the right of reproduction, the right of distribution, the right of rental, the right of communication through information network, the right of translation, and other rights which shall be enjoyed by software copyright owners) in the software which they have developed, whether published or not.

According to the Measures for the Registration of Computer Software Copyright (《計算機軟件著作權登記辦法》) promulgated by the National Copyright Administration on April 6, 1992 and most recently amended and taking effect on February 20, 2002, the software copyright, the exclusive licensing contracts and the assignment contracts of software copyright could be registered, and the National Copyright Administration shall be responsible for software copyright registration and management, and designate the Copyright Protection Center of China as the agency for software registration. Applications that meet the applicable requirements shall be approved for registration, and the Copyright Protection Center of China shall grant registration certificates to the applicants.

According to the Catalog for Guiding Industry Restructuring (2024 version) (《產業結構調整指導目錄(2024年本)》) promulgated by the National Development and Reform Commission of the PRC (“NDRC”) on December 27, 2023, taking effect on February 1, 2024, the development of industry (enterprise)-specific management and informatization solutions, network-based software service platforms, software development and testing services, information system integration, consulting, operation and maintenance, data mining and other services within the extent permitted by the PRC are under the encouraged category. According to the Notice on Issuing the Plan for Development of the Digital Economy During the “14th Five-Year Plan” Period (《“十四五”數字經濟發展規劃的通知》) issued by the State Council on December 12, 2021, China will accelerate digital industrialization and address inadequacies in key technologies during the “14th Five-Year Plan” Period. It also highlights vigorously developing digital commerce so as to comprehensively accelerate the digital transformation of commerce, logistics, finance and other service industries, optimize the management systems and service models, and improve the quality and efficiency of service industries. It stipulates that market forces shall be encouraged to tap the value of commercial data, promote the turning of data value into products and services, vigorously develop specialized and personalized data services, and promote the in-depth integration of data, technology, and scenarios to meet the data needs in various fields. It also stipulates that key industries shall be encouraged to innovate the data development and utilization models, and mobilize industry associations, research institutes, enterprises and other parties to participate in data value development under the premise of ensuring data security and guaranteeing user privacy.

The Outline of the 14th Five-Year Plan for Economic and Social Development and Long-Range Objectives through the Year 2035 of the People’s Republic of China (《中華人民共和國國民經濟和社

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會發展第十四個五年規劃和2035年遠景目標綱要》) promulgated by the National People’s Congress (“NPC”) on March 12, 2021 points out that China will cultivate and expand emerging digital industries such as AI, big data, block chain, cloud computing, and cyber security and improve the level of the communication equipment, core electronic components, and key software industries, and push forward the integrated research and development of general-purpose processors, cloud computing systems, and core software technologies.

The Several Policies on Promoting the High-quality Development of the Integrated Circuit Industry and the Software Industry in the New Era (《新時期促進集成電路產業和軟件產業高質量發展的若干政策》) promulgated by the State Council on July 27, 2020 proposes introduction of a package of supporting policies regarding finance, tax, investment and financing, R&D, import and export, talent, intellectual property, market application and international cooperation to further optimize the development environment for the software industry, deepen international industrial cooperation, and improve industrial innovation capability and development quality.

LAWS AND REGULATIONS RELATING TO OVERSEAS LISTING

The China Securities Regulatory Commission (“CSRC”) promulgated the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) (the “Overseas Listing Trial Measures”) and five relevant guidelines on February 17, 2023, which took effect on March 31, 2023. The Special Provisions of the State Council Concerning the Floatation and Listing Abroad of Stocks by Limited Stock Companies (《國務院關於股份有限公司境外募集股份及上市的特別規定》) and the Circular of the State Council Concerning Further Strengthening the Administration of Share Issuance and Listing Overseas (《國務院關於進一步加強在境外發行股票和上市管理的通知》), which were previous legislations governing overseas offering and listing by domestic companies, were repealed on March 31, 2023.

According to the Overseas Listing Trial Measures, the PRC domestic companies that seek to [REDACTED] and [REDACTED] securities in overseas markets, either in direct or indirect means, are required to fulfill the filing procedure with the CSRC and report relevant information. The Overseas Listing Trial Measures provides that an overseas listing or offering is explicitly prohibited, if any of the following applies: (1) such securities offering or listing is explicitly prohibited by provisions in PRC laws, administrative regulations or relevant state rules; (2) the proposed securities offering or listing may endanger national security as reviewed and determined by competent authorities under the State Council in accordance with laws; (3) the domestic company intending to be listed or offer securities in overseas markets, or its controlling shareholder(s) and the actual controller, have committed crimes such as corruption, bribery, embezzlement, misappropriation of property or undermining the order of the socialist market economy during the latest three years; (4) the domestic company intending to be listed or offer securities in overseas markets is currently under investigations for suspicion of criminal offenses or major violations of laws and regulations, and no conclusion has yet been made thereof; or (5) there are material ownership disputes over equity held by the domestic company’s controlling shareholder(s) or by other shareholder(s) that are controlled by the controlling shareholder(s) and/or actual controller.

The Overseas Listing Trial Measures also provides that if the issuer both meets the following criteria, the overseas securities offering and listing conducted by such issuer will be deemed as indirect overseas

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offering and listing by PRC domestic companies: (1) 50% or more of any of the issuer’s operating revenue, total profit, total assets or net assets as documented in its audited consolidated financial statements for the most recent accounting year is accounted for by domestic companies; and (2) the main parts of the issuer’s business activities are conducted in the PRC, or its main place(s) of business are located in the PRC, or the majority of senior management staff in charge of its business operations and management are PRC citizens or have their usual place(s) of residence located in the PRC. Where an issuer submits an application for initial public offering to competent overseas regulators, such issuer must file with the CSRC within three business days after such application is submitted. The Overseas Listing Trial Measures also requires subsequent reports to be filed with the CSRC on material events, such as change of control or voluntary or forced delisting of the issuer(s) who have completed overseas offerings and listings.

In addition, the CSRC, the MOF, National Administration of State Secrets Protection and National Archives Administration of China amended the Provisions on Strengthening the Confidentiality and Archives Administration of Overseas Securities Issuance and Listing (《關於加強在境外發行證券與上市相關保密和檔案管理工作的規定》) (CSRC Announcement [2009] No. 29) and promulgated the Provisions on Strengthening the Confidentiality and Archives Administration of Overseas Securities Issuance and Listing by Domestic Companies (《關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定》) (CSRC Announcement [2023] No. 44) (the “Provisions on Confidentiality and Archives Administration”) on February 24, 2023 to further strengthen the confidentiality and archives administration in connection with the overseas securities issuance and listing by domestic companies, clarify the information security responsibilities of listed companies, safeguard national information security and deepen cross-border regulatory cooperation. To align with the Overseas Listing Trial Measures, “domestic companies” in the Provisions on Confidentiality and Archives Administration are defined as either one of the following entities: a joint stock company incorporated domestically that conducts direct overseas offering and listing, or a domestic operating entity of a company that conducts indirect overseas offering and listing. In addition, procedural requirements have been added to the Provisions on Confidentiality and Archives Administration which also clarifies the requirements of companies’ confidentiality responsibilities and accounting archives administration.

LAWS AND REGULATIONS IN RELATION TO THE PROTECTION OF CYBER SECURITY, DATA AND PRIVACY

The PRC government has enacted laws and regulations with respect to internet information security and protection of personal information from any abuse or unauthorized disclosure. Internet information in the PRC is regulated and restricted from a national security standpoint. The SCNPC enacted the Decision on the Maintenance of Internet Security (《關於維護互聯網安全的決定》) on December 28, 2000, which was amended on August 27, 2009, and may subject persons to criminal liabilities in the PRC for any attempt to undermine the safe operation of the internet, sabotage national security and social stability, hinder the order of the socialist market economy and social administration, or infringe personal, property and other legitimate rights and interests of individuals, legal persons and other organizations.

The Cyber Security Law of the People’s Republic of China (《中華人民共和國網絡安全法》) (the “**Cyber Security Law**”), which was promulgated on November 7, 2016 and came into effect on June 1, 2017, requires that when constructing and operating a network, or providing services through a network, technical measures and other necessary measures shall be taken in accordance with laws, administrative regulations and the compulsory requirements set forth in national standards to ensure the secure and stable

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operation of the network, to effectively cope with cyber security events, to prevent criminal activities committed on the network, and to protect the integrity, confidentiality and availability of network data. The Cyber Security Law emphasizes that any individuals and organizations that use networks must not endanger network security or use networks to engage in activities endangering national security, economic order and social order or infringing the reputation, privacy, intellectual property rights and other lawful rights and interests of others.

The Cyber Security Law also reiterates certain basic principles and requirements on personal information protection previously specified in other existing laws and regulations. Any violation of the provisions and requirements under the Cyber Security Law may subject an internet service provider to rectifications, warnings, fines, confiscation of illegal gains, revocation of business permit, cancelation of business license, closedown of websites or even criminal liabilities.

The Data Security Law of the People’s Republic of China (《中華人民共和國數據安全法》) (the “**Data Security Law**”) was passed by the Standing Committee of the 13th NPC at the 29th Session on June 10, 2021 and came into effect on September 1, 2021. The Data Security Law requires a data processor to establish and improve a whole-process data security management system, organize data security education and training, and take corresponding technical measures and other necessary measures to safeguard data security. In conducting data processing activities using the Internet or any other information networks, a data processor shall perform the above data security protection obligations on the basis of the hierarchical cybersecurity protection system. Any violation of the provisions and requirements under the Data Security Law may subject a data processor to rectifications, warnings, fines, suspension of the related business, revocation of business permit or even criminal liabilities.

On July 30, 2021, the State Council promulgated the Regulations on Security Protection for Critical Information Infrastructure (《關鍵信息基礎設施安全保護條例》), which came into effect on September 1, 2021. According to the Regulations on Security Protection for Critical Information Infrastructure, critical information infrastructure refers to any important network facilities or information systems in important industries and sectors such as public communications and information services, energy, transportation, water conservancy, finance, public services, e-government affairs and national defense science, and other important ones whose destruction, loss of functionality, or data leakage may gravely harm national security, the national economy and people’s livelihood, or the public interest. According to the Regulations, the competent departments and supervisory departments, which govern the important industries and sectors, shall be responsible for organizing the identification of the critical information infrastructure in respective industries or sectors, as the departments responsible for the security protection of the critical information infrastructure, and such departments should promptly notify their operators about the identification results, and notify the public security department of the State Council.

The Personal Information Protection Law of the People’s Republic of China (《中華人民共和國個人信息保護法》) (the “**Personal Information Protection Law**”) was passed by the Standing Committee of the 13th NPC at the 30th Session on August 20, 2021 and came into effect on November 1, 2021. The Personal Information Protection Law reiterates the circumstances under which a personal information processor could process personal information and the requirements for such circumstances, such as when (1) the individual’s consent has been obtained; (2) the processing is necessary for the conclusion or performance of a contract to which the individual is a party, or where it is necessary for carrying out human resource

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management pursuant to employment rules legally adopted or a collective contract legally concluded; (3) the processing is necessary to fulfill statutory duties and statutory obligations; (4) the processing is necessary to respond to public health emergencies or protect natural persons’ life, health and property safety under emergency circumstances; (5) where the personal information is processed within a reasonable scope to carry out any news reporting, supervision by public opinions or any other activity for public interest purposes; (6) where the personal information, which has already been disclosed by an individual or otherwise legally disclosed, is processed within a reasonable scope according to this law; or (7) under any other circumstance as provided by any law or regulation. It also stipulates the obligations of a personal information processor. Any violation of the provisions and requirements under the Personal Information Protection Law may subject a personal information processor to rectifications, warnings, fines, suspension of the related business, revocation of business licenses, being entered into the relevant credit record or even criminal liabilities.

In addition, the Decision on Strengthening Network Information Protection (《關於加強網絡信息保護的決定》), promulgated by the SCNPC on December 28, 2012 with immediate effect, emphasizes the need to protect electronic information that contains individual identification information and other private data. This decision requires internet information services providers and other enterprises and public institutions to take technological and other necessary measures to ensure information security and to prevent any information leak, damage or loss of personal electronic information of citizens collected in the business activities. Furthermore, the Ministry of Industry and Information Technology’s Rules on Protection of Personal Information of Telecommunications and Internet Users (《電信和互聯網用戶個人信息保護規定》), which was promulgated on July 16, 2013 and came into effect on September 1, 2013, contains detailed requirements on the collection and use of personal information as well as the security measures to be taken by internet information services providers. “Personal information” includes a user’s name, birth date, identification card number, address, phone number, account name, password and other information that can be used for identifying a user either independently or in combination with other information as well as the time, place, etc. for the use of services by the users. Collection and use of user personal information by internet information service providers are subject to users’ consent and should abide by the principles of legality, appropriateness and necessity and be within the specified methods, scopes and purposes that are required to be published by such internet information services providers. Internet information services providers and their staff members shall strictly keep confidential the personal information of users collected or used in the course of providing services, and shall not divulge, tamper with, damage, sell or illegally provide others with the same. Internet information services providers should also provide their staff with knowledge, skills and trainings relating to the protection of the personal information of users.

On September 15, 2018, the Ministry of Public Security issued the Regulations for Internet Security Supervision and Inspection by Public Security Organs (《公安機關互聯網安全監督檢查規定》) (the “Inspection Regulations”) which took effect on November 1, 2018. Pursuant to the Inspection Regulations, public security authorities shall conduct supervision and inspections on the internet service providers and network users that provide the following services: (1) internet connection, internet data centers, content distributions and domain name services; (2) internet information services; (3) public internet access services; and (4) other internet services. The inspection may relate to whether the internet service providers and network users have fulfilled their cyber security obligations under applicable laws and regulations, such as to formulate an implement cyber security management systems and operational procedures, determine the person responsible for cyber security, and to take technical measures to record and retain user registration information and online log information, etc.

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Internet information service providers may be subject to criminal penalty for failure to protect personal information. The Amendment IX to the Criminal Law of the People’s Republic of China (《中華人民共和國刑法修正案(九)》), which was promulgated by the Standing Committee on August 29, 2015 and came into effect on November 1, 2015, provides that selling or providing personal information of citizens in violation of relevant national provisions shall be subject to criminal penalty.

On December 28, 2021, thirteen PRC governmental and regulatory agencies, including the CAC, promulgated the Measures for Cyber Security Review (《網絡安全審查辦法》), came into effect on February 15, 2022. The Measures for Cyber Security Review specify that the procurement of network products and services by operators of critical information infrastructure and the activities of data processing carried out by Internet platform operators that raise or may raise “national security” concerns are subject to cyber security review by Office of Cyber Security Review established by the CAC. Before a critical information infrastructure operator purchases internet products and services, it should assess the potential risk of national security that may arise from using such products and services. If such use of products and services may give rise to national security concerns, it should apply for a cyber security review by the Cyber Security Review Office and a report of analysis of the potential effect on national security shall be submitted when the application is made. In addition, Internet platform operators that possess the personal data of over one million users must apply for a cyber security review by the Office of Cyber Security Review, if they intend to be listed in foreign countries. The CAC may voluntarily conduct cyber security review if any network products and services and activities of data processing affect or may affect national security. The cyber security review focuses on the assessment of the following risk factors: (i) the risk of critical information infrastructure being illegally controlled, interfered or destroyed as a result of the use of the products or services; (ii) the continuous harm to the business of critical information infrastructure by the interruption of provision of products or services; (iii) the security, openness, transparency, diversity of sources, reliability of supply and potential supply interruptions of products and services due to political, diplomatic or international trade issues; (iv) whether the products and services provider complies with PRC laws and regulations; (v) the risk of core data, important data or a large amount of personal information being stolen, leaked, destroyed, illegally utilized or transmitted outside the country; (vi) regarding to listing, risks of critical information infrastructure, core data, important data or a large amount of personal information being influenced, controlled or maliciously used by foreign governments, as well as network information security risks; and (vii) other factors that may endanger the security of critical information infrastructure, cyber security and data security. It may take approximately 70 business days in maximum for the general cybersecurity review upon the delivery of their applications, which may be subject to extensions for a special review. As confirmed by our legal advisor as to PRC data security law, given that the number of personal information subjects involved in the personal information processing activities carried out by us is less than 1 million, all the data processed by the Company are stored in China, and listing in Hong Kong is different from listing in foreign countries, we believe that we are not required to apply for a cybersecurity review according to the Measures for Cyber Security Review. However, the regulations relating to cybersecurity review are constantly evolving, and future regulatory changes may impose additional requirements. We would pay close attention to any changes to the cybersecurity review regulations and take compliance measures in a timely manner.

In addition, the MITT promulgated the “Measures for Data Security Management in the Industrial and Information Technology Sector (Trial)” 《工業和信息化領域數據安全管理辦法(試行)》 (the “Measures for Data Security Management”) on December 8, 2022, which came into effect on January 1, 2023. The

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Measures for Data Security Management stipulate that industrial and telecoms data processors shall implement hierarchical management of industrial and telecoms data, which will be classified into three levels according to the relevant regulations: general data, important data and core data. The Measures for Data Security Management also stipulate certain obligations of industrial and telecoms data processors in relation to the implementation of data security systems, key management, data collection, data storage, data usage, data transmission, data provision, data disclosure, data destruction, security audits and contingency planning.

LAWS AND REGULATIONS IN RELATION TO AI INDUSTRY

The CAC, together with eight other government authorities, jointly issued the Guidelines on Strengthening the Comprehensive Regulation of Algorithms for Internet Information Services (《關於加強互聯網信息服務算法綜合治理的指導意見》) on September 17, 2021, which provide that daily monitoring of data use, application scenarios, and effects of algorithms must be carried out by the relevant regulators, and relevant regulators should conduct security assessments of algorithms. The guidelines also provide that an algorithm filing system should be established, and classified security management of algorithms should be promoted.

On April 11, 2023, the CAC issued the Draft Administrative Measures for AIGC Services (“AIGC Administrative Measures”) (《生成式人工智能服務管理辦法(徵求意見稿)》), which imposes compliance requirements for providers of generative AI services. The AIGC Administrative Measures contains 21 provisions and applies to generative AI products that provide services to the general public within China. It emphasizes supervision of intellectual property, information security, and fair competition. The AIGC Administrative Measures clearly states that the entity using generative AI to provide services should bear the responsibility of a content producer, and if personal information is involved, it should also assume the statutory responsibility of a personal information processor. Before providing services, the AIGC Administrative Measures requires a security assessment to be filed with the competent cyberspace administration and compliance with algorithm filing, modification, or deregistration procedures. The AIGC Administrative Measures also prohibits the illegal retention of user input information that can infer user identity, prohibits user profiling and sharing of user input information, and prohibits the generation of any discriminatory content based on race, nationality, gender, etc. Article 2 of the AIGC Administrative Measures stipulates that “these measures apply to the research, development and utilization of generative AI products, when they become services to the general public within the territory of the PRC”, which refers to regardless of whether the service provider and servers are located within China, as long as services are provided to the general public in China, the AIGC Administrative Measures has jurisdiction over it.

The definition of “generative AI” is also broadly defined in Article 2 of the AIGC Administrative Measures, which states “for these measures, the term ‘generative AI’ refers to the technology for generating text, pictures, sounds, videos, codes and other content based on algorithms, models or rules.”

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Article 4 of the AIGC Administrative Measures stipulates that providers of generative AI products or services must comply with legal requirements, respect social morality and public order, and specifically includes the following provisions:

1. The content generated by generative AI shall reflect the core socialist values, and shall not contain any content that subverts the state regime, overthrows the socialist system, incites separatism, undermines national unity, promotes terrorism, extremism, ethnic hatred, ethnic discrimination, violence, obscenity, false information, or any content that may disrupt economic and social order.
2. Measures shall be taken during algorithm design, training data selection, model generation and optimization, and service provision processes to prevent discrimination based on the race, ethnicity, religion, nationality, region, gender, age, occupation, and other factors.
3. Respect for intellectual property rights and business ethics, and the use of algorithms, data, platforms, and other advantages to engage in unfair competition is prohibited.
4. The content generated by generative AI shall be true and accurate, and measures shall be taken to prevent the generation of false information.
5. Respect the legitimate interests of others, prevent harm to others’ physical and mental health, damage to their portrait rights, reputation rights, personal privacy, and infringement of intellectual property rights. Illegal acquisition, disclosure, and use of personal information, privacy, and trade secrets are prohibited.

The AIGC Administrative Measures stipulates in Article 5 that “organizations and individuals (hereinafter referred to as ‘providers’) that provide services such as chat, text, image, and sound generation using generative AI products, including support others to generate text, image, sound, etc. on their own by providing APIs or other means, shall assume the responsibility as producers of the content generated by the product.” The AIGC Administrative Measures further specifies in Articles 7 to 20 the regulatory obligations, responsibility attribution, and penalties for “providers”.

Article 7 of the AIGC Administrative Measures specifies that providers must be responsible for the legality of the pre-training data and source of the optimized training data used in generative AI products. The pre-training and optimized training data used in generative AI products must comply with the requirements of laws and regulations such as the Cybersecurity Law of the People’s Republic of China, and may not contain any content that infringes upon intellectual property rights. Providers must also ensure the authenticity, accuracy, objectivity, and diversity of the data.

Regarding the protection of user privacy and personal information, the AIGC Administrative Measures stipulate that providers must assume the statutory responsibilities of personal information processors and fulfill the obligations of personal information protection if personal information is involved. Consent of the personal information subject must be obtained if the training data contains personal information. Providers must protect the input information and usage records of users during the provision of services. Providers may not (i) illegally retain input information that can infer the user’s identity, (ii) create user profiles based on user input information and usage (i.e. infer and label user characteristics based on behavioral data analysis such as user input information and usage, so as to achieve the purpose of precise marketing, user research, and personalized services, etc.), or (iii) provide user input information to others.

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On July 10, 2023, the CAC together with the National Development and Reform Commission, the Ministry of Education, the Ministry of Science and Technology, the Ministry of Industry and Information Technology, the Ministry of Public Security and the National Radio and Television Administration published the Interim Measures for the Administration of AIGC Services (《生成式人工智能服務管理暫行辦法》) (“Interim Measures for the Administration of AIGC Services”), which came into effect on August 15, 2023.

The definition of “generative AI technology” in the Interim Measures for the Administration of AIGC Services is models and related technologies with the ability to generate text, pictures, audio, video, and other content.

Compared with the AIGC Administrative Measures, Article 4 of the Interim Measures for the Administration of AIGC Services further stipulates the following requirements for the providers of generative AI products or services: effective measures shall be taken based on the characteristics of service types to make generative AI services more transparent and generated content more accurate and reliable. It removes the obligation of AIGC service providers to ensure authenticity and accuracy of generated content. Article 7 further specifies that the providers shall carry out training-data processing activities such as pre-training and optimized training according to the applicable laws, and shall take effective measures to improve the quality, authenticity, accuracy, objectivity and diversity of training data. Article 8 further stipulates that the quality of data annotation shall be evaluated, and the annotation personnel shall be supervised and guided in conducting annotation work in a well-regulated manner. In addition, the Interim Measures for the Administration of AIGC Services removes the requirement stipulated in Article 15 in the AIGC Administrative Measures that non-compliant generated content shall be trained through model optimization within three months to prevent its re-generation.

The Interim Measures for the Administration of AIGC Services cover the requirements set out in the AIGC Administrative Measures that generative AI service providers to assume responsibility as a producer of online information content and a processor of personal information pursuant to applicable laws.

As to the obligation to perform security assessment and algorithm filing, the Interim Measures for the Administration of AIGC Services apply these rules to AIGC service providers with the attribute of public opinions or capability of social mobilization and removed the legislative requirement for security assessment pursuant to Security Assessment for Internet-Based Information Services Capable of Creating Public Opinions or Social Mobilization (《具有輿論屬性或社會動員能力的互聯網信息服務安全評估規定》).

The Administrative Provisions on Algorithm Recommendation of Network Information Services (《互聯網信息服務算法推薦管理規定》) (the “Administrative Provisions”) was jointly promulgated by the CAC, the MIIT, the Ministry of Public Security and the State Administration for Market Regulation on December 31, 2021 and came into effect on March 1, 2022. The Administrative Provisions are applicable to algorithm recommendation service providers, i.e. enterprises that provide internet information services to users by applying algorithm technologies such as generation-synthesis, personalized push, sorting and selection, retrieval and filtering, and scheduling and decision-making.

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On November 25, 2022, the CAC, MIIT and the Ministry of Public Security promulgated the Administrative Provisions for Deep Synthesis as an Internet Information Service (互聯網信息服務深度合成管理規定), which took effect on January 10, 2023. The “deep synthesis technology” provided in such provisions refers to the technology to generate text, graphics, radio, video, virtual scenes, among others, with the use of deep learning and virtual reality. The measures emphasize that the deep synthesis services shall not be utilized for illegal activities prohibited by laws and regulations, and specifically, the related providers of such deep synthesis services shall (i) establish and improve control systems in regard to user registration, algorithm review, technological ethic review, information public review, statistics security, personal information protection, anti-telecom and online fraud, emergency disposal, etc. and hold safe and controlled technical protection measures; (ii) formulate and publicize related management rules and platform pacts, improve service agreements, perform management responsibilities in accordance with laws and agreements, and inform with explicit methods the technical supporters and users of the deep synthesis of their respective information safety obligations.

LAWS AND REGULATIONS RELATING TO FOREIGN INVESTMENT

The establishment, operation and management of corporate entities in the PRC are governed by the PRC Company Law promulgated by the Standing Committee of the National People’s Congress (the “NPC Standing Committee”) in December 1993 and amended in December 1999, August 2004, October 2005, December 2013 and October 2018, respectively. The PRC Company Law was further amended on December 29, 2023 and the latest amendments had become effective on July 1, 2024. The PRC Company Law generally regulates two types of companies, namely, limited liability companies and joint-stock limited companies. The PRC Company Law should also apply to foreign-invested companies. The Company is required to continuously comply with the relevant provisions of the PRC Company Law after the latest amendments to the PRC Company Law have come into effect.

According to the Foreign Investment Law of the People’s Republic of China (《中華人民共和國外商投資法》) (the “Foreign Investment Law”) promulgated by the NPC on March 15, 2019 and taking effect on January 1, 2020, and the Implementation Rules for the Foreign Investment Law of the People’s Republic of China (《中華人民共和國外商投資法實施條例》) (the “Implementation Rules for the Foreign Investment Law”) promulgated by the State Council on December 26, 2019 and taking effect on January 1, 2020, the “foreign investment” refers to the investment activities in China carried out directly or indirectly by foreign natural persons, enterprises or other organizations. The State adopts the pre-entry national treatment and negative list management system for foreign investment. Pre-entry national treatment refers to the treatment accorded to foreign investors and their investments at the stage of investment entry which is no less favorable than the treatment accorded to domestic investors and their investments. Negative list management system refers to a special administrative measure for the entry of foreign investment in specific sectors as imposed by the PRC. Foreign investors are prohibited from investing in any areas specified in the negative list, and must meet the conditions listed in the negative list before investing in any restricted areas. Investments, profits, and other legitimate rights and interests of foreign investors in China are protected by law, and various national policies supporting the development of enterprises are equally applicable to foreign-funded enterprises. The State guarantees the equal participation of foreign-funded enterprises in the formulation of standards and strengthens the information disclosure and social supervision of standard formulation. The State also ensures that foreign-funded enterprises participate in government procurement activities through fair competition in accordance with the law, and that the products and services provided

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by foreign-invested enterprises in China are treated equally in government procurement according to the law. Except under special circumstances, the State shall not expropriate any overseas investment.

According to the Measures for Reporting Foreign Investment Information (《外商投資信息報告辦法》) promulgated by the Ministry of Commerce of the People’s Republic of China (the “MOFCOM”) and the State Administration for Market Regulation on December 30, 2019 and taking effect on January 1, 2020, where foreign investors directly or indirectly engage in investment activities within the territory of China, foreign investors or foreign-funded enterprises shall submit the investment information to competent departments for commerce in accordance with these Measures. Foreign investors or foreign-funded enterprises shall report investment information in a timely manner, follow the principles of truthfulness, accuracy, and completeness, shall not make false or misleading reports, and shall not have major omissions.

According to the Catalog of Encouraged Industries for Foreign Investment (2022 version) (《鼓勵外商投資產業目錄(2022年版)》) promulgated by NDRC and MOFCOM on October 26, 2022 and taking effect on January 1, 2023, and the Special Administrative Measures (Negative List) for Foreign Investment Access (2024 version) (《外商投資准入特別管理措施(負面清單)(2024年版)》) (“**Negative List**”) promulgated by NDRC and MOFCOM on September 6, 2024 and taking effect on November 1, 2024, foreign investment industries are divided into the Catalog of Encouraged Industries for Foreign Investment and the Negative List. The Negative List is further subdivided into the “Catalog of Restricted Industries for Foreign Investment” and the “Catalog of Prohibited Industries for Foreign Investment”. Industries that are not included in the Negative List are considered as permitted industries for foreign investment. Foreign investors are encouraged to invest in software development, production, etc.

In addition, according to the Measures for the Security Review of Foreign Investment (《外商投資安全審查辦法》) promulgated by NDRC and MOFCOM on December 19, 2020 and taking effect on January 18, 2021, foreign investments that have an actual or potential impact on national security are subject to security review in accordance with the provisions of the Measures for the Security Review of Foreign Investment. The State has established a mechanism for conducting security reviews of foreign investment, which is responsible for organizing, coordinating, and guiding such reviews. Foreign investors or relevant domestic parties who intend to invest in the following areas should proactively apply to the mechanism’s office for a security review prior to implementation of the investment: (i) investment in defense, defense support and related sectors that have a bearing on national defense security, as well as investment in areas surrounding military and defense facilities; (ii) investment in important agricultural products, important energy and resources, major equipment manufacturing, important infrastructure, important transportation services, important cultural products and services, important information technology and Internet products and services, important financial services, key technologies, and other important sectors related to national security, while obtaining actual control over the invested enterprise.

LAWS AND REGULATIONS RELATING TO INTELLECTUAL PROPERTIES

Trademark

The Trademark Law of the People’s Republic of China (《中華人民共和國商標法》) (“Trademark Law”) promulgated by the SCNPC on August 23, 1982, most recently amended on April 23, 2019 and taking effect on November 1, 2019, and the Regulation on the Implementation of the Trademark Law of the

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People’s Republic of China (《中華人民共和國商標法實施條例》) promulgated by the State Council on August 3, 2002, most recently amended on April 29, 2014 and taking effect on May 1, 2014 stipulate the application, examination and approval, renewal, modification, transfer, use and invalidation of trademark registration, and protect the exclusive right to use a trademark enjoyed by the trademark registrant. According to the Trademark Law and the Regulation on the Implementation of the Trademark Law of the People’s Republic of China, the principle of “first-to-file” is adopted with respect to trademark registration in China. Where a trademark for which a registration has been made is identical or similar to an unregistered trademark that has been previously used by another person on the same kind of or similar commodities, the application for registration of such trademark may be rejected. The Trademark Office of China National Intellectual Property Administration (“Trademark Office”) is responsible for the registration of trademarks. The valid period of a registered trademark shall be ten years from the date of approval of the registration. Upon expiry of the valid period, the registrant shall go through the formalities for renewal within twelve months prior to the date of expiry as required if the registrant needs to continue to use the trademark. If the registrant fails to do so within the period, an extension period of six months may be granted. Valid period for each renewal is ten years from the next day after expiry of the previous valid term. The Trademark Office shall announce the trademarks subject to renewal of registration.

Moreover, according to the Trademark Law and the Regulation on the Implementation of the Trademark Law of the People’s Republic of China, the trademark registrant may, by concluding a trademark licensing contract, authorize others to use the registered trademark. For licensed use of a registered trademark, the licensor shall file record of the licensing of the said trademark with the Trademark Office, while non-filing of the licensing of a trademark shall not be contested against a good faith third party. The licensor shall supervise the quality of the goods on which the licensee uses the licensor’s registered trademark. The licensee shall guarantee the quality of the goods on which the registered trademark is used.

Patent

According to the Patent Law of the People’s Republic of China (《中華人民共和國專利法》) (“Patent Law”) promulgated by the SCNPC on March 12, 1984, amended on October 17, 2020 and taking effect on June 1, 2021, and the Implementation Rules of the Patent Law of the People’s Republic of China (《中華人民共和國專利法實施細則》) (“Implementation Rules of the Patent Law”) promulgated by the State Council on June 15, 2001 and most recently amended on December 11, 2023 and taking effect on January 20, 2024, the Patent Office of China National Intellectual Property Administration is responsible for the administration of patent work nationwide. The patent administration departments of the provincial, autonomous region, or municipal governments are responsible for patent administration within their respective jurisdictions. The Patent Law and Implementation Rules of the Patent Law provide for three types of patents: “invention”, “utility model” and “design”. An invention patent is granted to a new technical solution proposed in respect of a product or method or an improvement of a product or method. A utility patent is granted to a new technical solution that is practicable for application and proposed in respect of the shape, structure or a combination of both of a product. A design patent is granted to the new design in shape, pattern or a combination of both and in color, shape and pattern combinations of the whole or part of product esthetically suitable for industrial application. Invention patents are valid for twenty years, while design patents are valid for fifteen years and utility model patents are valid for ten years, all starting from the date of application. The “first to file” principle is adopted with respect to the patent system in China,

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which means that if two or more applicants file separate patent applications for the same invention, the person who files the application first will be granted the patent. To be patentable, an invention or a utility model must meet three criteria: novelty, inventiveness, and practicability. The patent rights enjoyed by the patent holder are protected by laws. Unless otherwise stipulated by laws, others may only use the patent after obtaining the permit or proper authorization of the patent holder. Otherwise, such behavior will constitute an infringing act of the patent right.

Copyright

According to the Copyright Law of the People’s Republic of China (《中華人民共和國著作權法》) promulgated by the SCNPC on September 7, 1990, most recently amended on November 11, 2020 and taking effect on June 1, 2021, and the Implementation Regulations of the Copyright Law of the People’s Republic of China (《中華人民共和國著作權法實施條例》) promulgated by the State Council on August 2, 2002, most recently amended on January 30, 2013 and taking effect on March 1, 2013, works of PRC citizens, legal entities or unincorporated organizations, whether published or not, shall enjoy copyright. Works refer to intellectual achievements in the field of literature, art and science that are original and can be expressed in a certain form, including written works, oral works, photographic works, video and audio works, and computer software. A copyright holder shall enjoy a number of rights, including the right of divulgation, the right of developer-ship and the right of reproduction.

Domain Names

According to the Measures for the Administration of Internet Domain Names (《互聯網域名管理辦法》) promulgated by the MIIT on August 24, 2017 and taking effect on November 1, 2017, and the Implementation Rules for National Top-Level Domain Name Registration (《國家頂級域名註冊實施細則》) promulgated by the China Internet Network Information Center on June 18, 2019 and taking effect on the same day, domain name owners are required to register their domain names. The MIIT is responsible for the supervision and management of China’s Internet domain names, while the telecommunications management bureaus of each province, autonomous region, and municipality directly under the central government are responsible for the supervision and management of domain name services in their respective administrative regions. The domain name services follow a “first come, first file” principle. Applicants for registration of domain names shall provide their true, accurate and complete information of such domain names to and enter into registration agreements with domain name registration service institutions. The applicants will become the holders of such domain names upon the completion of the registration procedure.

REGULATIONS RELATING TO PROPERTY LEASING

According to the Law on Administration of Urban Real Estate of the People’s Republic of China (《中華人民共和國城市房地產管理法》), promulgated by the SCNPC on July 5, 1994 and most recently amended on August 26, 2019, in case of house leasing, the lessor and lessee are required to enter into a written lease contract, containing such provisions as the leasing term, usage, rental and repair liabilities, as well as other rights and obligations of both parties, and go through registration and filing procedures with the real estate administration department.

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In addition, according to the Management Measures for the Lease of Commercial Housing (《商品房屋租賃管理辦法》) promulgated by the Ministry of Housing and Urban-Rural Development on December 1, 2010, and taking effect on February 1, 2011, the parties to a housing lease shall enter into a lease contract in accordance with the law, and shall agree in the lease contract on the handling of the housing when it is expropriated or demolished. Within 30 days after the conclusion of the housing lease contract, the parties to the lease shall go to the competent department of construction (real estate) of the people’s government of the municipality directly under the central government, city or county where the leased housing is located to register and file the housing lease. The parties to the housing lease can also entrust others in writing to handle the lease registration and filing. In violation of the foregoing provisions, the competent construction (real estate) departments of the people’s governments of the municipalities directly under the central government, cities and counties shall order rectification within a time limit. If rectification is not made by an individual within the time limit, a fine of less than RMB1,000 shall be imposed. If rectification is not made by an entity within the time limit, a fine of more than RMB1,000 but less than RMB10,000 shall be imposed.

LAWS AND REGULATIONS RELATING TO LABOR, SOCIAL INSURANCE AND HOUSING FUNDS

Labor Contract

According to the Labor Law of the PRC (《中華人民共和國勞動法》) promulgated by the SCNPC on July 5, 1994 and amended and came into effect on December 29, 2018, the Labor Contract Law of the PRC (《中華人民共和國勞動合同法》) promulgated by the SCNPC on June 29, 2007, last amended on December 28, 2012 and came into effect on July 1, 2013 and the Implementation Rules of the Labor Contract Law of the PRC (《中華人民共和國勞動合同法實施條例》) promulgated by the State Council on September 18, 2008 and came into effect on the same date, an employer shall establish and improve labor rules and regulations according to the laws, and shall strictly comply with the national standards, provide relevant training to its employees, protect their labor rights and perform its labor obligations. If an employer establishes labor relationship with an employee, they should enter into a written labor contract. Labor contracts shall be categorized into fixed-term labor contract, unfixed-term labor contract and labor contract for the completion of certain work assignments. The wages payable by an employer to its employees shall not be less than local minimum wage. In addition, an employer must establish and improve the labor safety and health system, stringently implement national protocols and standards on labor safety and health, conduct labor safety and health education for employees, so as to prevent accidents in the labor process and reduce occupational hazards.

Social Insurance

In accordance with the Social Insurance Law of the People’s Republic of China (《中華人民共和國社會保險法》) promulgated by the SCNPC on October 28, 2010, which was last amended and put into effect on December 29, 2018, the Provisional Regulations on Collection and Payment of Social Insurance Premiums (《社會保險費徵繳暫行條例》) promulgated by the State Council on January 22, 1999, which was last amended and put into effect on March 24, 2019, the Decision of the State Council on Establishing a Basic Medical Insurance System for Urban Employees (《國務院關於建立城鎮職工基本醫療保險制度的決定》) promulgated by the State Council on December 14, 1998 and put into effect on the same date, the

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Decision of the State Council on Establishing a Unified Basic Old-age Insurance System for Enterprise Employees (《國務院關於建立統一的企業職工基本養老保險制度的決定》) promulgated by the State Council on July 16, 1997 and put into effect on the same date, the Regulations on Work Injury Insurance (《工傷保險條例》) promulgated by the State Council on April 27, 2003, which was amended on December 20, 2010 and put into effect on January 1, 2011, the Regulations on Unemployment Insurance (《失業保險條例》) promulgated by the State Council on January 22, 1999, as well as the Provisional Measures on Maternity Insurance of Enterprise Employees (《企業職工生育保險試行辦法》) promulgated by the Ministry of Labor and Social Security of the PRC (now repealed) on December 14, 1994 and put into effect on January 1, 1995, enterprises shall pay basic endowment insurance, basic medical insurance, unemployment insurance, maternity insurance and employment injury insurance for their employees in accordance with the statutory payment base and proportion. Basic endowment insurance, basic medical insurance and unemployment insurance shall be jointly borne by enterprises and employees, while the maternity insurance and employment injury insurance paid by enterprises. An employer that has not paid the social insurance premium in full amount on time may be ordered to pay the required contributions within a stipulated deadline or pay in full amount by the social insurance premium collecting body and be subject to a late payment fee of up to 0.05% per day since the date of payment default. If the employer still fails to make social insurance contributions within the stipulated deadline, it may be subject to a fine ranging from one to three times of the amount overdue imposed by the relevant administrative department.

Housing Provident Fund

In accordance with the Regulations on the Administration of Housing Provident Funds (《住房公積金管理條例》) which was promulgated by the State Council on April 3, 1999 and amended on March 24, 2019 and came into effect on the same date, enterprises must register at the housing provident fund management center to pay and deposit housing provident funds and open housing provident fund accounts for their employees. Enterprises are also required to pay and deposit housing provident funds on behalf of their employees in full and in a timely manner. With respect to any entity that fails to make deposit registration of the housing provident fund or fails to complete the housing provident fund account establishment procedures for its employees, such entity shall be ordered by the housing provident fund management center to complete such procedures within a prescribed time limit; where failing to do so at the expiration of the time limit, a fine of not less than RMB10,000 nor more than RMB50,000 shall be imposed. Furthermore, if an employer is overdue in the contribution of, or underpays, the housing provident fund, the housing provident fund management center shall order it to make the contribution within a prescribed time limit; where the contribution has not been made after the expiration of the time limit, an application may be made to a people's court for compulsory enforcement.

LAWS AND REGULATIONS RELATING TO IMPORT AND EXPORT TRADE

According to the Foreign Trade Law of the PRC (《中華人民共和國對外貿易法》) (“Foreign Trade Law”) promulgated by the SCNPC on May 12, 1994 and amended on December 30, 2022, since December 30, 2022, no registration of foreign trade operators is required. The PRC government allows the free import and export of goods and technologies, unless otherwise provided by laws and administrative regulations. Before December 30, 2022, according to the pre-amendment Foreign Trade Law, a foreign trade operator who is engaged in the import and export of goods or technologies shall process the filing and registration with the foreign trade authority under the State Council or its entrusted agencies, unless

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otherwise provided by the laws, administrative regulations and requirements of the foreign trade authority under the State Council. Where a foreign trade operator fails to do so, the customs shall not handle the formalities for declaration and clearance of the goods imported or exported by the operator.

According to the Customs Law of the PRC (《中華人民共和國海關法》) (“Customs Law”), which was reviewed and passed by the SCNPC on January 22, 1987, last amended on April 29, 2021 and came into effect on the same date, the customs of the PRC is the state’s entry and exit customs supervision and administration authority. In accordance with the Customs Law and other relevant laws and administrative regulations, the customs are responsible for the supervision of the transport vehicles, goods, freight items, postal items and other items entering into and departing from the PRC and collecting tariff and other duties and charges. All imported goods, throughout the period from arrival in the territory to the customs clearance, all exported goods, throughout the period from declaration to the customs to departure from the territory, and transit, transshipment and through goods, throughout the period from arrival in the territory to departure from the territory shall be subject to the supervision of the customs. Unless otherwise specified, the declaration of import and export goods and the payment of customs duties may be handled by the consignees or consignors of imported or exported goods or entrusted customs declaration enterprises. In addition, according to the Administrative Provisions of the PRC on the Filing of Customs Declaration Entities (《中華人民共和國海關報關單位備案管理規定》) promulgated by the General Administration of Customs of the PRC (“General Administration of Customs”) on November 19, 2021 and came into effect on January 1, 2022, the consignees and consignors of imported or exported goods and customs declaration enterprises shall go through customs declaration and filing procedures at the relevant administration department of customs in accordance with the law.

LAWS AND REGULATIONS RELATING TO FOREIGN EXCHANGE

The Regulations of the PRC on the Management of Foreign Exchange (《中華人民共和國外匯管理條例》), the “Regulations on the Management of Foreign Exchange”), which was promulgated by the State Council on January 29, 1996, came into effect on April 1, 1996 and amended on August 5, 2008, classifies all international payments and transfers into current items and capital items. Most of the current items are not subject to the approval of foreign exchange administrative authorities, while capital items are subject to the approval of foreign exchange administrative authorities. According to the Regulations on the Management of Foreign Exchange, China does not impose any restriction on international current payments and transfers.

The Regulations for the Administration of Settlement, Sale and Payment of Foreign Exchange (《結匯、售匯及付匯管理規定》), the “Settlement Regulations”), which was promulgated by the PBOC on June 20, 1996 and effective on July 1, 1996, removes other restrictions on convertibility of foreign exchange under current items, while imposing existing restrictions on foreign exchange transactions under capital items.

According to the Announcement on Improving the Reform of the Renminbi Exchange Rate Formation Mechanism (《關於完善人民幣匯率形成機制改革的公告》) (PBOC Announcement [2005] No. 16), which was promulgated by the PBOC on July 21, 2005 and came into effect on the same date, the PRC began to implement a managed floating exchange rate system in which the exchange rate would be determined based on market supply and demand and adjusted with reference to a basket of currencies from July 21, 2005. Therefore, the Renminbi exchange rate was no longer pegged to the U.S. dollar. The PBOC would publish

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the closing price of the exchange rate of the Renminbi against trading currencies such as the U.S. dollar in the interbank foreign exchange market after the closing of the market on each working day, as the central parity of the currency against Renminbi transactions on the following working day.

On August 5, 2008, the State Council promulgated the amended Regulation on the Management of Foreign Exchange, which has made substantial changes to the foreign exchange supervision system of the PRC. First, it has adopted an approach of balancing the inflow and outflow of foreign exchange. Foreign exchange income received overseas can be repatriated or deposited overseas, and foreign exchange and settlement funds under the capital account are required to be used only for purposes as approved by the competent authorities and foreign exchange administrative authorities; second, it has improved the RMB exchange rate formation mechanism based on market supply and demand; third, in the event that international balance of payment suffer or may suffer a material misbalance, or the national economy encounters or may encounter a severe crisis, the State may adopt necessary safeguard or control measures against international balance of payment; fourth, it has enhanced the supervision and administration of foreign exchange transactions and grant extensive authorities to the SAFE to enhance its supervisory and administrative powers.

According to the relevant laws and regulations in the PRC, PRC enterprises (including foreign investment enterprises) which need foreign exchange for current item transactions may, without the approval of the foreign exchange administrative authorities, effect payment from foreign exchange accounts opened at the designated foreign exchange banks, on the strength of valid transaction receipt or proof. Foreign investment enterprises which need foreign exchange for the distribution of profits to their shareholders and PRC enterprises which, in accordance with regulations, are required to pay dividends to their shareholders in foreign exchange (such as our Company) may, on the strength of resolutions of the board of directors or the shareholders’ meeting on the distribution of profits, effect payment from foreign exchange accounts at the designated foreign exchange banks or effect exchange and payment at the designated foreign exchange banks.

On October 23, 2014, the State Council promulgated the Decisions on Matters including Canceling and Adjusting a Batch of Administrative Approval Items (《國務院關於取消和調整一批行政審批項目等事項的決定》) (Guo Fa [2014] No. 50), which decided to cancel the approval requirement of the SAFE and its branches for the remittance and settlement of the proceeds raised from the overseas listing of the foreign shares into RMB domestic accounts.

On December 26, 2014, the SAFE promulgated and implemented the Notice of the SAFE on Issues Concerning the Foreign Exchange Administration of Overseas Listing (《國家外匯管理局關於境外上市外匯管理有關問題的通知》) (Hui Fa [2014] No. 54), according to which, a domestic company shall, within 15 business days from the date of the end of its overseas listing issuance, register the overseas listing with the Administration of Foreign Exchange at the place of its establishment; the proceeds from an overseas listing of a domestic company may be remitted to the PRC or deposited overseas, but the use of the proceeds shall be consistent with the contents as specified in the prospectus and other disclosure documents. Domestic companies (except a banking financial institution) shall, by virtue of the registration certificate for overseas listing business, open a “dedicated foreign exchange account for overseas listing of domestic companies” with a domestic bank for their initial public offering (or additional public offering) and repurchase business to handle the exchange and transfer of funds for the relevant business.

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According to the Notice of the SAFE on Further Simplifying and Improving Policies for the Foreign Exchange Administration of Direct Investment (《國家外匯管理局關於進一步簡化和改進直接投資外匯管理政策的通知》) (Hui Fa [2015] No. 13) promulgated by the SAFE on February 13, 2015, came into effect on June 1, 2015 and amended on December 30, 2019, two of the administrative examination and approval items, being the confirmation of foreign exchange registration under domestic direct investment and the confirmation of foreign exchange registration under overseas direct investment have been canceled, the foreign exchange registration under domestic direct investment and overseas direct investment shall be directly examined and handled by banks. The SAFE and its branch offices shall indirectly regulate the foreign exchange registration of direct investment through banks.

According to the Notice of the State Administration of Foreign Exchange on Reforming and Regulating Policies for the Administration over Foreign Exchange Settlement under Capital Accounts (《國家外匯管理局關於改革和規範資本項目結匯管理政策的通知》) (Hui Fa [2016] No.16) promulgated and implemented by the SAFE on June 9, 2016, which was further amended on December 4, 2023, the settlement of foreign exchange receipts under the capital account (including the foreign exchange capital, external debts and funds recovered from overseas listing, etc.) that are subject to discretionary settlement as already specified by relevant policies may be handled at banks based on the domestic institutions’ actual requirements for business operation. The proportion of discretionary settlement of domestic institutions’ foreign exchange receipts under the capital account is temporarily determined as 100%. The SAFE may, based on the international balance of payments, adjust the aforesaid proportion at appropriate time.

The Notice of the SAFE on Further Promoting the Reform of Foreign Exchange Administration and Improving the Examination of Authenticity and Compliance (《國家外匯管理局關於進一步推進外匯管理改革完善真實合規性審核的通知》) (Hui Fa [2017] No.3) was promulgated by the SAFE on January 26, 2017, to further expand the scope of settlement for domestic foreign exchange loans, allow settlement for domestic foreign exchange loans with export background under goods trading; allow repatriation of funds under domestic guaranteed foreign loans for domestic utilization; allow settlement for domestic foreign exchange accounts of foreign institutions operating in the Free Trade Pilot Zones; and adopt the model of full-coverage RMB and foreign currency overseas lending management, where a domestic institution engages in overseas lending, the sum of its outstanding overseas lending in RMB and outstanding overseas lending in foreign currencies shall not exceed 30% of its owner’s equity in the audited financial statements of the preceding year.

The Notice of the SAFE on Further Promoting Cross-border Trade and Investment Facilitation (《國家外匯管理局關於進一步促進跨境貿易投資便利化的通知》) (Hui Fa [2019] No. 28) was promulgated by the SAFE on October 23, 2019 and amended on December 4, 2023, which stipulated that on the basis that investing foreign-funded enterprises may make domestic equity investments with their capital funds in accordance with laws and regulations, non-investing foreign-funded enterprises are permitted to legally make domestic equity investments with their capital funds under the premise that the existing Special Administrative Measures (Negative List) for the Access of Foreign Investment (《外商投資准入特別管理措施(負面清單)》) are not violated and domestic invested projects are true and compliant.

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LAWS AND REGULATIONS RELATING TO TAXATION

Enterprise Income Tax

According to the Enterprise Income Tax Law (《企業所得稅法》) promulgated by the SCNPC on March 16, 2007 and last amended and came into effect on December 29, 2018 and the Implementation Provisions of the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法實施條例》) promulgated by the State Council on December 6, 2007 and amended and came into effect on April 23, 2019, a domestic enterprise, which is established within the PRC in accordance with PRC laws or established in accordance with any laws of a foreign country (region) but with an actual management institution located in the PRC, shall be regarded as a resident enterprise. A resident enterprise shall be subject to an EIT rate of 25% on any income generated within or outside the PRC. A preferential EIT rate shall be applicable to any key industry and project which are supported and encouraged by the State. High and new technology enterprises in need of key support from the State may enjoy a reduced EIT rate of 15%.

On October 16, 2023, the Company was recognized as a high technology enterprise jointly by Shenzhen Science and Technology Innovation Commission (深圳市科技創新委員會), Shenzhen Finance Bureau (深圳市財政局) and Shenzhen Provincial Office of the State Administration of Taxation (國家稅務總局深圳市稅務局), and obtained the “High Technology Enterprise Certificate”. According to the Administrative Measures for Recognition of High Tech Enterprises (《高新技術企業認定管理辦法》), which was amended by the Ministry of Science and Technology (MOST), the Ministry of Finance (MOF) and the State Taxation Administration (STA) and came into effect in January 2016, and the Announcement of the State Taxation Administration on Issues Concerning the Implementation of Preferential Income Tax Policies for High Technology Enterprises (《國家稅務總局關於實施高新技術企業所得稅優惠政策有關問題的公告》), which was promulgated by the STA on June 19, 2017 and came into effect on the same date, the qualification of a high technology enterprise recognized in accordance with the law will be valid for three years from the date of issuance of the certificate. Upon obtaining the qualification as a high technology enterprise, the enterprise should apply for tax concession from the year in which the High Technology Enterprise Certificate is issued and complete the filing procedures with the competent tax authorities as required.

Value-added Tax

According to the Provisional Regulations of the PRC on Value-Added Tax (《中華人民共和國增值稅暫行條例》), which was promulgated by the State Council on December 13, 1993, last amended and came into effect on November 19, 2017, and the Rules for the Implementation of the Provisional Regulations of the PRC on Value-added Tax (《中華人民共和國增值稅暫行條例實施細則》), which was promulgated by the MOF on December 25, 1993, last amended on October 28, 2011 and came into effect on November 1, 2011, all enterprises and individuals that engage in the sale of goods, the provision of processing, repair and replacement services, sale of services, intangible assets, real estate and the importation of goods within the territory of the PRC are taxpayers of value-added tax (the “VAT”) and shall pay VAT in accordance with the laws. According to the Notice of the MOF and the State Administration of Taxation on the Adjustment to VAT Rates (《財政部、國家稅務總局關於調整增值稅稅率的通知》) which was promulgated by the MOF and the STA on April 4, 2018 and came into effect on May 1, 2018, the original rates of 17% and 11% applicable to the taxpayers who have VAT taxable sales activities or imported goods are adjusted to 16%

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and 10%, respectively. According to the Announcement on Policies for Deepening the VAT Reform (《關於深化增值稅改革有關政策的公告》), which was promulgated by the MOF, the STA and the General Administration of Customs on March 20, 2019 and came into effect on April 1, 2019, the original rates of 16% or 10% applicable to the general VAT payers’ sales activities or imports goods that are subject to VAT are adjusted to 13% or 9%, respectively.

Dividend Withholding Tax

According to the Arrangement between Chinese mainland and Hong Kong Special Administrative Region for the Avoidance of Double Taxation and Prevention of Fiscal Evasion with respect to Taxes on Income (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》), which was promulgated on August 21, 2006 and effective from December 8, 2006, a withholding tax rate of no more than 5% applies to dividends paid by a PRC company to a Hong Kong resident, provided that the recipient is a company that holds at least 25% of the capital of the PRC company. A withholding tax rate of no more than 10% applies to dividends paid by a PRC company to a Hong Kong resident if the recipient is a company that holds less than 25% of the capital of the PRC company.

Furthermore, according to the Circular of the State Taxation Administration on Relevant Issues Concerning the Implementation of Dividend Clauses in Tax Treaties (《國家稅務總局關於執行稅收協定股息條款有關問題的通知》) (Guo Shui Han [2009] No. 81), which was promulgated on and effective from February 20, 2009, where a PRC resident company pays dividends to a fiscal resident of the other contracting party to a tax treaty and such fiscal resident of the other contracting party is the beneficiary of such dividends, such dividends received by the fiscal resident of the other party are entitled to the treatment under the tax treaty, provided that all of the following requirements are satisfied:

- (1) the taxpayer entitled to the treatment under the tax treaty shall be the fiscal resident of the other contracting party to a tax treaty;
- (2) the taxpayer entitled to the treatment under the tax treaty shall be the beneficiary of the relevant dividends;
- (3) dividends entitled to the treatment under the tax treaty shall be the equity investment income such as dividends and bonuses determined under the PRC tax laws; and
- (4) other requirements provided by the STA.

If the tax resident of the other contracting party to the tax agreement directly owns a certain proportion or more of the capital (usually 25% or 10%) of a PRC resident company that pays dividends, the dividends obtained by the tax resident of the other contracting party can be taxed at the tax rate specified in the tax agreement. The tax resident of the other contracting party who claims the benefits of the tax agreement should meet the following conditions at the same time:

- (1) such tax resident of the other contracting party who obtains dividends should be limited to a company as provided in the tax agreement;

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(2) the owner’s equity interests and voting shares of the PRC resident company directly owned by such tax resident of the other contracting party reaches a specified percentage; and

(3) the capital proportion of the PRC resident company directly owned by such tax resident of the other contracting party, at any time during the 12 months prior to the acquisition of the dividends, reaches a specified percentage in the tax agreement.

Preferential Tax Policy for the Software Industry

As listed in the Guidance of Preferential Tax Policy for Software Enterprises and Integrated Circuit Enterprises (2022) (《軟件企業和集成電路企業稅費優惠政策指引(2022)》) issued by the STA on May 21, 2022, the integrated circuit industry enjoys a variety of tax preferences. For example, software products can enjoy refunding upon levy for the part in excess of the VAT burden; software enterprises encouraged by the State can enjoy regular exemption or reduction of the enterprise income tax; and software enterprises whose refunding upon levy is used for software products R&D and expanded reproduction can enjoy the corresponding income tax policy.

According to the Notice of the State Council on Promulgation of Several Policies for Promoting the High-quality Development of Integrated Circuit and Software Industries in the New Era (《國務院關於印發新時期促進集成電路產業和軟件產業高質量發展若干政策的通知》) (Guo Fa [2020] No. 8) (“No. 8 Notice”), enterprises of software encouraged by the State are exempted from enterprise income tax during the first year and the second year from the first profit-making year. During the third year to the fifth year, the enterprise income tax shall be levied at half of the statutory tax rate of 25%. Key integrated circuit design enterprises and software enterprises encouraged by the State shall be exempted from enterprise income tax during the first year to the fifth year since the first profit-making year, and the enterprise income tax shall be levied at a reduced tax rate of 10% in successive years. Notice of the National Development and Reform Commission and Other Departments on Making Relevant Requirements for the List of Integrated Circuit Enterprises or Projects and Software Enterprises to Enjoy Preferential Tax Policy for 2023 (《國家發展改革委等部門關於做好2023年享受稅收優惠政策的集成電路企業或項目、軟件企業清單制定工作有關要求的通知》), on the basis of No. 8 Notice, makes detailed description of the conditions and project standards for enterprises that enjoy preferential tax policy.

In addition, in accordance with the Notice on Supporting Import Tax Policy for the Development of Integrated Circuit Industry and Software Industry (《關於支援集成電路產業和軟件產業發展進口稅收政策的通知》) (Cai Guan Shui [2021] No. 4) issued by the MOF, the General Administration of Customs and the STA on March 16, 2021, import behaviors that conform to the circumstances listed in this regulation are exempt from import duties. The implementation period is from July 27, 2020 to December 31, 2030.

Distribution of Dividends

According to the Company Law of the PRC, which was promulgated by the SCNPC on December 29, 1993, and amended and came into effect in October 26, 2018, and the Foreign Investment Law, which was promulgated by the NPC on March 15, 2019 and came into effect in January 1, 2020, foreign-invested enterprises in the PRC are only allowed to pay dividends out of their accrued profits, if any, as determined in accordance with the Chinese Accounting Standards and regulations. Unless otherwise provided in the

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legal provisions relating to foreign investment, PRC companies (including FIEs) are required to set aside at least 10% of their after-tax profits as general reserves until the accumulated amount of such reserves reaches 50% of their registered capital and are not permitted to distribute any profits until any losses of prior financial years have been set off. Retained profits of prior financial years may be distributed together with distributable profits of the current financial year.

REGULATIONS RELATING TO THE “FULL CIRCULATION” OF H SHARES

According to the Guidelines for the “Full Circulation” Program for Unlisted Domestic Shares of H-share Listed Companies (《H股公司境內未上市股份申請「全流通」業務指引》), which was promulgated by the CSRC on November 14, 2019 and came into effect on the same date and partially amended on August 10, 2023 based on the Decision of the CSRC on Amending and Abolishing Some Securities and Futures System Documents (《中國證券監督管理委員會關於修改、廢止部分證券期貨制度檔的決定》), “full circulation” refers to the circulation of the unlisted domestic shares of an H-share company (including unlisted domestic shares held by domestic shareholders prior to overseas listing, unlisted domestic shares issued after overseas listing and unlisted shares held by holders of overseas shares) on the Hong Kong Stock Exchange. Subject to compliance with relevant laws and regulations, as well as policies on state-owned assets management, foreign investment and industry supervision, shareholders of unlisted domestic shares may, through consultation, determine on their own the number and proportion of shares to be applied for circulation, and entrust an H-share company to submit an application for “full circulation”. Unlisted domestic shares may not be transferred back to Chinese mainland after being listed and circulated on the Hong Kong Stock Exchange. Shareholders of unlisted domestic shares may reduce or increase their holdings of the involved shares which are listed and circulated on the Hong Kong Stock Exchange in accordance with relevant business rules. The H-share company shall submit a report on the relevant information to the CSRC within 15 days after the completion of the re-registration of the involved shares applied for with CSDC.

The Notice on Issuing the Measures for Implementation of H-share “Full Circulation” Business (《關於發佈〈H股「全流通」業務實施細則〉的通知》), which was issued by China Securities Depository and Clearing Corporation Limited (“CSDC”) and Shenzhen Stock Exchange on December 31, 2019 and came into effect on the same date, is applicable to the relevant business involved in the “full circulation” of H shares, such as cross-border re-registration, custody and maintenance of shareholding information, agency transaction and placing of orders, settlement, management of clearing participants, nominee holders services, etc. H-share listed companies approved by the CSRC to participate in the “full circulation” of H-shares shall, upon completion of information disclosure, re-register their fully tradable H-shares with the Hong Kong share registrar, free from pledges, freezes, restrictions on transfer and other restrictive statuses, and become shares available for listing and circulation on the Hong Kong Stock Exchange. The relevant securities shall be centrally deposited with CSDC in China. CSDC, as the nominee for the above securities, shall be responsible for the depository, maintenance of shareholding information, cross-border clearing and settlement business involved in the “full circulation” of H-shares and provide nominee services to investors. H-share listed companies shall obtain authorization from the investor to select a domestic securities company to participate in the “full circulation” of H-shares. Investors shall submit trading orders for “full circulation” of H-shares through the domestic securities companies. The domestic securities company shall select a Hong Kong securities company through which the investor’s trading orders will be reported to the Hong Kong Stock Exchange for trading. Upon completion of the transaction, CSDC and China Securities

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Depository & Clearing (Hong Kong) Company Limited (CSDC (Hong Kong)) shall handle the cross-border clearing and settlement of the relevant shares and funds, and the settlement currency for the H-share “full circulation” transaction business shall be Hong Kong dollars. H-share listed companies entrusting CSDC with the distribution of cash dividends shall submit an application to CSDC. When distributing cash dividends, the H-share listed company may request from CSDC the details of the cash dividend shares held by the relevant investors as at the date of equity rights registration. If an investor acquires “fully tradable” non-H shares listed on the HKSE as a result of equity distribution or conversion of full circulation of H-shares, the investor may sell but may not purchase the underlying securities; if an investor acquires a subscription right for shares listed on the HKSE and the right is listed on the HKSE, the investor may sell but may not exercise the right.

CSDC (Hong Kong) has promulgated the Guide to the Program for “Full Circulation” of H-shares of CSDC (Hong Kong) (《中國證券登記結算（香港）有限公司H股「全流通」業務指南》), which stipulates the relevant custodianship, safekeeping, agency services, settlement and delivery arrangements and other related matters of CSDC (Hong Kong).

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

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Founded in 2016, we are a leading real-time data infrastructure and analytics solutions provider in China.

Our history can be traced back to 2016 with the establishment of Shenzhen Xunce Technology Company Limited (深圳迅策科技有限公司) (“**Xunce Technology**”). In the same year, Mr. Liu Zhijian and Mr. Geng Dawei joined our Group, who are entrepreneurs and engineers with extensive experience and deep insights in the asset management industry in China. By capturing the opportunities in the real-time data infrastructure and analytics market and under the leadership of Mr. Liu Zhijian and Mr. Geng Dawei, our Company ranked first in terms of revenue in 2024 in the real-time data infrastructure and analytics market for China’s asset management industry, and ranked fourth in terms of revenue in 2024 in China’s real-time data infrastructure and analytics market, according to Frost & Sullivan.

For the biography and industry experience of Mr. Liu Zhijian and Mr. Geng Dawei, please see “Directors, Supervisors and Senior Management.”

BUSINESS DEVELOPMENT MILESTONES

The following table summarizes the key milestones in our business development:

Year	Milestone
2016	Xunce Technology, being our predecessor, was established in the PRC.
2017	We completed our Series A financing and raised RMB76.0 million in equity financing from a group of renowned investors. We launched XOne, our real-time data analytics solution offering order execution and portfolio monitoring services.
2018	We launched DOne, our real-time data infrastructure solution offering aggregation, processing and management services for raw data.
2019	We completed our Series A+ financing and raised approximately RMB88.7 million in equity financing from a group of renowned investors. We launched VOne, our real-time data infrastructure solution offering data aggregation, precision processing based on business requirement and data model. We were awarded with Software Enterprise Certificate Encouraged by the State (國家鼓勵軟件企業證書) by Shenzhen Software Industry Association (深圳市軟件行業協會).
2020	We completed our Series B financing and raised over RMB200 million in equity financing from a group of renowned investors. We were awarded with High-Tech Enterprises Certificate (國家高新技術企業) by Beijing Science and Technology Innovation Commission (北京市科學技術委員會), Finance Bureau of Beijing Municipality (北京市財政局) and Beijing Branch of State Taxation Administration (國家稅務總局北京市稅務局).
2021	We completed our Series C and C+ financings and raised over RMB650 million and RMB64 million, respectively, in equity financing from a group of renowned investors. We launched POne, our data analytics solution offering portfolio monitoring services. We launched TOne, our data analytics solution offering valuation services.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Year	Milestone
2022	We completed our Series D financing and raised approximately RMB800 million in equity financing from a group of renowned investors. We launched COne, our data analytics solution offering risk management and compliance regulatory services. We launched ROne, our data analytics solution offering compliance regulatory services. We were named as Shenzhen Specialized, Refinement, Differentiation, Innovation (SRDI) Small and Medium Enterprises (深圳市專精特新中小企業) by Industry and Information Technology Bureau of Shenzhen Municipality (深圳市工業和信息化局).
2023	We completed our Series Cross-over financing and raised RMB220 million in equity financing from a group of renowned investors.
2024	We were recognized as a China Specialized, Refinement, Differentiation, Innovation (SRDI) “Little Giants” Firm (專精特新“小巨人”企業) by the Ministry of Industry and Information Technology of the PRC (中華人民共和國工業和信息化部).

OUR MAJOR OPERATING SUBSIDIARIES

The place of incorporation, date of incorporation/establishment, and principal business activities of each of our major subsidiaries which are most relevant to our core operations and/or made material contribution to our results of operations during the Track Record Period are shown below:

Name of subsidiary	Place of incorporation/ establishment	Date of incorporation/ establishment	Principal business activities
Hangzhou Xunhang	PRC	September 18, 2020	Provision of software and information technologies services
Beijing Xunjing	PRC	May 8, 2020	Provision of technology promotion and application services
Shanghai Kaiyu ⁽¹⁾	PRC	January 10, 2011	Software research and development, sales of integrated software and hardware and provision of technology services
Shanghai Kuanrui ⁽²⁾	PRC	October 20, 2015	Software research and development, sales of software and provision of technology services
Beijing Huayinshangce ⁽³⁾	PRC	August 30, 2021	Software research and development, sales of software and provision of technology services
Xunce HK	Hong Kong	November 9, 2018	Software research and development, sales of software and provision of technology services

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Notes:

- (1) Shanghai Kaiyu was held by the Company as to 52.81%, by Shanghai Kaiyin Information Technology Partnership (Limited Partnership) (上海愷寅信息科技合夥企業 (有限合夥)) (“**Shanghai Kaiyin**”) as to 13.97%, by Shanghai Songyu Information Technology Partnership (Limited Partnership) (上海嵩域信息科技合夥企業 (有限合夥)) (“**Shanghai Songyu**”) as to 11.76%, by Shanghai Yukai Information Technology Partnership (limited Partnership) (上海域愷信息科技合夥企業 (有限合夥)) (“**Shanghai Yukai**”) (being one of our Pre-[REDACTED] Investors) as to 11.03%, by Zhou Hailang (周海浪) as to 8.35%, and by Chen Qing (陳清) as to 2.09%. Zhou Hailang is the general partner of Shanghai Kaiyin, Shanghai Songyu and Shanghai Yukai and a director of Kaiyu (HK) Technology Co., Limited. Each of Zhou Hailang and Chen Qing is a director of Shanghai Kaiyu. Therefore, each of Shanghai Kaiyin, Shanghai Songyu, Shanghai Yukai, Zhou Hailang and Chen Qing is a connected person of the Company, and save for the relationship disclosed in this Document and to the best knowledge of our Company, none of them have other past or present relationship (including, without limitation, family, business, financing, employment or otherwise) with the Company, its subsidiaries, the Shareholders, Directors or senior management or any of their respective associates.
- (2) Shanghai Kuanrui was held by the Company as to 51.05%, by Liu Xin (劉鑫) as to 16.54%, by Shanghai Liangjian Technology Partnership (Limited Partnership) (上海量箭科技合夥企業 (有限合夥)) (“**Shanghai Liangjian**”) as to 11.98%, by Zhu Wenning (朱文寧) as to 9.88%, by Song Fang (宋放) as to 7.59%, by Shanghai Shenxi Information Technology Co., Ltd. (上海申息信息科技有限公司) (“**Shanghai Shenxi**”) as to 1.63%, and by Liang Guoqiang (梁國強) as to 1.32%. Liu Xin is the general partner of Shanghai Liangjian. Shanghai Shenxi is wholly owned by Yang Kai (楊凱). Each of Liu Xin and Zhu Wenning is a director of Shanghai Kuanrui. Therefore, each of Liu Xin, Shanghai Liangjian and Zhu Wenning is a connected person of the Company and save for the relationship disclosed in this Document and to the best knowledge of our Company, none of them have other past or present relationship with the Company, its subsidiaries, the Shareholders, Directors or senior management or any of their respective associates. To the best knowledge of the Company, each of Song Fang, Shanghai Shenxi, Liang Guoqiang and Yang Kai is an Independent Third Party and does not have any past or present relationship (including, without limitation, family, business, financing, employment or otherwise) with the Company, its subsidiaries, the Shareholders, Directors or senior management or any of their respective associates.
- (3) Beijing Huayinshangce was held by our Group as to 61.15% (out of which 30.70% by our Company, 21.86% by Huace Alpha and 8.59% by Huace Omega); and held by Hua Kong Tsing Jiao Information Technology (Beijing) Co., Ltd.* (華控清交信息科技(北京)有限公司) (“**Huakong Tsing Jiao**”) as to 31.04%, by Beijing Gehua (being one of our Pre-[REDACTED] Investors) as to 7.47% and by Shenzhen Tongrui Changying Phase V Management Consulting Partnership (Limited Partnership) (深圳通瑞長盈五期管理諮詢合夥企業 (有限合夥)) (“**Shenzhen Tongrui**”) as to 0.34%. Therefore, Huakong Tsing Jiao is a connected person of the Company and save for the relationship disclosed in this Document and to the best knowledge of our Company, it has no other past or present relationship with the Group. To the best knowledge of the Company, each of Beijing Gehua and Shenzhen Tongrui is an Independent Third Party.

ESTABLISHMENT AND DEVELOPMENT OF OUR COMPANY

Establishment of our Company

On April 1, 2016, Xunce Technology, the predecessor of our Company was established as a limited liability company under the laws of the PRC, with an initial registered capital of RMB1,000,000. The shareholding structure of Xunce Technology upon establishment is set forth in the table below:

Shareholders	Registered capital subscribed for (RMB)	Corresponding equity interest in our Company (%)
He Jinglu (賀璟璐) ⁽¹⁾	1,000	0.10
Liu Chengxi (劉呈喜) ⁽²⁾	999,000	99.90
Total	1,000,000	100.00

Notes:

- (1) Ms. He Jinglu is an Independent Third Party who provided contributions in the planning and preparation for the establishment of Xunce Technology with her experience in administrative management.
- (2) Mr. Liu Chengxi is the father of Mr. Liu Zhijian.

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Major Shareholding Changes of Our Company

The major shareholding changes of our Company are set out below:

(a) 2017 Equity Transfers

In April 2017, Liu Chengxi transferred his equity interests in the registered capital of RMB61,000, RMB38,000 and RMB35,500 of Xunce Technology, to He Jinglu, Yang Boyuan (楊博元) and Zhao Dasan (趙達三), respectively, each at a nominal consideration of RMB1. The consideration for the transfers were determined among the parties taking into account the services and contributions provided by the transferees, who were business partners of Mr. Liu Chengxi in the planning and preparation for the establishment of Xunce Technology and Independent Third Parties.

In July 2017, Liu Chengxi transferred his equity interests in the registered capital of RMB533,033, RMB180,800 and RMB150,667 of Xunce Technology, to Zhuhai Enyuan, Zhuhai Fuqian, and Zhuhai Guwen, respectively, each at a nominal consideration of RMB1. The consideration for the transfers was determined among the parties taking into account that the transfers were conducted among Liu Chengxi and his controlled entities, namely Zhuhai Enyuan, Zhuhai Fuqian and Zhuhai Guwen.

In July 2017, to realize his investment for his personal financial need at the relevant time, Zhao Dasan transferred his equity interest in the registered capital of RMB35,500 of Xunce Technology to Shenzhen Yuanzheng Investment Development Co., Ltd. (深圳市源政投資發展有限公司) (“**Shenzhen Yuanzheng**”), at a total consideration of RMB5,325,000. The consideration was determined on arm’s-length basis and commercially negotiated between the parties. Shenzhen Yuanzheng is a limited liability company established under the laws of the PRC, and is owned as to 70% by Yang Xiangyang (楊向陽) and 30% by Chen Fang (陳芳). To the best knowledge of the Company, each of Shenzhen Yuanzheng, Yang Xiangyang and Chen Fang is an Independent Third Party.

(b) Series A Financing

Pursuant to a series of capital increase agreements in 2017 entered into, amongst others, Xunce Technology and Shanghai Yunfeng Xincheng Investment Center (Limited Partnership) (上海雲鋒新呈投資中心 (有限合夥)) (“**Yunfeng Xincheng**”), Shenzhen Saidaren Investment Enterprise (Limited Partnership) (深圳賽達仁投資企業 (有限合夥)) (“**Shenzhen Saidaren**”), Beijing Innovation Workshop Venture Capital Center (Limited Partnership) (北京創新工場創業投資中心 (有限合夥)) (“**Beijing Innovation Workshop**”), Wuxi Haiyingjia Investment Enterprise (Limited Partnership) (無錫海盈佳投資企業 (有限合夥)) (“**Wuxi Haiyingjia**”), Shenzhen Zhongnan Heduo Venture Capital Partnership (Limited Partnership) (深圳中南荷多創業投資合夥企業 (有限合夥)) (“**Zhongnan Heduo**”), Jiaxing Xingluo Jingyou Venture Investment Partnership (Limited Partnership) (嘉興星羅景佑創業投資合夥企業 (有限合夥)) (“**Xingluo Jingyou**”), Nanchang Haichuangsheng Business Development Partnership (Limited Partnership) (南昌海創勝商業發展合夥企業 (有限合夥)) (“**Nanchang Haichuangsheng**”) (formerly known as Shenzhen Haichuangsheng Investment Partnership (Limited Partnership) (深圳海創勝投資合夥企業 (有限合夥)) and Shenzhen Qianhai Chuangsheng Investment Partnership (Limited Partnership) (深圳前海創勝投資合夥企業 (有限合夥))) and Zhuhai Chenghao Investment Partnership (Limited partnership) (珠海誠昊投資合夥企業 (有限合夥)) (“**Zhuhai Chenghao**”), Yunfeng Xincheng, Shenzhen Saidaren, Beijing Innovation Workshop, Wuxi

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Haiyingjia, Zhongnan Heduo, Xingluo Jingyou, Nanchang Haichuangsheng and Zhuhai Chenghao agreed to subscribe for the equity interests in the increased registered capital of RMB506,667 of Xunce Technology at a total consideration of RMB76 million (the “**Series A Financing**”). The consideration was based on the pre-money valuation of Xunce Technology before the Series A Financing. For details of the Series A Financing, see “— Pre-[REDACTED] Investments” below.

(c) *December 2017 Capital Increase*

The registered capital of Xunce Technology was increased from RMB1,506,667 to RMB50,000,000, fully paid by the then shareholders of Xunce Technology.

(d) *Series A+ Financing*

Pursuant to a series of capital increase agreements in 2018 and 2019 entered into, amongst others, Xunce Technology and Shanghai Yunfeng Qitai Investment Center (Limited Partnership) (上海雲鋒麒泰投資中心 (有限合夥)) (“**Yunfeng Qitai**”), Xiamen Zhongnan Hongyuan Equity Investment Fund Partnership (Limited Partnership) (廈門中南弘遠股權投資基金合夥企業 (有限合夥)) (“**Zhongnan Hongyuan**”), Wuxi Haiyingjia and Zhongnan Heduo agreed to subscribe for the equity interests in the increased registered capital of RMB4,583,334 of Xunce Technology at a total consideration of RMB55,000,000. Pursuant to a capital increase agreement dated April 17, 2019, Goldman Sachs PSI Global Holdings, LLC (“**GS PSI**”) agreed to subscribe for the equity interests in the increased registered capital of RMB2,812,390 of Xunce Technology at a total consideration of RMB33,748,685. The consideration was based on the pre-money valuation of Xunce Technology before the Series A+ Financing. For details of the Series A+ Financing, see “— Pre-[REDACTED] Investments” below.

(e) *June 2020 Equity Transfers*

In June 2020, (i) Yang Boyuan transferred the equity interests in the registered capital of RMB148,842, and RMB1,112,208 of Xunce Technology to Shenzhen Zhongtou 63 Bang Investment Enterprise (Limited Partnership) (深圳市衆投六十三邦投資企業 (有限合夥)) (“**Shenzhen Zhongtou**”) and Zhongshan Torch Intelligent Technology Industry Development Fund (Limited Partnership) (中山火炬智能科技產業發展基金 (有限合夥)) (“**Zhongshan Torch**”) at a consideration of RMB2,593,259 and RMB19,377,890, respectively; and (ii) to realize her investment for her personal financial need at the relevant time, He Jinglu transferred the equity interests in the registered capital of RMB1,345,406, RMB425,115 and RMB286,979 of Xunce Technology to Yunfeng Qitai, Shenzhen Zhongtou and Shenzhen Yuxin Renhui Investment Partnership (Limited Partnership) (深圳羽信仁輝投資合夥企業 (有限合夥)) (“**Yuxin Renhui**”) at a consideration of RMB23,440,875, RMB7,406,741 and RMB5,000,000, respectively. The respective consideration for the aforementioned equity transfers in June 2020 was based on the pre-money valuation of Xunce Technology before the Series B Financing.

(f) *Series B Financing*

Pursuant to a series of capital increase agreements dated October 18, 2019, June 15, 2020, June 16, 2020 and June 18, 2020 entered into, amongst others, Xunce Technology and Madison Square Investment Limited (“**Madison Square**”), GBA Fund Investment Limited (“**GBA Fund**”), Zhongshan Torch, Shenzhen Tencent Industry Win-Win Co., Ltd. (深圳市騰訊產業創贏有限公司) (“**Shenzhen Tencent**”),

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Yuxin Renhui, Shenzhen Zhongtou, the aforementioned Pre-[REDACTED] Investors and Yunfeng Qitai agreed to subscribe for the equity interests in the increased registered capital of RMB12,085,655 of Xunce Technology at a total consideration of RMB210,567,157. The consideration was based on the pre-money valuation of Xunce Technology before the Series B Financing. For details of the Series B Financing, see “— Pre-[REDACTED] Investments” below.

(g) Series C Financing

Pursuant to a series of capital increase agreements dated February 24, 2021 entered into, amongst others, Xunce Technology and Times Fortune (HK) Company Limited (時代百富(香港)有限公司) (“**Times Fortune**”), JSL Investment Limited (陽光家族投資有限公司) (“**JSL Investment**”), Shanghai Yiyun Investment Management Partnership (Limited Partnership) (上海熠雲投資管理合夥企業(有限合夥)) (“**Shanghai Yiyun**”), Guangzhou Youshan Investment Consulting Co., Ltd. (廣州由山投資諮詢有限公司) (“**Guangzhou Youshan**”), Tianjin Weizi Enterprise Management Partnership (Limited Partnership) (天津魏紫企業管理合夥企業(有限合夥)) (“**Tianjin Weizi**”), Hangzhou Hop Ka Hongsheng Venture Capital Partnership (Limited Partnership) (杭州合嘉泓盛創業投資合夥企業(有限合夥)) (“**Hop Ka Hongsheng**”), Guangdong Yuecai Emerging Industry Equity Investment Fund Partnership (Limited Partnership) (廣東粵財新興產業股權投資基金合夥企業(有限合夥)) (“**Guangdong Yuecai**”), Beijing Zhongguancun Development Qihang Innovation Investment Fund (Limited Partnership) (北京中關村發展啓航創新投資基金(有限合夥)) (“**Beijing Zhongguancun**”) and Guangzhou Chuangying Jianke Investment Partnership (Limited Partnership) (廣州創盈健科投資合夥企業(有限合夥)) (“**Chuangying Jianke**”), the abovementioned Pre-[REDACTED] Investors, and Shenzhen Zhongtou and GS PSI agreed to subscribe for the equity interests in the increased registered capital of RMB11,639,963 of Xunce Technology at a total consideration of RMB286,470,048. The consideration was based on the pre-money valuation of Xunce Technology before the Series C Financing.

Pursuant to a series of capital increase agreements dated March 29, 2021 and May 17, 2021 entered into, amongst others, Xunce Technology and Shenzhen Qianhai Yuxin Guoyuan Investment Partnership (Limited Partnership) (深圳前海羽信國元投資合夥企業(有限合夥)) (“**Yuxin Guoyuan**”), Beijing Gehua Silk Road Jinqiao Media Industry Investment Fund Partnership (Limited Partnership) (北京歌華絲路金橋傳媒產業投資基金合夥企業(有限合夥)) (“**Beijing Gehua**”), Shenzhen Tongrui Changying Phase II Management Consulting Partnership (Limited Partnership) (深圳通瑞長盈二期管理諮詢合夥企業(有限合夥)) (“**Tongrui Changying**”), Taikang Life Insurance Co., Ltd. (泰康人壽保險有限責任公司) (“**Taikang Life**”), Guangxi Tencent Venture Capital Co., Ltd. (廣西騰訊創業投資有限公司) (“**Guangxi Tencent**”), the abovementioned Pre-[REDACTED] Investors and GBA Fund agreed to subscribe for the equity interests in the increased registered capital of RMB14,933,384 of Xunce Technology at a total consideration of RMB367,524,202. The consideration was based on the pre-money valuation of Xunce Technology before the Series C Financing.

For details of the Series C Financing, see “— Pre-[REDACTED] Investments” below.

(h) March 2021 Capital Increase and May 2021 Equity Transfer

In March 2021, Xunce Technology converted capital reserve fund of RMB3,656,915 to the equivalent amount of the registered capital of Xunce Technology and was subscribed by Zhuhai Fuqian, an entity controlled by Mr. Liu Chengxi.

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In May 2021, (i) Zhuhai Chenghao transferred the equity interests in the registered capital of RMB1,106,200 of Xunce Technology to Beijing Gehua at a consideration of RMB27,224,589, (ii) Zhongshan Torch and Beijing Innovation Workshop transferred their respective equity interests in the registered capital of RMB1,147,914 and RMB812,648, respectively, of Xunce Technology to Guangxi Tencent at a consideration of RMB28,251,209 and RMB20,000,000, respectively, and (iii) Nanchang Haichuangsheng transferred the equity interests in the registered capital of RMB365,691 of Xunce Technology to Yuxin Guoyuan at a consideration of RMB9,000,000. The consideration was determined on arm’s-length basis and commercially negotiated between the parties, with reference to the pre-money valuation of Xunce Technology before the Series C Financing.

(i) Series C+ Financing

Pursuant to a capital increase agreement dated June 21, 2021 entered into by Xunce Technology and Shanghai Yukai Information Technology Partnership (Limited Partnership) (上海域愷信息科技合夥企業 (有限合夥)) (“**Shanghai Yukai**”), Shanghai Yukai agreed to subscribe for the increased capital of RMB2,600,473 of Xunce Technology at a consideration of RMB64,000,000. The consideration was based on the pre-money valuation of Xunce Technology before the Series C+ Financing.

(j) Series D Financing

Pursuant to a series of capital increase agreements in 2021 and 2022 entered into by, amongst others, Xunce Technology and Shenzhen Qianhai Yuxin Guochang Investment Partnership (Limited Partnership) (深圳前海羽信國昌投資合夥企業 (有限合夥)) (“**Yuxin Guochang**”), Tianjin Xihua Investment Partnership (Limited Partnership) (天津熙華投資合夥企業 (有限合夥)) (“**Tianjin Xihua**”), Hangzhou Broadway Investment Partnership (Limited Partnership) (杭州柏暉股權投資合夥企業 (有限合夥)) (“**Hangzhou Broadway**”), CICC Pucheng Investment Co., Ltd. (中金浦成投資有限公司) (“**CICC Pucheng**”), Shanghai Jinke Zhuozhi Enterprise Management Partnership (Limited Partnership) (上海金科灼智企業管理合夥企業 (有限合夥)) (“**Jinke Zhuozhi**”) and Accel Asia Holdings II Pte. Ltd. (“**Accel Asia Holdings II**”) (collectively, the “**Series D Pre-[REDACTED] Investors**”), the Series D Pre-[REDACTED] Investors and GS PSI agreed to subscribe for the equity interests in the increased registered capital of RMB21,485,516 of Xunce Technology at a total consideration of RMB797,999,000. The consideration was based on the pre-money valuation of Xunce Technology before the Series D Financing. For details of the Series D Financing, see “—Pre-[REDACTED] Investments” below.

(k) April 2022 Equity Transfer and Capital Increase

In April 2022, Nanchang Haichuangsheng transferred the equity interests in the registered capital of RMB538,485 of Xunce Technology to Yuxin Guochang at a consideration of RMB20,000,000. The consideration was determined on arm’s-length basis and commercially negotiated between the parties, with reference to the pre-money valuation of Xunce Technology before the Series D Financing.

In April 2022, Xunce Technology converted capital reserve fund of RMB5,384,848 to the equivalent amount of the registered capital of Xunce Technology and was subscribed by Zhuhai Fuqian, an entity controlled by Mr. Liu Chengxi.

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(l) Series Cross-over Financing

Pursuant to a capital increase agreement dated October 20, 2023 entered into by Xunce Technology, Zhuhai Enyuan, Zhuhai Fuqian and Hubei High Quality Development Industry Investment Fund Partnership (Limited Partnership)* (湖北高質量發展產業投資基金合夥企業 (有限合夥)) (“**Hubei High Quality**”), pursuant to which Hubei High Quality agreed to subscribe for the increased capital of RMB4,784,536 of Xunce Technology at a consideration of RMB220,000,000. The consideration was based on the pre-money valuation of Xunce Technology before the Series Cross-over Financing. For details of the Series Cross-over Financing, see “— Pre-[REDACTED] Investments” below.

(m) November 2023 Equity Transfer and Capital Increase

In November 2023, (i) Zhongnan Heduo transferred the equity interests in the registered capital of RMB792,175 of Xunce Technology to Beijing Gehua at a total consideration of RMB29,422,381, (ii) Beijing Innovation Workshop transferred the equity interests in the registered capital of RMB554,037 of Xunce Technology to Beijing Gehua at a total consideration of RMB20,577,619, (iii) Beijing Innovation Workshop transferred the equity interests in the registered capital of RMB1,951,915 of Xunce Technology to Hubei High Quality at a total consideration of RMB72,496,576, and (iv) Nanchang Haichuangsheng transferred the equity interests in the registered capital of RMB202,024 of Xunce Technology to Hubei High Quality at a total consideration of RMB7,503,424. The consideration was determined on arm’s-length basis and commercially negotiated between the parties, with reference to the post-money valuation of Xunce Technology after the Series D Financing.

In November 2023, Xunce Technology converted capital reserve fund of RMB1,304,874 to the equivalent amount of the registered capital of Xunce Technology and was subscribed by Zhuhai Fuqian, an entity controlled by Mr. Liu Chengxi.

(n) Conversion into a joint stock limited company

On December 8, 2023, our then shareholders passed resolutions approving, among other matters, the conversion of our Company from a limited liability company into a joint stock limited company (the “**Stock Conversion**”). Pursuant to the promoters’ agreement dated December 8, 2023 entered into by all the then Shareholders, all promoters approved the conversion of RMB1,618,411,728.42 in the net assets value of our Company as of November 30, 2023 into 300,000,000 Shares of our Company with par value of RMB1.0 per Share, with the remaining RMB1,318,411,728.42 in net assets included as capital reserves of the Company.

On December 23, 2023, the Company convened its founding meeting, being the first general meeting of our Company in 2023, and passed related resolutions approving, among others, the conversion of our Company into a joint stock limited company and the relevant internal rules. Upon completion of the Stock Conversion, the registered capital of our Company became RMB300,000,000 divided into 300,000,000 Shares with a nominal value of RMB1.0 each, which were subscribed by all the then Shareholders in proportion to their respective equity interests in our Company before the conversion. The Stock Conversion was completed on December 28, 2023 when our Company obtained a new business license.

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Upon completion of the Stock Conversion, our shareholding structure is set forth as below:

Shareholders	Registered capital (RMB)	Equity interest (%)
Zhuhai Enyuan	39,230,214	13.08
Zhuhai Fuqian	36,252,848	12.08
Zhuhai Guwen	11,088,779	3.70
Shenzhen Yuanzheng	2,612,738	0.87
Yunfeng Xincheng	11,285,050	3.76
Shenzhen Saidaren	2,453,281	0.82
Zhongnan Heduo	4,997,841	1.67
Xingluo Jingyou	3,925,206	1.31
Wuxi Haiyingjia	3,377,347	1.13
Zhongnan Hongyuan	3,696,260	1.23
Yunfeng Qitai	6,775,834	2.26
GS PSI	9,679,750	3.23
Madison Square	13,609,242	4.54
GBA Fund	13,578,462	4.53
Yuxin Renhui	3,818,691	1.27
Shenzhen Zhongtou	1,909,346	0.64
Shenzhen Tencent	127,290	0.04
Tianjin Weizi	13,516,906	4.51
Guangdong Yuecai	2,568,212	0.86
Chuangying Jianke	135,170	0.05
JSL Investment	2,261,297	0.75
Times Fortune	901,127	0.30
Shanghai Yiyun	1,802,255	0.60
Beijing Zhonguancun	901,127	0.30
Guangzhou Youshan	901,127	0.30
Hop Ka Hongsheng	901,127	0.30
Guangxi Tencent	22,528,175	7.51
Beijing Gehua	10,019,767	3.34
Tongrui Changying	174,819	0.06
Taikang Life	4,505,635	1.50
Yuxin Guoyuan	1,982,478	0.66
Shanghai Yukai	5,767,214	1.92
Accel Asia Holdings II	18,964,634	6.32
Tianjin Xihua	7,762,480	2.59
Hangzhou Broadway	4,179,798	1.39
Yuxin Guochang	3,284,126	1.09
CICC Pucheng	1,194,228	0.40
Jinke Zhuozhi	11,942,277	3.98
Hubei High Quality	15,387,842	5.13
Total	300,000,000	100.0000

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Our PRC Legal Advisor has confirmed that we have obtained all necessary approvals from competent authorities or made all necessary registration or filings with the relevant local branch of SAMR in respect of all the aforesaid capital increases, equity transfers and conversion into a joint stock limited liability company.

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

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

PRE-[REDACTED] INVESTMENTS

1. Overview

Between September 2017 and December 2023, our Company obtained several rounds of investments from the pre-[REDACTED] investors (the “**Pre-[REDACTED] Investors**”) through subscriptions for increased registered capital of our Company. For further details, see the subsection headed “Establishment and Development of Our Company” in this section.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

2. Capitalization of the Pre-[REDACTED] Investors

Pre-[REDACTED] Investors	Registered capital subscribed for (RMB)							Consideration paid (RMB)	Aggregate number of Shares as of the Latest Practicable Date	Aggregate ownership percentage as of the Latest Practicable Date (%)
	Series A	Series A+	Series B	Series C	Series C+	Series D	Series Cross- over			
Yunfeng Xincheng	153,334	—	—	—	—	—	—	23,000,000	11,285,050	3.7617
Shenzhen Saidaren	33,333	—	—	—	—	—	—	5,000,000	2,453,281	0.8177
Beijing Innovation Workshop	100,001	—	—	—	—	—	—	15,000,000	—	—
Wuxi Haiyingjia	33,333	416,667	—	—	—	—	—	5,000,000	3,377,347	1.1258
								5,000,000		
Zhongnan Heduo	66,667	833,333	—	—	—	—	—	10,000,000	4,997,841	1.6659
								10,000,000		
Xingluo Jingyou	53,333	—	—	—	—	—	—	8,000,000	3,925,206	1.3084
Nanchang Haichuangsheng	33,333	—	—	—	—	—	—	5,000,000	—	—
Zhuhai Chenghao	33,333	—	—	—	—	—	—	5,000,000	—	—
Yunfeng Qitai	—	1,666,667	43,193	—	—	—	—	20,000,000	6,775,834	2.2586
								752,547		
Zhongnan Hongyuan	—	1,666,667	—	—	—	—	—	20,000,000	3,696,260	1.2321
GS PSI	—	2,812,390	—	868,556	—	683,714	—	33,748,685 ⁽¹⁾	9,679,750	3.2266
								21,375,948 ⁽¹⁾		
								25,394,000 ⁽¹⁾		
Madison Square	—	—	6,136,493	—	—	—	—	106,915,500 ⁽¹⁾	13,609,242	4.5364
GBA Fund	—	—	4,090,995	2,031,619	—	—	—	71,277,000 ⁽¹⁾	13,578,462	4.5262
								50,000,000 ⁽¹⁾		
Zhongshan Torch	—	—	35,706	—	—	—	—	622,110	—	—
Shenzhen Tencent	—	—	57,396	—	—	—	—	1,000,000	127,290	0.0424
Yuxin Renhui	—	—	1,434,893	—	—	—	—	25,000,000	3,818,691	1.2728
Shenzhen Zhongtou	—	—	286,979	—	—	—	—	5,000,000	1,909,346	0.6364
Times Fortune	—	—	—	406,324	—	—	—	10,000,000 ⁽²⁾	901,127	0.3004
JSL Investment	—	—	—	1,019,633	—	—	—	25,094,100 ⁽²⁾	2,261,297	0.7537
Shanghai Yiyun	—	—	—	812,648	—	—	—	20,000,000	1,802,255	0.6008
Guangzhou Youshan	—	—	—	406,324	—	—	—	10,000,000	901,127	0.3004
Tianjin Weizi	—	—	—	6,094,858	—	—	—	150,000,000	13,516,906	4.5056
Hop Ka Hongsheng	—	—	—	406,324	—	—	—	10,000,000	901,127	0.3004
Guangdong Yuecai	—	—	—	1,158,023	—	—	—	28,500,000	2,568,212	0.8561
Beijing Zhonguancun	—	—	—	406,324	—	—	—	10,000,000	901,127	0.3004
Chuangying Jianke	—	—	—	60,949	—	—	—	1,500,000	135,170	0.0451
Yuxin Guoyuan	—	—	—	528,221	—	—	—	13,000,000	1,982,478	0.6608
Beijing Gehua	—	—	—	2,065,564	—	—	—	50,835,411	10,019,767	3.3399
Tongrui Changying	—	—	—	78,827	—	—	—	1,940,000	174,819	0.0583
Taikang Life	—	—	—	2,031,619	—	—	—	50,000,000	4,505,635	1.5019
Guangxi Tencent	—	—	—	8,197,534	—	—	—	201,748,791	22,528,175	7.5094
Shanghai Yukai	—	—	—	—	2,600,473	—	—	64,000,000	5,767,214	1.9224
Yuxin Guochang	—	—	—	—	—	942,348	—	35,000,000	3,284,126	1.0947
Tianjin Xihua	—	—	—	—	—	3,500,151	—	130,000,000	7,762,480	2.5875
Hangzhou Broadway	—	—	—	—	—	1,884,697	—	70,000,000	4,179,798	1.3933
CICC Pucheng	—	—	—	—	—	538,485	—	20,000,000	1,194,228	0.3981
Accel Asia Holdings II	—	—	—	—	—	8,551,273	—	317,605,000	18,964,634	6.3215
Jinke Zhuozhi	—	—	—	—	—	5,384,848	—	200,000,000	11,942,277	3.9808
Hubei High Quality	—	—	—	—	—	—	4,784,536	220,000,000	15,387,842	5.1293

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Notes:

- (1) The consideration was denominated in US\$ and translated by reference to the exchange rate in accordance with the relevant capital increase agreement.
- (2) The consideration was denominated in HK\$ and translated by reference to the exchange rate in accordance with the relevant investment agreement.

3. Principal terms of the Pre-[REDACTED] Investments and Pre-[REDACTED] Investors’ Rights

The following table summarizes the key terms of the Pre-[REDACTED] Investments to our Company made by the Pre-[REDACTED] Investors:

	Series A	Series A+	Series B	Series C	Series C+	Series D	Series Cross-over
Amount of registered capital increased in each round of Pre-[REDACTED] Investments (RMB)	506,667	7,395,724	12,085,655	26,573,347	2,600,473	21,485,516	4,784,536
Amount of registered capital after each round of Pre-[REDACTED] Investments (RMB)	1,506,667	57,395,724	69,481,379	99,711,641	102,312,114	129,182,478	135,271,888
Amount of consideration (approximation) (RMB in million)	76.00	88.75	210.57	653.99	64.00	798.00	220.00
Pre-money valuation of our Company (RMB in million) ⁽¹⁾	150.00	600.00	1,000.00	1,800.00	2,453.99	4,000.00	6,000.00
Post-money valuation of our Company (RMB in million) ⁽²⁾	226.00	688.75	1,210.57	2,453.99	2,517.99	4,798.00	6,220.00
Date of agreements	July 11, 2017	April 17, 2019	June 16, 2020	May 17, 2021	June 21, 2021	April 7, 2022	November 27, 2023
Date of last payment of full consideration	June 28, 2017	June 25, 2019	September 3, 2020	June 8, 2021	August 5, 2021	July 12, 2022	December 14, 2023
Cost per Share paid under the Pre-[REDACTED] investments (approximation) (RMB)	1.82	4.83	7.02	10.44	10.44	16.58	20.73
Discount to the [REDACTED] ⁽³⁾ (approximation)	[REDACTED]%	[REDACTED]%	[REDACTED]%	[REDACTED]%	[REDACTED]%	[REDACTED]%	[REDACTED]%
Basis of determination of the valuation and consideration	The valuation and considerations for each round of Pre-[REDACTED] Investments were determined based on arm’s length negotiation amongst the respective Pre-[REDACTED] Investors and our Group after taking into consideration of the timing of the investments and the status of our business operations and revenue.						
Lock-up Period	Pursuant to the applicable PRC law, within the 12 months from the [REDACTED], all current Shareholders (including the Pre-[REDACTED] Investors) could not dispose of any of the Shares they currently hold.						
Use of proceeds from the Pre-[REDACTED] Investments	We utilized the proceeds from the Pre-[REDACTED] Investments for the principal business of our Group, including but not limited to research and development activities, the growth and expansion of our Company’s business and general working capital purposes. As of the Latest Practicable Date, approximately [86.63]% of the net proceeds from the Pre-[REDACTED] Investments had been utilized.						
Strategic benefits to our Company brought by the Pre-[REDACTED] Investors	At the time of the Pre-[REDACTED] Investments, our Directors were of the view that our Group could benefit from the additional funds provided by the Pre-[REDACTED] Investors’ investments in our Group and the knowledge and experience of the Pre-[REDACTED] Investors in asset management and financial industry as well as their international and global business presence, and the Pre-[REDACTED] Investments demonstrated the Pre-[REDACTED] Investors’ confidence in the operation and development of our Group.						

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Notes:

1. The pre-money valuation is calculated based on (i) background of the founding team, industry prospects and market size, (ii) the cost per share paid to the Company for the corresponding round of Pre-[REDACTED] Investment and (iii) the registered share capital of the Company immediately prior to the corresponding round of Pre-[REDACTED] Investment.
2. The post-money valuation is the sum of (i) the pre-money valuation for the corresponding round of Pre-[REDACTED] Investment and (ii) the total funds received by the Company from the corresponding round of Pre-[REDACTED] Investment.
3. Calculated based on the assumption that the [REDACTED] is HK\$[REDACTED] per H Share (being the mid-point of the indicative [REDACTED] range of HK\$[REDACTED] to HK\$[REDACTED]).

4. Valuation of the Group

Following the completion of Series Cross-over Financing, the valuation of the Group is expected to further increase taken into account (a) the post-money valuation of Series Cross-over Financing; (b) the expected capital raising during the [REDACTED]; (c) our business growth since the completion of Series Cross-over Financing in December 2023, and (d) the difference in risks undertaken by the Pre-[REDACTED] Investors investing in a private company vis-à-vis [REDACTED] in a [REDACTED] company. Subsequent to the completion of Series Cross-over Financing, we have continued to advance in the business development and commercialization of our products. In particular, (i) the Company’s performance in the 2023 financial year continues to maintain year-on-year growth; (ii) the Company’s technologies and products continue to achieve new breakthroughs, and it is expected that there will be more and better technologies and products in the future to better serve the customers of the Company; and (iii) the number of customers of the Company continues to increase and the Company continues to deepen and expand the market coverage. The continuous progress of our Group is expected to support the step-up in the proposed valuation of our Group upon [REDACTED].

5. Rights of the Pre-[REDACTED] Investors

Pursuant to a joint venture agreement entered into, among others, the then Shareholders of our Company dated November 27, 2023, (the “**Joint Venture Agreement**”), which superseded all the previous agreements among the shareholders of the Company, the Pre-[REDACTED] Investors were granted certain special rights, including but not limited to right of first refusal and co-sale, liquidation rights, dividend rights. Pursuant to the promoters’ agreement dated December 8, 2023 entered into among the then Shareholders of our Company, the Joint Venture Agreement was terminated and the special rights therein were terminated accordingly in compliance with the requirements of the Pre-[REDACTED] Investment Guidance (as defined in Chapter 4.2 under the Guide for New Listing Applicants published by the Stock Exchange).

6. Sole Sponsor’s Confirmation

On the bases that (i) the consideration for the Pre-[REDACTED] Investments was irrevocably settled more than 28 clear days before the date of our first submission of the [REDACTED] application to the Stock Exchange in relation to the [REDACTED]; and (ii) all the special rights granted to the Pre-[REDACTED] Investors were terminated, the Sole Sponsor confirms that the Pre-[REDACTED] Investments are in compliance with the Pre-[REDACTED] Investment Guidance (as defined in Chapter 4.2 under the Guide for New Listing Applicants published by the Stock Exchange).

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

7. Information about our Pre-[REDACTED] Investors

The background information on our Pre-[REDACTED] Investors is set out below.

Yunfeng Xincheng and Yunfeng Qitai

Each of Yunfeng Xincheng and Yunfeng Qitai is a private equity fund established under the laws of the PRC. Yunfeng Xincheng is held as to 99.3% by 37 limited partners who are Independent Third Parties and 0.7% by its general partner Shanghai Zhongfu Asset Management Center (Limited Partnership) (上海眾付資產管理中心 (有限合夥)). Yunfeng Qitai is held as to 98.86% by 29 limited partners who are Independent Third Parties with the largest limited partner, Alibaba (China) Network Technology Co., Ltd. (阿里巴巴 (中國) 網絡技術有限公司), holding 34.18% partnership interests, and 1.14% by its general partner Shanghai Yunfeng Xinchuang Investment Management Limited (上海雲鋒新創投資管理有限公司) (together with Yunfeng Xinchuang Investment Management Limited and their affiliates, “**Yunfeng Capital**”). Save for aforementioned and to the best of knowledge of the Company, none of the other limited partners of Yunfeng Xincheng and Yunfeng Qitai, respectively, holds more than one-third of partnership interests therein. The ultimate beneficial owner of both Yunfeng Xincheng and Yunfeng Qitai is Mr. Yu Xuedong (虞學東).

As a professional private equity investment institution, Yunfeng Capital focuses on hard technology, corporate services, green energy, modern agriculture, biotechnology, consumption and other industries, and works with start-ups to promote technological innovation and sustainable development, and help industry reshaping and upgrading. To the best knowledge of the Company, each of Yunfeng Xincheng, Yunfeng Qitai and Yu Xuedong is an Independent Third Party and has no other past or present relationship (including, without limitation, family, business, financing, employment or otherwise) with the Company, its subsidiaries, the Shareholders, the Directors and our senior management, or any of their respective associates.

Shenzhen Saidaren

Shenzhen Saidaren is a limited partnership established under the laws of the PRC. Shenzhen Saidaren is held as to 99.04% by 19 limited partners who are Independent Third Parties and 0.96% by its general partner Wang Wei (王偉). To the best of knowledge of the Company, none of the limited partners of Shenzhen Saidaren holds more than one-third of partnership interests therein. Wang Wei (王偉) was our former director from September 12, 2017 to December 23, 2023. Save for the relationship disclosed in this Document and to the best knowledge of our Company, each of Shenzhen Saidaren and Wang Wei has no other past or present relationship (including, without limitation, family, business, financing, employment or otherwise) with the Company, its subsidiaries, the Shareholders, the Directors and our senior management, or any of their respective associates.

Zhongnan Heduo and Zhongnan Hongyuan

Both Zhongnan Heduo and Zhongnan Hongyuan are private equity investment funds established under the laws of the PRC. Shenzhen South China Investment Management Co., Ltd. (深圳中南弘遠私募創業投資基金管理有限公司) is the general partner of both Zhongnan Heduo and Zhongnan Hongyuan. Xiamen South

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China Venture Capital Management Co., Ltd. (廈門中南弘遠創業投資管理有限公司) is also a general partner of Zhongnan Hongyuan. Shenzhen South China Investment Management Co., Ltd. and Xiamen South China Venture Capital Management Co., Ltd. (together with their affiliates, “**Zhongnan Venture Capital**”) are wholly-owned by Shenzhen Zhongnan Hongyuan Investment Holding Co., Ltd. (深圳中南弘遠投資控股有限公司). Shenzhen Zhongnan Hongyuan Investment Holding Co., Ltd. is owned as to 83.33% by Xiamen Zhongnan Hongyuan Investment Partnership (Limited Partnership) (廈門中南弘遠投資合夥企業 (有限合夥)) and 16.67% by Megahertz (Shanghai) Investment Co., Ltd. (兆赫 (上海) 投資有限公司), respectively. Xiamen Zhongnan Hongyuan Investment Partnership (Limited Partnership) is owned as to 60% by its general partner and ultimate beneficial owner Huang Weimiao (黃葦苗) and 40% by its limited partner Tongda (Xiamen) Enterprise Management Consulting Service Co., Ltd. (通達 (廈門) 企業管理諮詢服務有限公司), which is wholly-owned by Tongda (China) Investment Company Limited (通達 (中國) 投資有限公司). Zhongnan Heduo is owned as to 95.24% by 12 limited partners who are Independent Third Parties and 4.76% by its general partner. Zhongnan Hongyuan is held as to 87.93% by 21 limited partners who are Independent Third Parties and 12.07% by its general partner. To the best of knowledge of the Company, none of the limited partners of Zhongnan Heduo and Zhongnan Hongyuan, respectively, holds more than one-third of partnership interests therein. Zhongnan Venture capital focuses on investment in innovation technology sectors, including biomedicine, semi-conductor and artificial intelligence. To the best knowledge of the Company, each of Zhongnan Heduo, Zhongnan Hongyuan and Huang Weimiao is an Independent Third Party and has no other past or present relationship (including, without limitation, family, business, financing, employment or otherwise) with the Company, its subsidiaries, the Shareholders, the Directors and our senior management, or any of their respective associates.

Xingluo Jingyou

Xingluo Jingyou is a private equity investment fund established under the laws of the PRC. Xingluo Jingyou focuses on investment activities primarily through investing, acquiring, holding and disposing of equity, equity-related securities and/or bonds in start-up and growth-stage companies in the financial technology field. As of the Latest Practicable Date, Xingluo Jingyou had invested in over 300 enterprises. Xingluo Jingyou is held as to 98.18% by nine limited partners who are Independent Third Parties and 1.82% by its general partner Beijing HongTai TongChuang Investment Management Co., Ltd. (北京洪泰同創投資管理有限公司). To the best of knowledge of the Company, none of the limited partners of Xingluo Jingyou holds more than one-third of partnership interests therein. Beijing HongTai TongChuang Investment Management Co., Ltd. is wholly-owned by Hongtai Capital Holdings Co., Ltd. (青島鑫宸科創實業有限公司), which is ultimately controlled by Sheng Xitai (盛希泰). To the best knowledge of the Company, each of Xingluo Jingyou and Sheng Xitai is an Independent Third Party and has no other past or present relationship (including, without limitation, family, business, financing, employment or otherwise) with the Company, its subsidiaries, the Shareholders, the Directors and our senior management, or any of their respective associates.

Wuxi Haiyingjia

Wuxi Haiyingjia is a private equity investment fund established under the laws of the PRC. Wuxi Haiyingjia is held as to 99.05% by four limited partners who are Independent Third Parties and 0.05% by its general partner Wuxi Stark Capital Investment Enterprise (Limited Partnership) (無錫士達克投資企業 (有限合夥)) (“**Wuxi Stark Capital**”). To the best of knowledge of the Company, none of the limited partners of

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Wuxi Haiyingjia holds more than one-third of partnership interests therein. Wuxi Stark Capital is held as to 30%, 30% and 20% by its limited partners, Qi Fei (戚飛), Wuxi Yingfei Guoshang Trade Co., Ltd. (無錫英飛果尚貿易有限公司) and Cao Qinyuan (曹沁源), respectively, and 20% by its general partner Shanghai Zhishang Investment Consulting Co., Ltd. (上海致上投資諮詢有限公司). Wuxi Yingfei Guoshang Trade Co., Ltd. is ultimately controlled by Qi Fei. Shanghai Zhishang Investment Consulting Co., Ltd. is ultimately controlled by Yang Hua (楊華). Wuxi Stark Capital focuses on the investment in portfolio business including TMT, big data, modern industrial innovation, intelligent manufacturing. To the best knowledge of the Company, each of Wuxi Haiyingjie, Qi Fei and Yang Hua is an Independent Third Party and has no other past or present relationship (including, without limitation, family, business, financing, employment or otherwise) with the Company, its subsidiaries, the Shareholders, the Directors and our senior management, or any of their respective associates.

GS PSI

GS PSI, a limited liability company formed under the laws of the state of Delaware, United States, is ultimately wholly owned by The Goldman Sachs Group, Inc. (the “**Goldman Sachs**”), a company listed on the New York Stock Exchange (NYSE: GS). Goldman Sachs is a leading global financial institution that delivers a broad range of financial services to a large and diversified client base that includes corporations, financial institutions, governments and individuals. To the best knowledge of the Company, each of GS PSI and Goldman Sachs is an Independent Third Party and has no other past or present relationship (including, without limitation, family, business, financing, employment or otherwise) with the Company, its subsidiaries, the Shareholders, the Directors and our senior management, or any of their respective associates.

Madison Square

Madison Square is a private company limited company by shares incorporated in Hong Kong. It is wholly owned by Prospect Avenue Capital Limited Partnership (“**PAC Capital**”). PAC Capital primarily focuses on investment in new economy growth enterprise. The ultimate beneficial owner of Madison Square is Liao Ming (廖明). Liao Ming (廖明) was our former director from June 17, 2020 to December 23, 2023. Save for the relationship disclosed in this Document and to the best knowledge of our Company, each of Madison Square, PAC Capital and Liao Ming has no other past or present relationship (including, without limitation, family, business, financing, employment or otherwise) with the Company, its subsidiaries, the Shareholders, the Directors and our senior management, or any of their respective associates.

GBA Fund

GBA Fund is wholly-owned by Greater Bay Area Homeland Development Fund LP (大灣區共同家園發展基金有限合夥) (the “**Greater Bay Area Fund**”). The general partner of Greater Bay Area Fund is Greater Bay Area Homeland Development Fund (GP) Limited and Greater Bay Area Fund is under the discretionary management of Greater Bay Area Development Fund Management Limited (“**GBA Fund Management**”), a type 1, 4 and 9 licensed corporation under the Securities and Futures Ordinance. Greater Bay Area Homeland Development Fund (GP) Limited is controlled by GBA Homeland Limited, which is wholly owned by Greater Bay Area Homeland Investments Limited. GBA Fund Management is wholly owned by Greater Bay Area Homeland Investments Limited. The Greater Bay Area Fund is a private

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investment fund jointly established by multinational industrial corporations, financial institutions, and new economic enterprises. The Greater Bay Area Fund is able to invest across all stages of company life cycle, including venture capital stage, private equity, investments in listed companies, mergers and acquisitions. The portfolio companies of Greater Bay Area Fund in TMT sectors / innovative technologies include, among others, Sense Time (商湯科技) (HKEX: 0020), Hua Kong Tsing Jiao Information Technology (Beijing) Co., Ltd. (華控清交信息科技(北京)有限公司), Mininglamp Technology Group Limited (明略科技集團), Kingsoft Cloud Holdings Limited (金山雲控股有限公司) (NASDAQ: KC; HKEX: 3896), Qing Teng (青藤雲安全), Shenzhen Edge Medical Co., Ltd. (深圳市精鋒醫療科技股份有限公司), and etc. The objective of Greater Bay Area Fund is to seize the historical opportunities of the development of Guangdong-Hong Kong-Macao Greater Bay Area, and the construction of an international innovation and technology hub, ushered in through technological innovation, industrial upgrading, improvement in living quality, and construction of digital city. To the best knowledge of the Company, each of GBA Fund and Greater Bay Area Fund is an Independent Third Party and has no other past or present relationship (including, without limitation, family, business, financing, employment or otherwise) with the Company, its subsidiaries, the Shareholders, the Directors and our senior management, or any of their respective associates.

Yuxin Capital

Yuxin Renhui

Yuxin Renhui is a private equity investment fund established under the laws of the PRC. Yuxin Renhui is held as to 99.67% by four limited partners who are Independent Third Parties among which, Shenzhen Guangliwei Investment Co., Ltd. (深圳市廣立威投資有限公司), the largest limited partner holding 76.41% partnership interests. Shenzhen Guangliwei Investment Co., Ltd. is held as to 90% by Zhu Guangping (朱廣平) and 10% by Wang Li (王麗). The general partner of Yuxin Renhui is Shenzhen Qianhai Yuxin Equity Investment Co., Ltd. (深圳前海羽信股權投資有限公司), which is ultimately controlled by Wang Shuai (王帥).

Yuxin Guoyuan

Yuxin Guoyuan is a private equity investment fund established under the laws of the PRC. Yuxin Guoyuan is held as to 99.55% by eight limited partners who are Independent Third Parties and 0.45% by its general partner Shenzhen Qianhai Yuxin Equity Investment Co., Ltd. (深圳前海羽信股權投資有限公司), which is ultimately controlled by Wang Shuai (王帥).

Yuxin Guochang

Yuxin Guochang is a private equity investment fund established under the laws of the PRC. Yuxin Guochang is held as to 99.82% by six limited partners who are Independent Third Parties among which, Shenzhen Guangliwei Investment Co., Ltd. (深圳市廣立威投資有限公司), the largest limited partner holding 45.37% the partnership interests. Shenzhen Guangliwei Investment Co., Ltd. is ultimately controlled by Zhu Guangping (朱廣平). The general partner of Yuxin Guochang is Shenzhen Qianhai Yuxin Equity Investment Co., Ltd., which is ultimately controlled by Wang Shuai (王帥).

Save for aforementioned and to the best of knowledge of the Company, none of the other limited partners of Yuxin Renhui, Yuxin Guoyuan and Yuxin Guochang, respectively, holds more than one-third of

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partnership interests therein. Yuxin Renhui, Yuxin Guoyuan and Yuxin Guochang are funds under Yuxin Capital. Yuxin Capital focuses on investment in software and information technology. To the best knowledge of the Company, each of Yuxin Renhui, Yuxin Guoyuan, Yuxin Guochang, Zhu Guangping and Wang Shuai is an Independent Third Party and has no other past or present relationship (including, without limitation, family, business, financing, employment or otherwise) with the Company, its subsidiaries, the Shareholders, the Directors and our senior management, or any of their respective associates.

Shenzhen Zhongtou

Shenzhen Zhongtou is a limited partnership established under the laws of the PRC. Shenzhen Zhongtou is held as to 99.94% by 13 limited partners who are Independent Third Parties and 0.06% by its general partner Wang Wei (王偉). To the best of knowledge of the Company, none of the limited partners of Shenzhen Zhongtou holds more than one-third of partnership interests therein. Wang Wei (王偉) was our former director from September 12, 2017 to December 23, 2023. Save for the relationship disclosed in this Document and to the best knowledge of our Company, each of Shenzhen Zhongtou and Wang Wei has no other past or present relationship (including, without limitation, family, business, financing, employment or otherwise) with the Company, its subsidiaries, the Shareholders, the Directors and our senior management, or any of their respective associates.

Shenzhen Tencent and Guangxi Tencent

Both of Shenzhen Tencent and Guangxi Tencent are limited liability companies incorporated under the laws of PRC. Shenzhen Tencent is wholly-owned by Shenzhen Tencent Industrial Fund Co., Ltd. (深圳市騰訊產業投資基金有限公司), which is in turn wholly-owned by Shenzhen Tencent Ruijian Investment Co., Ltd. (深圳市騰訊睿見投資有限公司). Guangxi Tencent is wholly-owned by Shenzhen Tencent Ruijian Investment Co., Ltd. Shenzhen Tencent Ruijian Investment Co., Ltd. is a subsidiary of Tencent Holdings Limited, a company listed on the Stock Exchange (HKEX: 00700 (HKD Counter) and 80700 (RMB Counter)) (“**Tencent**”). To the best knowledge of the Company, each of Shenzhen Tencent and Tencent is an Independent Third Party and has no other past or present relationship (including, without limitation, family, business, financing, employment or otherwise) with the Company, its subsidiaries, the Shareholders, the Directors and our senior management, or any of their respective associates.

Tianjin Weizi

Tianjin Weizi is a limited partnership established under the laws of the PRC. Tianjin Weizi is held as to 99.34% by its limited partner Xiamen Yuanfeng Equity Investment Fund Partnership (Limited Partnership) (廈門源峰股權投資基金合夥企業 (有限合夥)) and 0.66% by its general partner Xiamen Yuanfeng Investment Co., Ltd. (廈門源峰投資有限公司) (together with its affiliates, “**CPA Capital**”). The sole general partner of Xiamen Yuanfeng Equity Investment Fund Partnership (Limited Partnership) is Xiamen Yuanfeng Investment Co., Ltd., which is ultimately controlled by Tian Yu (田宇) and Nie Lei (聶磊). CPA Capital focuses on the investment in technology and industry, medical and health, consumption and infrastructure. To the best knowledge of the Company, each of Tianjin Weizi, Tian Yu and Nie Lei is an Independent Third Party and has no other past or present relationship (including, without limitation, family, business, financing, employment or otherwise) with the Company, its subsidiaries, the Shareholders, the Directors and our senior management, or any of their respective associates.

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Guangdong Yuecai and Chuangying Jianke

Both of Guangdong Yuecai and Chuangying Jianke are private equity investment funds established under the laws of the PRC, which are established under Guangdong Finance Venture Capital Company Limited (廣東粵財創業投資有限公司) (“**Guangdong Finance Venture**”). Guangdong Finance Venture is mainly engaged in equity investment business. Guangdong Finance Venture is determined to become the leader in resource integration in Guangdong. Relying on the large-scale financial holding background of “the Only Financial Holding Group in Guangdong Province”, it makes full use of Guangdong’s political resources, financial resources and business resources, exerts the team’s outstanding professional capabilities, and actively participates in investment from outstanding enterprises inside and outside the Guangdong province. Guangdong Finance Venture Capital’s focuses on investment in transportation, financial securities, energy conservation and emission reduction, papermaking, electronic components, hotels, public media, food packaging, medical equipment, new energy etc.

Guangdong Yuecai is held as to approximately 98.62% by four limited partners who are Independent Third Parties among which, Guangdong Yuecai Industry Investment Fund Partnership (Limited Partnership) (廣東粵財產業投資基金合夥企業 (有限合夥)), the largest limited partner holding approximately 46.90% partnership interests. The general partner of Guangdong Yuecai is Shenzhen Yuechuang Yingtai Investment Co., Ltd. (深圳市粵創盈泰投資有限公司), which is wholly-owned by Guangdong Finance Venture. Guangdong Yuecai Industry Investment Fund Partnership (Limited Partnership) is held as to 98.04% by Guangdong Yuecai Investment Holding Co., Ltd. (廣東粵財投資控股有限公司) and 1.96% by its general partner Guangdong Finance Fund Management Co., Ltd. (廣東粵財基金管理有限公司).

Chuangying Jianke is a private equity investment fund established under the laws of the PRC. Chuangying Jianke is owned as to 92.24% by 49 limited partners who are Independent Third Parties and 7.76% by its general partner Guangdong Finance Venture.

Save for aforementioned and to the best of knowledge of the Company, none of the other limited partners of Guangdong Yuecai and Changying Jianke, respectively, holds more than one-third of partnership interests therein. Both of Guangdong Yuecai and Chuangying Jianke are ultimately controlled by Guangdong Yuecai Investment Holding Co., Ltd., which is a wholly state-owned enterprise of the PRC. To the best knowledge of the Company, each of Guangdong Yuecai, Chuangying Jianke and Guangdong Finance Venture is an Independent Third Party and has no other past or present relationship (including, without limitation, family, business, financing, employment or otherwise) with the Company, its subsidiaries, the Shareholders, the Directors and our senior management, or any of their respective associates.

JSL Investment

JSL Investment is a limited liability company incorporated in Hong Kong. JSL Investment focuses on investment in technology and new-generation information technology. JSL Investment is wholly-owned by Pan Honglan (盤紅蘭). To the best knowledge of the Company, each of JSL investment and Pan Honglan is an Independent Third Party and has no other past or present relationship (including, without limitation, family, business, financing, employment or otherwise) with the Company, its subsidiaries, the Shareholders, the Directors and our senior management, or any of their respective associates.

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Times Fortune

Times Fortune is a limited liability company incorporated in Hong Kong. Times Fortune focuses on investment in new-generation information technology. Times Fortune is owned as to 50% and 50% by Li Yiping (李一萍) and Cen Zhaoxiong (岑釗雄). To the best knowledge of the Company, each of Times Fortune, Li Yiping and Cen Zhaoxiong is an Independent Third Party and has no other past or present relationship (including, without limitation, family, business, financing, employment or otherwise) with the Company, its subsidiaries, the Shareholders, the Directors and our senior management, or any of their respective associates.

Shanghai Yiyun

Shanghai Yiyun is a private equity investment fund established under the laws of the PRC. Shanghai Yiyun is held as to 99.50% by its limited partner Shangxin Asset Management Co., Ltd. (上信資產管理有限公司) and 0.5% by its general partner Shanghai Puyao Xinye Investment Management Co., Ltd. (上海浦耀信暉投資管理有限公司) (“**Puyao Xinyue**”). Puyao Xinyue focuses on the investment in financial technology, medical health, new energy, intelligent manufacturing, TMT, etc. Both of Shangxin Asset Management Co., Ltd. and Puyao Xinyue are ultimately controlled by Shanghai Pudong Development Bank Co., Ltd. (上海浦東發展銀行股份有限公司) (SSE: 600000) (“**SPDB**”). The ultimate beneficial owner of Shanghai Yiyun is SPDB. To the best knowledge of the Company, each of Shanghai Yiyun and SPDB is an Independent Third Party and has no other past or present relationship (including, without limitation, family, business, financing, employment or otherwise) with the Company, its subsidiaries, the Shareholders, the Directors and our senior management, or any of their respective associates.

Beijing Zhongguancun

Beijing Zhongguancun is a private equity investment fund established under the laws of the PRC. Beijing Zhongguancun is a market-oriented high-tech enterprise equity investment platform initiated and established by Beijing Zhongguancun Development Group Co., Ltd. (中關村發展集團股份有限公司) (“**Zhongguancun Development Group**”). It focuses on biomedicine, new generation information technology, new energy and new materials, and intelligent manufacturing. The direction of high-precision and cutting-edge industries that are supported by Beijing government. The fund is based in the Zhongguancun National Independent Innovation Demonstration Zone, relying on Zhongguancun Development Group’s extensive government background and complete ecosystem platform for serving innovation and entrepreneurship, to provide strong support and value-added service capabilities for investment projects. The portfolio companies of the Beijing Zhongguancun include BeiGene (百濟神州), InnoCare (諾誠健華), Senna Biotechnology (塞納生物), Dataa Technology (達闡科技), Guanqing Zhanrui (北京冠清展銳科技有限公司), etc. Beijing Zhongguancun has nine limited partners and to the best of knowledge of the Company, none of the limited partners of Beijing Zhongguancun holds more than one-third of partnership interests therein. Among these limited partners, Beijing Science and Technology Innovation Fund (limited Partnership) (北京市科技創新基金(有限合夥)) (“**Beijing Science and Technology Innovation Fund**”) holds 25% partnership interests of Beijing Zhongguancun. The general partner of Beijing Science and Technology Innovation Fund is Beijing Science and Technology Innovation Investment Management Co., Ltd. (北京科技創新投資管理有限公司) (“**Beijing Science and Technology Innovation Company**”). CICC Capital Management Co., Ltd. (中金資本運營有限公司) (“**CICC Capital Management**”), a wholly-owned subsidiary of China International Capital Corporation Limited, holds 51%

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of the equity interests in Beijing Science and Technology Innovation Company. The general partner of Beijing Zhongguancun is Beijing Qihang Capital Co., Ltd. (北京啓航創業投資管理有限公司), which is ultimately controlled by Long Yibin (龍宜彬). To the best knowledge of the Company, each of Beijing Zhongguancun and Long Yibin is an Independent Third Party and has no other past or present relationship (including, without limitation, family, business, financing, employment or otherwise) with the Company, its subsidiaries, the Shareholders, the Directors and our senior management, or any of their respective associates.

Guangzhou Youshan

Guangzhou Youshan is a limited liability company established under the laws of the PRC and is wholly owned by Yang Fei (楊飛). Guangzhou Youshan focuses on investment in big data and artificial intelligence of high tech area. To the best knowledge of the Company, each of Guangzhou Youshan and Yang Fei is an Independent Third Party and has no other past or present relationship (including, without limitation, family, business, financing, employment or otherwise) with the Company, its subsidiaries, the Shareholders, the Directors and our senior management, or any of their respective associates.

Hop Ka Hongsheng

Hop Ka Hongsheng is a private equity fund established under the laws of the PRC. Hop Ka Hongsheng is held as to 99.97% by 14 limited partners who are Independent Third Party and 0.03% by its general partner Shanghai Hezhili Investment Management Co., Ltd. (上海合之力投資管理有限公司) (together with its affiliates, “**Empower Investment**”), which is ultimately controlled by Zhu Ying (朱穎). To the best of knowledge of the Company, none of the limited partners of Hop Ka Hongsheng holds more than one-third of partnership interests therein. Empower Investment focuses on investment in internet, artificial intelligence, automation, financial technology, cultural creativity, consumption upgrade, new materials and biomedicine. To the best knowledge of the Company, each of Hop Ka Hongsheng and Zhu Ying is an Independent Third Party and has no other past or present relationship (including, without limitation, family, business, financing, employment or otherwise) with the Company, its subsidiaries, the Shareholders, the Directors and our senior management, or any of their respective associates. CICC Qiyuan National Emerging Industry Venture Capital Guidance Fund (Limited Partnership) (中金啟元國家新興產業創業投資引導基金(有限合夥)) (“**CICC Qiyuan Fund**”) is one of the 14 limited partners and holds 0.055273% of the partnership interests of Hop Ka Hongsheng. The general partner of CICC Qiyuan Fund is CICC Capital Management.

Beijing Gehua

Beijing Gehua is a private equity investment fund established under the laws of the PRC, the general partner of which is Silkroad Goldenbridge Capital Management Limited (深圳市絲路金橋股權投資基金管理有限公司) (“**Shenzhen Silkroad**”). Shenzhen Silkroad will be based on market-oriented operations and the pursuit of maximizing investment returns, giving full play to Shenzhen’s location advantages in science and technology and industrial development, as well as shareholders’ investment capabilities and deep resource advantages, and has good economic and social benefits. Shenzhen Silkroad focuses on investment in new energy, advanced manufacturing, 5G, big data, cloud computing, network security, artificial intelligence, etc. Beijing Gehua is held as to 33.32% by Shenzhen City Kunpeng Equity Investment Co., Ltd. (深圳市鯤鵬股權投資有限公司), and 33.27% by Beijing Gehua CATV Network Co., Ltd. (北京歌華有線電視網絡股份有限公司) (SSE: 600037). Save for the aforementioned and to the best of knowledge of the Company, none

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of the other limited partners of Beijing Gahua holds more than 30% of the partnership interests therein. Beijing Xunjing, our subsidiary, is a limited partner of Beijing Gehua holding 3.30% partnership interests therein. Shenzhen City Kunpeng Equity Investment Co., Ltd. is wholly-owned by Shenzhen Kunpeng Equity Investment Management Co., Ltd. (深圳市鯤鵬股權投資管理有限公司), which is a wholly-state owned enterprise of the PRC. Shenzhen Silkroad is ultimately controlled by Ao Meng (敖萌). Save for aforementioned and to the best knowledge of the Company, each of Beijing Gehua and Ao Meng is an Independent Third Party and has no other past or present relationship (including, without limitation, family, business, financing, employment or otherwise) with the Company, its subsidiaries, the Shareholders, the Directors and our senior management, or any of their respective associates.

Tongrui Changying

Tongrui Changying is a limited partnership established under the laws of the PRC as an equity holding platform of Shenzhen Silkroad. Tongrui Changying is held by seven limited partners who are Independent Third Parties among which Ao Meng (敖萌) holds 61.54% partnership interests. Save for Ao Meng and to the best of knowledge of the Company, none of the other limited partners of Tongrui Changying holds more than one-third of partnership interests therein. The general partner of Tongrui Changying is Shenzhen Tongrui Changying Management Consulting Co., Ltd. (深圳通瑞長盈管理諮詢有限公司), which is ultimately controlled by Ao Meng. To the best knowledge of the Company, each of Tongrui Changying and Ao Meng is an Independent Third Party and has no other past or present relationship (including, without limitation, family, business, financing, employment or otherwise) with the Company, its subsidiaries, the Shareholders, the Directors and our senior management, or any of their respective associates.

Taikang Life

Taikang Life is a limited liability company established under the laws of the PRC. Taikang Life is wholly-owned by Taikang Insurance Group Inc. (泰康保險集團股份有限公司) (“**Taikang Insurance Group**”), which in turn is ultimately controlled by Chen Dongsheng (陳東升). Founded in 1996, Taikang Insurance Group is an insurance and financial service conglomerate focused on insurance, asset management and health and elderly care as main businesses. Taikang Life is a leading insurance service provider in China that provides life insurance, health insurance, accident insurance and other insurances. To the best knowledge of the Company, each of Taikang Life and Chen Dongsheng is an Independent Third Party and has no other past or present relationship (including, without limitation, family, business, financing, employment or otherwise) with the Company, its subsidiaries, the Shareholders, the Directors and our senior management, or any of their respective associates.

Shanghai Yukai

Shanghai Yukai is a limited partnership established under the laws of the PRC. Shanghai Yukai focuses on the investment in scientific research and technical services; information transmission, software and information technology services, etc. Shanghai Yukai is held as to 75% by its general partner Zhou Hailang (周海浪) and 25% by its limited partner Chen Qing (陳清). Zhou Hailang is the chairman of the board of directors of Shanghai Kaiyu and Chen Qing is a director of Shanghai Kaiyu, our non-wholly owned subsidiary.

Accel Asia Holdings II

Accel Asia Holdings II is an exempt private company incorporated in Singapore, whose ultimate beneficial owner is KKR & Co. Inc. (“**KKR**”). KKR is a leading global investment firm that offers

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

alternative asset management as well as capital markets and insurance solutions. KKR has a diversified investment portfolio, including investments in private equity, credit, real assets and capital markets. To the best knowledge of the Company, each of Accel Asia Holdings II and KKR is an Independent Third Party and has no other past or present relationship (including, without limitation, family, business, financing, employment or otherwise) with the Company, its subsidiaries, the Shareholders, the Directors and our senior management, or any of their respective associates.

Tianjin Xihua

Tianjin Xihua is a limited partnership established under the laws of the PRC. Tianjin Xihua focuses on investment in artificial technology, big data, etc. The general partner of Tianjin Xihua is Beijing Lianchuang North Beta Investment Holding Co., Ltd. (北京聯創北拓投資控股股份有限公司), which is ultimately controlled by Zhu Zhengguo (朱正國) and Huang Shaodong (黃少東). Tianjin Xihua is held as to 99.95% by its limited partner YINUO Evergreen Investment Limited Partnership, which is a limited partnership established under the laws of the Cayman Islands and managed by its general manager, North Beta International Asset Management Limited. To the best knowledge of the Company, each of Tianjin Xihua, Zhu Zhengguo, Huang Shaodong, and North Beta International Asset Management Limited is an Independent Third Party and has no other past or present relationship (including, without limitation, family, business, financing, employment or otherwise) with the Company, its subsidiaries, the Shareholders, the Directors and our senior management, or any of their respective associates.

Hangzhou Broadway

Hangzhou Broadway is a private equity investment fund established under the laws of the PRC. Hangzhou Broadway focuses on investment in electrical and electronics, medicine and health, film, television, culture and tourism, modern services, etc. Hangzhou Broadway is held as to 50% by its limited partner Ningbo Hongxi Investment Management Partnership (Limited Partnership) (寧波鴻煦投資管理合夥企業(有限合夥)) and 49% by its limited partner Hengdian Group Hangzhou Investment Co., Ltd. (橫店集團杭州投資有限公司) which is ultimately controlled by Xu Yongan (徐永安). Ningbo Hongxi Investment Management Partnership (Limited Partnership) is held as to 99.9996% by its limited partner Zhejiang Zheshang Securities Asset Management Co., Ltd. (浙江浙商證券資產管理有限公司), which is wholly-owned by Zhejiang Securities Co., Ltd. (浙商證券股份有限公司), and 0.0004% by its general partner Zheshang Venture Capital Co., Ltd. (浙商創投股份有限公司). Zhejiang Securities Co., Ltd. is a company listed on the Shanghai Stock Exchange (SSE: 601878). The general partner of Hangzhou Broadway is Hengdian Capital Venture Capital (Zhejiang) Co., Ltd. (橫店資本創業投資(浙江)有限公司), which is ultimately controlled by Xu Yongan (徐永安). To the best knowledge of the Company, each of Hangzhou Broadway, Zhejiang Securities Co., Ltd. and Xu Yongan is an Independent Third Party and has no other past or present relationship (including, without limitation, family, business, financing, employment or otherwise) with the Company, its subsidiaries, the Shareholders, the Directors and our senior management, or any of their respective associates.

CICC Pucheng

CICC Pucheng is wholly owned by China International Capital Corporation Limited, a PRC incorporated joint stock company whose shares are listed on the Shanghai Stock Exchange (stock code: 601995.SH) and Main Board of the Stock Exchange (stock code: 3908.HK). CICC Pucheng is an established investment company focusing on various industries including technology, finance and healthcare. To the best knowledge of the Company, CICC Pucheng is an Independent Third Party.

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Jinke Zhuozhi

Jinke Zhuozhi is a limited partnership established under the laws of the PRC. Jinke Zhuozhi is held as to 49.9975% and 49.9975% by its limited partners Shanghai Fintech Equity Investment Fund (Limited Partnership) (上海金融科技股權投資基金(有限合夥)) and Shanghai International Group Asset Management Co., Ltd. (上海國際集團資產管理有限公司), respectively. The general partner of Shanghai Fintech Equity Investment Fund (Limited Partnership) is Shanghai Lizi Business Management Partnership (Limited Partnership) (上海利孜企業管理合夥企業(有限合夥)) which is held by six limited partners who are Independent Third Parties among which Fan Yin (范寅) holds 33.87% partnership interests, and save for Fan Yin and to the best of knowledge of the Company, none of the other limited partners holds more than one-third of the partnership interests therein. Hua Kong Tsing Jiao Information Technology (Beijing) Co., Ltd. (“**Huakong Tsing Jiao**”) (華控清交信息科技(北京)有限公司) is also a limited partner of Shanghai Fintech Equity Investment Fund (Limited Partnership) and holds 1.6633% of the partnership interests of Shanghai Fintech Equity Investment Fund (Limited Partnership). CICC Pucheng holds 0.4518% of the equity interests in Huakong Tsing Jiao. The general partner of Shanghai Lizi Business Management Partnership (Limited Partnership) is Shanghai Lizi Enterprise Management Co., Ltd. (上海黎孜企業管理有限公司), which is ultimately controlled by Fan Yin and Lv Houjun (呂厚軍). Shanghai International Group Asset Management Co., Ltd. is wholly-owned by Shanghai International Group Co., Ltd. (上海國際集團有限公司), a wholly-state owned enterprise of the PRC. The general partner of Jinke Zhuozhi is Shanghai Jinpu Jianfu Private Equity Management Co., Ltd. (上海金浦健服私募基金管理有限公司) (formerly known as Shanghai Jinpu Jianfu Equity Investment Management Co., Ltd. (上海金浦健服股權投資管理有限公司)), which is ultimately controlled by Shanghai Supervision Committee of State-owned Assets. To the best knowledge of the Company, each of Jinke Zhuozhi, Fan Yin and Lv Houjun is an Independent Third Party and has no other past or present relationship (including, without limitation, family, business, financing, employment or otherwise) with the Company, its subsidiaries, the Shareholders, the Directors and our senior management, or any of their respective associates.

Hubei High Quality

Hubei High Quality is a private equity investment fund established under the laws of the PRC. Hubei High Quality has four limited partners who are Independent Third Parties among which Wuhan Economic Development Investment Co., Ltd. (武漢經開投資有限公司) holds 41.96% partnership interests and National Manufacturing Transformation and Upgrade Fund Co., Ltd. (國家製造業轉型升級基金股份有限公司) holds 29.37% of the partnership interest. Save for Wuhan Economic Development Investment Co., Ltd. and to the best of knowledge of the Company, none of the other limited partners of Hubei High Quality holds more than one-third of partnership interests therein. Wuhan Economic Development Investment Co., Ltd. is wholly-owned by Wuhan Economic Development Industry Investment Group Co., Ltd. (武漢經開產業投資集團有限公司), a wholly state-owned enterprise. The general partner of Hubei High Quality is Hubei Hongtai Hansheng Investment Management Co., Ltd. (湖北洪泰漢盛投資管理有限公司) (together with its affiliates, “**Hongtai Fund**”), which is ultimately controlled by Sheng Xitai (盛希泰). Hongtai Fund was co-founded in 2014 by Mr. Yu Minhong (俞敏洪), the founder of New Oriental (新東方), and Mr. Sheng Xitai (盛希泰), the first chairman of Huatai United Securities (華泰聯合證券). As of the Latest Practicable Date, Hongtai Fund had invested in more than 300 companies, focusing on five major fields: information technology, advanced manufacturing, medicine and medical care, new energy and new materials, and new consumption. To the best knowledge of the Company, each of Hubei High Quality and Sheng Xitai is an Independent Third Party and has no other past or present relationship (including, without limitation, family,

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business, financing, employment or otherwise) with the Company, its subsidiaries, the Shareholders, the Directors and our senior management, or any of their respective associates.

REASONS FOR THE [REDACTED]

Our Company is seeking a [REDACTED] of its H Shares on the Stock Exchange in order to establish a financing and capital operation platform in the international capital market, establish diversified financing channels, deepen the Company’s brand influence and market awareness, optimize the [REDACTED] structure, improve the internal governance structure and build a modern enterprise management system. For further details of our future plans, see “Future Plans and Use of [REDACTED].”

PUBLIC FLOAT AND [REDACTED]

Our Company has applied for H-share [REDACTED] and the CSRC issued notice of filing for the conversion of [REDACTED] Unlisted Shares into H Shares upon the [REDACTED].

Upon completion of the [REDACTED] and conversion of Unlisted Shares into H Shares, (i) [REDACTED] H Shares to be held by our Single Largest Group of Shareholders, namely Mr. Liu Chengxi, Zhuhai Enyuan, Zhuhai Fuqian, Zhuhai Hengcheng and Zhuhai Guwen, and (ii) [REDACTED] H Shares to be held by Shanghai Yukai, which is owned as to 75% by Mr. Zhou Hailang (周海浪), a director of our non-wholly owned subsidiary Shanghai Kaiyu, who are core connected persons of our Company, in aggregate, which represents approximately [REDACTED]% of our total issued Shares upon completion of the [REDACTED] (assuming the [REDACTED] is not exercised), would not be counted towards the public float.

To the best knowledge of our Directors, upon completion of the [REDACTED] and conversion of Unlisted Shares into H Shares, [REDACTED] H Shares are expected to be held by our existing Shareholders who are not our core connected persons. Such [REDACTED] H Shares will be counted towards the public float. None of these Shareholders are accustomed to take instructions from our Company (or any of its subsidiaries) or our core connected persons in relation to the acquisition, disposal, voting or other disposition of their Shares and none of their acquisition of the Shares were financed directly or indirectly by our Company (or any of its subsidiaries) or our core connected persons. Together with the issue of [REDACTED] H Shares pursuant to the [REDACTED] (assuming the [REDACTED] is not exercised), approximately [REDACTED]% of our total issued Shares upon the completion of the [REDACTED] (assuming the [REDACTED] is not exercised), would be counted towards the public float, the expected market value of which would be more than HK\$1,500,000,000 at the time of [REDACTED] on the basis of the low-end of the indicative [REDACTED] of HK\$[REDACTED] per H Share. As such, the prescribed percentage of H Shares required to be held in public hands under Rule 19A.13A(1) of the Listing Rules is [REDACTED]% (assuming that the [REDACTED] is not exercised, the Company will achieve a minimum market capitalization of at least HK\$[REDACTED] billion) and the Company satisfies the public float requirement under Rule 19A.13A(1) of the Listing Rules.

[REDACTED]

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

[REDACTED]

CAPITALIZATION OF OUR COMPANY

The table below is a summary of the capitalization of our Company as of the Latest Practicable Date and the [REDACTED] (assuming the [REDACTED] is not exercised):

Shareholders	As of the Latest Practicable Date			As of the [REDACTED]		
	Number of Shares	Description of Shares	Ownership percentage(%)	Number of Shares ⁽¹⁾	Description of Shares	Ownership percentage(%)
Zhuhai Enyuan ⁽²⁾	39,230,214	Unlisted Shares	13.08	[REDACTED]	H Shares	[REDACTED]
Zhuhai Fuqian ⁽²⁾	36,252,848	Unlisted Shares	12.08	[REDACTED]	Unlisted Shares	[REDACTED]
Zhuhai Guwen ⁽²⁾	11,088,779	Unlisted Shares	3.70	[REDACTED]	H Shares	[REDACTED]
Shenzhen Yuanzheng	2,612,738	Unlisted Shares	0.87	[REDACTED]	Unlisted Shares	[REDACTED]
Yunfeng Xincheng	11,285,050	Unlisted Shares	3.76	[REDACTED]	H Shares	[REDACTED]
Shenzhen Saidaren	2,453,281	Unlisted Shares	0.82	[REDACTED]	H Shares	[REDACTED]
Zhongnan Heduo	4,997,841	Unlisted Shares	1.67	[REDACTED]	Unlisted Shares	[REDACTED]
Xingluo Jingyou	3,925,206	Unlisted Shares	1.31	[REDACTED]	H Shares	[REDACTED]
Wuxi Haiyingjia	3,377,347	Unlisted Shares	1.13	[REDACTED]	H Shares	[REDACTED]
Zhongnan Hongyuan	3,696,260	Unlisted Shares	1.23	[REDACTED]	H Shares	[REDACTED]
Yunfeng Qitai	6,775,834	Unlisted Shares	2.26	[REDACTED]	H Shares	[REDACTED]
GS PSI	9,679,750	Unlisted Shares	3.23	[REDACTED]	H Shares	[REDACTED]
Madison Square	13,609,242	Unlisted Shares	4.54	[REDACTED]	H Shares	[REDACTED]
GBA Fund	13,578,462	Unlisted Shares	4.53	[REDACTED]	H Shares	[REDACTED]
Yuxin Renhui	3,818,691	Unlisted Shares	1.27	[REDACTED]	H Shares	[REDACTED]
Shenzhen Zhongtou	1,909,346	Unlisted Shares	0.64	[REDACTED]	Unlisted Shares	[REDACTED]
Shenzhen Tencent	127,290	Unlisted Shares	0.04	[REDACTED]	H Shares	[REDACTED]
Tianjin Weizi	13,516,906	Unlisted Shares	4.51	[REDACTED]	Unlisted Shares	[REDACTED]
Guangdong Yuecai	2,568,212	Unlisted Shares	0.86	[REDACTED]	H Shares	[REDACTED]
Chuanying Jianke	135,170	Unlisted Shares	0.05	[REDACTED]	Unlisted Shares	[REDACTED]
JSL Investment	2,261,297	Unlisted Shares	0.75	[REDACTED]	H Shares	[REDACTED]
Times Fortune	901,127	Unlisted Shares	0.30	[REDACTED]	H Shares	[REDACTED]
Shanghai Yiyun	1,802,255	Unlisted Shares	0.60	[REDACTED]	H Shares	[REDACTED]
Beijing Zhonguancun	901,127	Unlisted Shares	0.30	[REDACTED]	H Shares	[REDACTED]
Guangzhou Youshan	901,127	Unlisted Shares	0.30	[REDACTED]	H Shares	[REDACTED]
Hop Ka Hongsheng	901,127	Unlisted Shares	0.30	[REDACTED]	H Shares	[REDACTED]
Guangxi Tencent	22,528,175	Unlisted Shares	7.51	[REDACTED]	H Shares	[REDACTED]
Beijing Gehua	10,019,767	Unlisted Shares	3.34	[REDACTED]	Unlisted Shares	[REDACTED]
Tongrui Changying	174,819	Unlisted Shares	0.06	[REDACTED]	H Shares	[REDACTED]
Taikang Life	4,505,635	Unlisted Shares	1.50	[REDACTED]	H Shares	[REDACTED]
Yuxin Guoyuan	1,982,478	Unlisted Shares	0.66	[REDACTED]	Unlisted Shares	[REDACTED]
Shanghai Yukai	5,767,214	Unlisted Shares	1.92	[REDACTED]	H Shares	[REDACTED]
Accel Asia Holdings II	18,964,634	Unlisted Shares	6.32	[REDACTED]	H Shares	[REDACTED]
Tianjin Xihua	7,762,480	Unlisted Shares	2.59	[REDACTED]	H Shares	[REDACTED]
Hangzhou Broadway	4,179,798	Unlisted Shares	1.39	[REDACTED]	H Shares	[REDACTED]
Yuxin Guochang	3,284,126	Unlisted Shares	1.09	[REDACTED]	H Shares	[REDACTED]
CICC Pucheng	1,194,228	Unlisted Shares	0.40	[REDACTED]	Unlisted Shares	[REDACTED]
Jinke Zhuozhi	11,942,277	Unlisted Shares	3.98	[REDACTED]	H Shares	[REDACTED]
Hubei High Quality	15,387,842	Unlisted Shares	5.13	[REDACTED]	H Shares	[REDACTED]
Subtotal	300,000,000	Unlisted Shares	100.00	[REDACTED]	H Shares	[REDACTED]
				[REDACTED]	Unlisted Shares	[REDACTED]
Public Shareholders	-	-	-	[REDACTED]	H Shares	[REDACTED]
Total	300,000,000	Unlisted Shares	100.00	[REDACTED]	Shares	[REDACTED]

Notes:

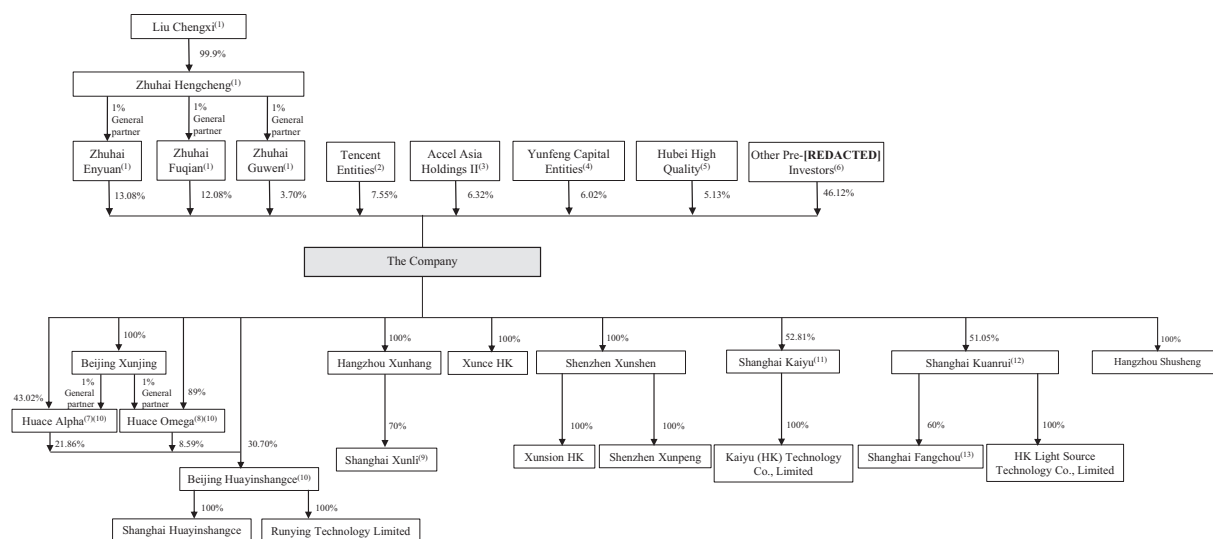
(1) The [REDACTED] Unlisted Shares held by our existing Shareholders will be converted to H Shares upon [REDACTED].

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- (2) As of the Latest Practicable Date, Zhuhai Enyuan was owned by Liu Chengxi and Zhuhai Hengcheng as to 99% and 1%, respectively; Zhuhai Fuqian is owned by Liu Chengxi and Zhuhai Hengcheng as to 99% and 1%, respectively; and Zhuhai Guwen is owned by Zhuhai Hengcheng and other independent shareholders as to 1% and 99%, respectively. The general partner of Zhuhai Enyuan, Zhuhai Fuqian and Zhuhai Guwen is Zhuhai Hengcheng, which is in turn held as to 99.9% by Liu Chengxi and 0.1% by Geng Dawei.

CORPORATE STRUCTURE IMMEDIATELY BEFORE COMPLETION OF THE [REDACTED]

The chart below sets out the shareholding structure of our Company immediately before completion of the [REDACTED]:



Notes:

- Zhuhai Enyuan was owned by Mr. Liu Chengxi and Zhuhai Hengcheng as to 99% and 1%, respectively; Zhuhai Fuqian was owned by Mr. Liu Chengxi and Zhuhai Hengcheng as to 99% and 1%, respectively; and Zhuhai Guwen was owned by its sole general partner Zhuhai Hengcheng as to 1% and 17 limited partners, including our former director Wang Wei (王偉) and other 16 Independent Third Parties, as to 99%. To the best of knowledge of the Company, none of the 17 limited partners of Zhuhai Guwen holds more than one-third of partnership interests therein. The general partner of Zhuhai Enyuan, Zhuhai Fuqian and Zhuhai Guwen is Zhuhai Hengcheng, which was in turn held as to 99.9% by Mr. Liu Chengxi and 0.1% by Mr. Geng Dawei.
- Tencent entities include Shenzhen Tencent and Guangxi Tencent. For details of Shenzhen Tencent and Guangxi Tencent, see “– Pre-[REDACTED] Investments – Information about our Pre-[REDACTED] Investors” in this section.
- Accel Asia Holdings II is ultimately owned by KKR & Co. Inc. For details of Accel Asia Holdings II, see “– Pre-[REDACTED] Investments – Information about our Pre-[REDACTED] Investors” in this section.
- Yunfeng Capital Entities include Yunfeng Xincheng and Yunfeng Qitai. For details of Yunfeng Xincheng and Yunfeng Qitai, see “– Pre-[REDACTED] Investments – Information about our Pre-[REDACTED] Investors” in this section.
- For details of Hubei High Quality, see “– Pre-[REDACTED] Investments – Information about our Pre-[REDACTED] Investors” in this section.
- Other Pre-[REDACTED] Investors include Shenzhen Yuanzheng, Shenzhen Saidaren, Zhongnan Heduo, Xingluo Jingyou, Wuxi Haiyingjia, Zhongnan Hongyuan, GS PSI, Madison Square, GBA Fund, Yuxin Renhui, Shenzhen Zhongtou, Tianjin Weizi, Guangdong Yuecai, Chuangying Jianke, JSL Investment, Times Fortune, Shanghai Yiyun, Beijing Zhonguancun, Guangzhou Youshan, Hop Ka Hongsheng, Beijing Gehua, Tongrui Changying, Taikang Life, Yuxin Guoyuan, Shanghai Yukai, Tianjin Xihua, Hangzhou Broadway, Yuxin Guochang, CICC Pucheng and Jinke Zhuozhi. See “– Pre-[REDACTED] Investments – Information about our Pre-[REDACTED] Investors” in this section.
- Beijing Xunjing is the general partner of Huace Alpha. Huace Alpha was held by the Company as to 43.02%, by Beijing Xunjing as to 1%, by Huakong Tsing Jiao as to 39.32%, and by Huang Min (黃民), a director of Beijing Huayinshangce and Runying Technology Limited and an employee of our Group, as to 16.66%. Therefore, each of Huakong Tsing Jiao and Huang Min is a connected person of the Company and save for the relationship disclosed in this Document and to the best knowledge of our Company, none of them have other past or present relationship with the Group.

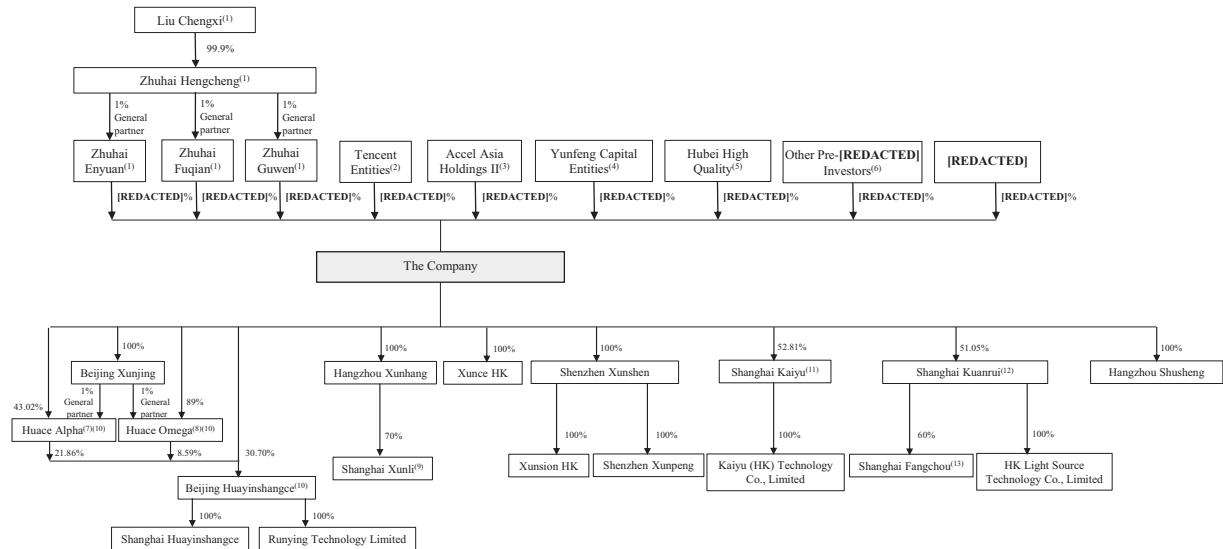
HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

- (8) Beijing Xunjing is the general partner of Huace Omega. Huace Omega was held by the Company as to 89%, by Beijing Xunjing as to 1%, by Gongqingcheng Sanying Investment Partnership (Limited Partnership)* (共青城三瀛投資合夥企業 (有限合夥)), an Independent Third Party (except for being a substantial shareholder of Huace Omega), as to 10%.
- (9) Shanghai Xunli was held by the Company through Hangzhou Xunhang as to 70% and by Li Xiaofei (李小飛), an Independent Third Party (except for being a substantial shareholder of Shanghai Xunli), as to 30%.
- (10) Beijing Huayinshangce was held by our Group as to 61.15% (out of which 30.70% by our Company, 21.86% by Huace Alpha and 8.59% by Huace Omega); and held by Huakong Tsing Jiao as to 31.04%, by Beijing Gehua (being one of our Pre-[REDACTED] Investors) as to 7.47% and by Shenzhen Tongrui Changying Phase V Management Consulting Partnership (Limited Partnership) (深圳通瑞長盈五期管理諮詢合夥企業 (有限合夥)) (“**Shenzhen Tongrui**”) as to 0.34%. Therefore, Huakong Tsing Jiao is a connected person of the Company and save for the relationship disclosed in this Document and to the best knowledge of our Company, it has no other past or present relationship with the Group. To the best knowledge of the Company, each of Beijing Gehua and Shenzhen Tongrui is an Independent Third Party.
- (11) Shanghai Kaiyu was held by the Company as to 52.81%, by Shanghai Kaiyin as to 13.97%, by Shanghai Songyu as to 11.76%, by Shanghai Yukai as to 11.03%, by Zhou Hailang (周海浪) as to 8.35%, and by Chen Qing (陳清) as to 2.09%. Zhou Hailang is the general partner of Shanghai Kaiyin, Shanghai Songyu and Shanghai Yukai and a director of Kaiyu (HK) Technology Co., Limited. Each of Zhou Hailang and Chen Qing is a director of Shanghai Kaiyu. Therefore, each of Shanghai Kaiyin, Shanghai Songyu, Shanghai Yukai, Zhou Hailang and Chen Qing is a connected person of the Company, and save for the relationship disclosed in this Document and to the best knowledge of our Company, none of them have other past or present relationship with the Group.
- (12) Shanghai Kuanrui was held by the Company as to 51.05%, by Liu Xin (劉鑫) as to 16.54%, by Shanghai Liangjian as to 11.98%, by Zhu Wenning (朱文寧) as to 9.88%, by Song Fang (宋放) as to 7.59%, by Shanghai Shenxi as to 1.63%, and by Liang Guoqiang (梁國強) as to 1.32%. Liu Xin is the general partner of Shanghai Liangjian. Shanghai Shenxi is wholly owned by Yang Kai (楊凱). Each of Liu Xin and Zhu Wenning is a director of Shanghai Kuanrui. Therefore, each of Liu Xin, Shanghai Liangjian and Zhu Wenning is a connected person of the Company and save for the relationship disclosed in this Document and to the best knowledge of our Company, none of them have other past or present relationship with the Group. To the best knowledge of the Company, each of Song Fang, Shanghai Shenxi, Liang Guoqiang and Yang Kai is an Independent Third Party.
- (13) Shanghai Fangchou was held by Shanghai Kuanrui as to 60%, by Shanghai Shupaifang Technology Partnership (Limited Partnership) (上海數派方科技合夥企業 (有限合夥)) (“**Shanghai Shupaifang**”) as to 20%, and by Shanghai Kuanjian Technology Partnership (Limited Partnership) (上海寬箭科技合夥企業 (有限合夥)) (“**Shanghai Kuanjian**”) as to 20%. Liu Xin (劉鑫) is the general partner of Shanghai Shupaifang and Shanghai Kuanjian and a director of Shanghai Fangchou. Therefore, each of Shanghai Shupaifang, Shanghai Kuanjian and Liu Xin is a connected person of the Company and save for the relationship disclosed in this Document and to the best knowledge of our Company, none of them have other past or present relationship with the Group.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

CORPORATE STRUCTURE IMMEDIATELY FOLLOWING COMPLETION OF THE [REDACTED]

The chart below sets out the shareholding structure of our Company immediately following completion of the [REDACTED] (assuming the [REDACTED] is not exercised):



Notes (1) to (13): See the details contained in the preceding pages. For the Unlisted Shares and H Shares held by each of the Shareholders, please see “– Capitalization of Our Company” in this section.

BUSINESS

OVERVIEW

Who We Are

We are an established real-time data infrastructure and analytics solutions provider in China. We offer real-time information technology solutions encompassing both data infrastructure and data analytics to industry-wide enterprises, with a strategic focus on asset managers. Our solutions are enhanced by our system integration services, ensuring seamless deployment within our clients’ self-managed cloud environments or local computing systems.

Data infrastructure is classified into real-time and non-real-time categories based on the processing mechanism and efficiency. All of our offerings are real-time, and we ranked fourth in terms of revenue in China’s real-time data infrastructure and analytics market in 2024 with a market share of 3.4%. These classifications cater to distinct data processing needs and are not interchangeable. See “Industry Overview — Overview of Real-time Data Infrastructure and Analytics Market in China” for more details.

At the core of our offerings is a real-time data infrastructure, a cloud-native, unified data platform that collects, cleans, manages, analyzes and governs heterogeneous data from multiple sources within milliseconds to seconds. This means that the moment data is collected, it can almost instantaneously be processed and made available for decision-making, analysis, or further action. Built upon this foundation is our application layer of data analytics, which leverages the underlying infrastructure to produce insights, make predictions, or inform business decisions.

We started our journey with the asset management industry. We ranked first in terms of revenue in 2024 in the real-time data infrastructure and analytics market for China’s asset management industry with a market share of 11.6%. Our solutions enable asset managers to optimize all aspects of their asset management lifecycle, from portfolio monitoring, order execution, valuation, to risk management and compliance.

The asset management industry features one of the most complex datasets and highest demands for data accuracy and timeliness. With deep and well tested experience in the asset management industry, our solutions are able to effortlessly adapt to various needs in other verticals. In 2024, our clients within diversified industries other than asset management mainly include financial services (other than asset management), city management, manufacturing management and telecommunications, covering all of the top three state-owned telecommunications operators in China. The real-time data infrastructure and analytics market in China, and particularly such market in the asset management industry, is subject to intense competition, pricing pressure and rapid technological advancements. By continuously advancing our technological capabilities, we believe we are able to build a compelling real-time data infrastructure for digitalization across industries in the foreseeable future. Since we only assist relevant clients in designing and providing the software system solutions they need and we do not conduct any substantial asset management activities, our operations do not require licenses related to asset management.

Why We Were Founded

Against the backdrop of “Digital China”, China is in the process of transitioning away from static data infrastructures and real-time data insights within enterprise have become essential in digitalizing the

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economy. The most critical component of building real-time data infrastructure for an industry is the aggregation and processing of disparate data. The asset management industry, in particular, is highly complex and changing rapidly, with demands for timely, accurate and comprehensive data about investment portfolios and potential opportunities. However, the investment data each asset manager keeps is one of the most complex datasets and highest demands for data accuracy and timeliness, featuring numerous and complex enterprise data formats stored in incompatible systems. Traditional data systems depend heavily on manual labor and are subject to delayed updates and human errors. Legacy solutions tend to be a collection of individual solutions from dispersed vendors that are designed to address specific tasks or problems, resulting in disconnected systems, data silos and cumbersome workflows.

As our journey started in the asset management industry, we believe the first step towards digitalizing investment process is to provide asset managers access to one unified data infrastructure, enabling them to interact with various stakeholders along the investment lifecycle more effectively. With our knowhow and technological capabilities, we provide asset managers with real-time data infrastructure end-to-end solutions that aggregate data across systems, asset classes and portfolios, which enormously improve data integrity and traceability. We believe the second step to digitalize investment process is on the back of our analytics capabilities to transform data into actionable insights, allowing asset managers to make and execute better-informed investment decisions that drive investment return and manage risks. With our competitive edge developed from handling complex data in the most data-intensive industry, we have successfully leveraged such expertise to offer powerful solutions to industry-wide challenges.

Our Solutions and Offerings

We provide real-time data infrastructure and analytics solutions that enable asset managers and other enterprises to focus on investment and business decisions by aggregating disparate data and presenting a unified data platform with real-time processing capabilities. In practical terms, our solutions allow our clients to receive up-to-the-minute information, ensuring that business decisions are based on the most current data available. Take our clients in the asset management industry for example — when a piece of significant market news is released that could impact the stock prices of companies within a client’s investment portfolio, our data infrastructure solutions can immediately collect this data point, standardize it to fit the client’s internal formats, and integrates it with other relevant data points. Also within milliseconds to seconds, our data analytics solutions can process this data point to update the client’s investment portfolio performance metrics, assisting the client to quickly assess whether to buy, hold, or sell assets based on such latest market conditions. The unified real-time dataset on the infrastructure level optimizes critical functionalities on the application level from market analysis to risk management, as well as a series of specialized functions for asset managers including portfolio monitoring, valuation and compliance. As of the Latest Practicable Date, our solutions adopted in diversified industries were mostly data infrastructure solutions, which connect a client’s diverse internal and external data sources onto a unified data platform, creating a structured representation of the data to facilitate further usage, regardless of industries. On the analytics front, some key functions of our specialized solutions for asset managers such as market analysis can be broadly applied in other industries. We are currently seeking to introduce data analytics solutions specified for diversified industries, with functions such as real-time traffic management for city management sector or real-time resource allocation optimization in the renewable energy sector.

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Our comprehensive real-time data infrastructure and analytics solutions are characterized by the following features:

- *Speed*: Real-time data aggregation, processing and outputs at a speed exceeding the industry average, according to Frost & Sullivan;
- *Accuracy*: Automatic data outputs with 100% data consistency and traceability to optimize efficiency and flexibility across operations; and
- *Scalability*: Inherent scalability of solutions as they are composed by modules, with great flexibility to craft bespoke solutions tailored to each client’s unique needs by selectively combining different modules.

Our solutions are characterized by modular composition. These modules serve as the building blocks, each endowed with specific functionalities, from fundamental data processing functions including data collection, standardization and integration, to industry-specific functions such as investment portfolio monitoring. This architecture affords us great flexibility to craft bespoke solutions tailored to each client’s unique needs by selectively combining modules to incorporate the functionalities, regardless of industry application.

As of the Latest Practicable Date, we had successfully developed over 300 modules with a comprehensive suite of functionalities across real-time data infrastructure and data analytics, which form our seven major solutions, including two real-time data infrastructure solutions with industry-wide applications, and five specialized solutions for asset managers. Certain specialized modules such as risk management are applicable to various industries. All of the predefined modular framework of these solutions can be adjusted according to customer needs.

Our Technological Capabilities

Our technology edge lies in (i) our AI algorithm-powered programming capabilities, such as machine learning, optical character recognition (“OCR”) and natural language processing (“NLP”), to create real-time datasets and advanced analytics modules, and (ii) the cloud-native nature of our solutions that enable data to be easily managed across multiple cloud environments, improving efficiency and reducing operational costs. Our real-time data infrastructure services have the ability to automatically collect, standardize, and integrate data, taking into account the unique patterns and formats of each client’s internal and external dispersed data sources — around 1,000 external data sources can be processed at a frequency of milliseconds to seconds based on client’s specific requirements with 100% data consistency and traceability. This is a significant improvement in speed and accuracy compared to the traditional data systems in the asset management industry in China, which were capable of only daily update and were error-prone due to the manual procedures.

As of the Latest Practicable Date, we were able to cover the most diverse and comprehensive data sources for China’s asset management industry, and were one of the few companies in China capable of providing real-time data infrastructure and analytics solutions at such high frequency and accuracy to asset managers. All of our solutions are cloud-native by design, equipping the clients with flexibility to deploy within their own self-managed private or public cloud environments.

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Our Clients

Entrenched in the asset management industry, our client base spans insurance companies, mutual funds, asset management department within banks, securities houses, corporate treasuries, family offices, high net worth individuals, etc. Frost & Sullivan has confirmed that our client base encompasses all of the top 10 asset managers in China, as ranked by their year-end AUM for 2022 on a group basis⁽¹⁾. In 2024, we ranked first in terms of revenue in the real-time data infrastructure and analytics market for China’s asset management industry, achieving a market share of 11.6%, which greatly exceeds the other top four players. Our client relationships are built upon reliability, efficiency, and proactivity. One of the ways we maintain these relationships is providing our clients with direct access to a dedicated group of experts that ensure seamless delivery and maintenance of our infrastructure and analytics solutions. The strength of our solutions has been proven by a net dollar retention rate of 36% in the six months ended June 30, 2025.

In the past couple of years, we have further proven scalability of our clientele by introducing our expertise and technology to an array of industries, mainly including financial services (other than asset management), city management and telecommunications. In 2024, our revenue by industry application generated in various industries outside asset management accounted for 61.3% of our total revenues, growing from 25.6% and 34.1% in 2022 and 2023, respectively. Our revenue by industry application generated in various industries outside asset management remained over 50% in the six months ended June 30, 2024 and 2025. We ranked fourth in market share in terms of revenue in 2024 in China’s total real-time data infrastructure and analytics market. Our clientele within diversified industries other than asset management covers all of the top three state-owned telecommunications operators in China.

Leveraging our strong connections with China’s onshore asset managers, we anticipate becoming an essential partner in their pursuit of offshore investments aimed at diversifying their portfolios. We are currently supporting some of our domestic clients’ global investment strategies and data management needs for their offshore branches, and plan to introduce iterated solutions in the near future, broadening the business types and scope of our data models to include foreign exchange and overseas funds. As a result of our offshore expansion efforts, 5.9% of our revenue was generated from Hong Kong in 2024, growing from only 0.3% in 2022.

Our Shareholders

We take pride in the quality and reliability of our solutions, which are highly recognized amongst our client base. The quality of our solutions and the prospects of our business have inspired a number of our top tier asset manager clients such as Taikang Life Insurance Co., Ltd., to become our shareholders over the past five years. These strategic shareholders provide invaluable inputs to our ongoing development and sustainable growth.

Note:

- (1) The group basis was calculated by including major asset management organizations/subsidiaries within the same group, as compared to calculations on the basis of each individual entity separately. Our client base of the top 10 asset managers in China refers to both the direct customers who directly purchase or engage with our products or services, and the end users who ultimately benefit from these products or services.

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Financial and Operating Highlights

We believe our business is unique with a combination of scale and growth. We achieved significant growth in recent periods, as demonstrated by the key financial ratios and key operating metrics below:

The table below sets forth our key financial ratio for the years/periods indicated:

	Year ended/As of December 31,			Six months ended/ As of June 30,	
	2022	2023	2024	2024	2025
				(unaudited)	
Revenue growth	N/A	84.3%	19.1%	N/A	(30.0)%
Gross profit margin	78.0%	79.0%	76.7%	80.7%	66.7%
Net loss margin ⁽¹⁾	33.5%	12.0%	15.5%	34.6%	54.6%
Gearing ratio ⁽²⁾	1.8%	3.3%	3.3%	N/A	4.9%

(1) Net loss margin is calculated by dividing loss for the period by revenue for the period indicated.

(2) Gearing ratio is calculated by dividing the sum of interest-bearing loans and lease liabilities by total equity as of the date indicated.

The table below sets forth our key operating metrics for the periods indicated:

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
				(unaudited)	
Total number of paying customers⁽¹⁾	182	200	232	169	121
Asset management	142	150	177	140	94
Diversified industries (ex-asset management)	40	50	55	29	27
ARPU⁽²⁾	1,582	2,652	2,724	1,672	1,635
Asset management	1,507	2,332	1,381	962	995
Diversified industries (ex-asset management)	1,846	3,614	7,046	5,098	3,864
ARPU growth	N/A	68%	2.7%	N/A	(2.2)%
Net dollar retention rate⁽³⁾	N/A	98%	56%	81%	36%

(1) Total number of customers that generated revenue for year/period. All of our customers were paying customers. In 2022, 2023, 2024 and the six months ended June 30, 2025, the number of new paying customers (customers that did not generate revenue in the preceding year) was 77, 85, 119 and 27 respectively, contributing 40.5% (RMB116.6 million), 46.8% (RMB248.4 million), 53.4% (RMB337.2 million) and 29.0% (RMB57.3 million) of the total revenue in each corresponding year/period, respectively. In 2022, 2023, 2024 and the six months ended June 30, 2025, the number of repeat customers was 105, 115, 113 and 94, respectively.

(2) RMB in thousands; ARPU is a financial metric calculated by dividing a company's total revenue by its total number of paying customers for each year/period.

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- (3) *To calculate net dollar retention rate, we first identify our customers and their contribution to our revenue for the same period in the previous year (the “trailing period”); we then identify the respective contribution from the same group of customers to our revenue for the current period, and finally we calculate the net dollar retention rate by dividing the revenue generated from the same group of customers during the current period by the revenue generated from them during the trailing period. For instance, to calculate the net dollar retention rate for the year ended December 31, 2024, we first identify all paying customers in 2023 and their revenue contribution in 2023 (the denominator), and then identify the respective contribution from the same group of customers to our revenue in 2024 (the numerator), and finally calculate this rate by dividing the numerator over the denominator. For the six months ended June 30, 2024 and 2025, the net dollar retention rates were calculated for the trailing twelve months ended June 30, 2024 and 2025, respectively.*

Our net dollar retention rate experienced a temporary decrease from 2022 to 2024, primarily due to the temporary slowdown in the financial sector’s growth attributable to the global political climate and economic downturn, which led to reduced spending and delayed projects of certain clients especially in the asset management sector. Such decrease could also be attributed to the decrease in the percentage of revenue generated under the subscription model as compared to the transaction model from 2022 to 2024, mainly due to internal requirements of large institutional customers, industry customer habits, our initial engagement pattern with new clients, and market uncertainty. For more details, see “Business — Our Revenue Model.” Our net dollar retention rate decreased from the six months ended June 30, 2024 to the same period in 2025, primarily due to a decline in the net dollar retention rate in asset management industry from 95% in the six months ended June 30, 2024 to 43% during the same period in 2025, which was mainly attributable to a slowdown in new client acquisition in the first half of 2025. We anticipate our net dollar retention rate will increase going forward as we continue to build client trust and offer consistent value.

Our historical net dollar retention rates may not be indicative of our future net dollar retention rates which could decline and/or experience fluctuations. See “Risk Factors — If we are unable to attract and retain clients or continue to expand existing clients’ use and adoption of our solutions, our business, financial condition, results of operations and prospects may be materially and adversely affected.”

Our ARPU in the asset management industry increased from RMB962 thousand in the six months ended June 30, 2024 to RMB995 thousand during the same period in 2025, mainly due to a reduction in clients with lower average revenue contribution, with our client base increasingly concentrated on those with higher average revenue contribution. Our ARPU in the diversified industries decreased from RMB5,098 thousand in the six months ended June 30, 2024 to RMB3,864 thousand in the same period in 2025, primarily due to negative fluctuations in market conditions.

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OUR OPPORTUNITIES

We believe we are well-equipped to capture the tremendous market opportunities and continue to grow based on the following drivers:

Demand for data services across China: Since 2017, “Digital China” has become a national-level development strategy, and the development of the digital economy has become an important means of promoting high-quality economic growth. The market size for real-time data infrastructure and analytics market in China reached RMB18.7 billion in 2024, representing a CAGR of 46.1% from 2020 to 2024. This market size will continue to grow at a high rate and is forecasted to reach RMB50.5 billion in 2029 at a CAGR of 22.0% from 2024 to 2029, driven by favorable national policies and the huge demand from the digital transformation of enterprises across industries, according to Frost & Sullivan.

In the era of the digital economy, data has become a new type of production factor and one of the most important assets, with significant practical value. In August 2023, the General Office of the Ministry of Finance issued the Interim Provisions on Accounting Treatment of Enterprise Data Resources, which became effective on January 1, 2024, recognizing data resources as intangible assets and inventories in corporate statement of financial position according to relevant accounting principles. This regulatory development is expected to encourage businesses to actively promote their internal data processing capabilities, which serve as a direct means to enhancing the value of raw data, and will in turn drive the further expansion of real-time data infrastructure and analytics market in China in the following aspects:

- ***Enhancing Data Asset Awareness:*** This policy raises awareness of stakeholders across all industries about the intrinsic value of data. Enterprises in China are likely to seek out technologies that enable them to leverage this asset in real-time.
- ***Stimulating Market Demand:*** This policy has encouraged a societal shift to actively explore innovative application scenarios for data, and has pushed various industries to strengthen the construction of real-time data infrastructure.
- ***Promoting Data Utilization and Protection:*** As businesses begin to capitalize data, they are incentivized to delve deeper into data processing and analytics, and thus becoming more willing to invest in real-time data infrastructure to explore the potential value of data.

According to Frost & Sullivan, benefitting from this policy, the value of total assets of the enterprise and government sectors in China is expected to increase by 4.0%-6.5%, attributed to the incremental value of data assets. As of the end of 2024, there were over 50 data exchange platforms operated by local state-owned enterprises in 27 provinces or municipalities in China.

Latest trends amongst China asset managers: With the rapid development of the asset management industry, the variety and complexity of capital market investment products and structures are constantly increasing. The entrance of international asset management institutions with strong digital technology capabilities into the local market had further intensified the competition, and success in the asset management industry would become incrementally defined by speed and accuracy of investment decisions. The promotion of digital transformation by regulatory agencies is also vigorously pushing real-time data

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infrastructure coverage to match the needs of compliance and risk management. These trends are all reflected in the digital transformation spending on China’s asset management industry, covering software, hardware, and service expenditures, which grew from RMB19.4 billion in 2019 to an estimate of RMB69.7 billion in 2028.

Characteristics of China asset managers: The need for efficient and accurate real-time data infrastructures amongst asset managers are characterized by certain key features, including automated collection and management of data from multiple sources, real-time data processing to meet the needs of business scenarios and business strategy implementation, unified platform of data processing for diversified front-end business applications, ability to handle both structured and unstructured data, and providing a scenario-based data platform. As market standard being set for service quality, clients tend to be highly sticky and concentrate with the leading service provider in the market.

Policy-backed societal shift towards industry-wide digitalization: More initiatives have been introduced in recent years on enhancing data application across various industries to unlock the value of data and strengthen real-time data infrastructure in China. Since 2020, when China officially recognized data as the fifth major factor of production in Opinions on Building a More Comprehensive Institutional Mechanism for the Market based Allocation of Factors promulgated by the Central Committee of the Communist Party of China and State Council, there has been a significant push at the national level to foster the development of a data-driven market, supported by a series of pivotal policies including the 14th Five-Year Plan for the Development of the Digital Economy and the Opinions on Building a Data Base System to Better Utilize the Role of Data Elements. In January 2024, the National Data Bureau of China, the Cyberspace Administration of China and the Ministry of Science and Technology, along with 14 other departments across various industries, released a three-year action plan (“Data Element X” Three-Year Action Plan (2024-2026)), to fully leverage the multiplier effect of data as an economic factor. This plan is aimed at empowering economic and social development by guiding and encouraging various types of social capital to invest in the data industry, and supporting data companies in raising funds through public listings.

We believe we have a significant opportunity to participate in revolutionizing the world of data management and application. According to Frost & Sullivan, the total addressable market of RMB75.2 billion as of December 31, 2024, and is forecasted to reach RMB183.9 billion in 2029, at a CAGR of 19.6% from 2024 to 2029. With our solid foundation established in asset management industry, we also aim to expand our knowhow into horizontal adjacencies, and digitalize the economy in China by empowering the evolution of data as an asset. According to Frost & Sullivan, the total addressable market size of real-time data infrastructure and analytics market in China has reached RMB525.2 billion in 2024. Due to multiple favorable factors, such as the implementation of the policy to record data assets on statement of financial position, this total addressable market size is expected to reach RMB1,152.9 billion in 2029. Meanwhile, the market size for real-time data infrastructure and analytics market in China was only RMB18.7 billion in 2024 and is forecasted to reach RMB50.5 billion in 2029. Such significant gap between the market size and total addressable market suggests massive market growth potential.

OUR COMPETITIVE STRENGTHS

Our real-time data infrastructure and analytics solutions are purpose-built to streamline our clients’ workflows across departments, resulting in better decision-making and risk management. What sets us apart

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from our competitors is our early recognition of the significant need in China’s asset management industry for real-time data solutions back in 2016, which has enabled us to establish trusted and long-lasting relationships with a loyal, sticky client base. Our competitive strengths mainly lie in the below:

Early Mover in an Underpenetrated Market

We believe we have established advantages as the leading real-time data infrastructure and analytics solutions provider for China’s asset management industry. According to Frost & Sullivan, we were the first to launch real-time data infrastructure and analytics solutions for asset managers in China in 2016, at least one year ahead of other major market players. We had a market share of 11.6% in 2024 in terms of revenue according to Frost & Sullivan. The parameters and specifics of a dataset related to financial instruments require comprehensive knowledge across finance, economics and regulatory compliance, which in turn creates a high barrier of entry. Third-party real-time data infrastructure and analytics solution penetration in all industries in China remains at an infant level — the penetration rate of real-time data infrastructure and analytics market for the entire real-time data infrastructure and analytics market in China in terms of potential budgets of enterprises in all industries for real-time data infrastructure and analytics solutions was 3.6% in 2024, according to Frost & Sullivan. We believe our market leadership and expertise would be essential in winning new clients and adoption opportunities across industries ahead. According to Frost & Sullivan, the total addressable market of real-time data infrastructure and analytics solutions in China is expected to reach RMB1,152.9 billion in 2029, amongst which the total addressable market of real-time data infrastructure and analytics market for China’s asset management industry is expected to reach RMB183.0 billion in 2029. We believe we are well positioned to capture such massive market potential.

AI-empowered Solutions: Deep Expertise, Data Integration, and Secure Model Training

We have built solutions with AI-advantage. For example, leveraging our deep industry expertise accumulated over many years, data integration and governance capabilities, and a secure, privacy-preserving framework for training proprietary AI models, we have incorporated AI-empowered functions for our asset management solutions. With a profound understanding of the entire investment research workflow, including macro analysis, sector research, stock valuation, portfolio construction, and risk management, we deliver AI tools that are aligned with the day-to-day operations and decision-making processes for investments. These tools are fine-tuned through integration with business workflows customizable to specific investment methodologies and have been validated across more various granular asset management scenarios such as stock selection, performance attribution, and risk control.

In addition, we have established an industry-leading, asset management-specific data hub that overcomes the challenges of integrating data from multiple sources, facilitating data incorporation from both client-owned data assets and external data, all tagged with specialized data labels to support precise AI model training. Moreover, we address clients’ core concerns around data sovereignty and compliance by deploying a secure, finance-grade AI infrastructure: all AI systems are 100% deployed within clients’ own data centers or private cloud environments to minimize the risk of sensitive data exposure, and the proprietary AI models trained on clients’ private data are fully owned by the clients. This comprehensive AI capability spanning deep business insight, robust data governance, and secure, customized model training enables us to deliver highly tailored, secure, and effective intelligent solutions for asset management institutions.

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Combination of Real-time Data Infrastructure with Specialized Vertical Functionalities

Our data solutions are designed to fully leverage the capabilities of our coding and structuring capacities and expertise in the asset management industry, which are built upon a market leading talent pool. We possess a strong research and development team with approximately 320 experienced professionals as of June 30, 2025, representing approximately 67.0% of our total staff, who are equipped with extensive knowhow and expertise over multiple years’ industry experience accumulated while serving sophisticated asset management companies and other leading information technology companies. Our AI-empowered solutions boast impressive processing speeds with the ability to aggregate and analyze around 1,000 external data sources at a frequency of milliseconds to seconds based on client’s specific requirements with industry-leading accuracy. This is a significant improvement in speed and accuracy compared to the traditional data systems in the asset management industry in China, which were capable of only daily update and were error-prone due to significant manual processing. Our solutions are built with AI technologies such as machine learning, OCR and NLP, and enable clients to process and analyze a large number of reports from research analysts, generate report summaries, extract key information, and improve decision-making efficiency through a set of analytical indicators that inform the clients’ internal investment and risk control model. On the other hand, through real-time data infrastructure we build for our clients on their public or private cloud at their option, real-time data is stored through the cloud, thus expanding the scope of business data storage and intelligently tracking the operation process to assist clients’ subsequent compliance and internal control reviews. In addition, such cloud infrastructure integrates programed interfaces that serve different applications simultaneously across multiple business units of an enterprise, thus enabling centralized control of investment process to enhance management efficiency.

Scalable Solutions, with One Unified Data Infrastructure

Our success is more than mere innovation and new technologies, but rather, it is defined by efficient and effective application of technology into highly specific client user cases. Our strength lies in our highly integrated team’s ability to address client needs and accumulate modular knowledge. Our solutions allow data to flow through and be consumed in a unified data infrastructure, optimizing efficiency and unifying multiple sources of data. This enables accurate and efficient reporting and analytics across workflows across departments.

Our solutions are standardized yet flexible, with extensive integration capabilities. Our modularized solutions by application functionalities offer clients the optionality to plug-and-play and utilize our solutions as desired, individually or in combination, to meet their unique needs and requirements. The ability to tailor solutions allows clients to rapidly onboard new modules, with an average installation and data connection lead-time of one to seven days. We also demonstrate extensive resource allocation discipline by prioritizing research and development efforts on solutions that are applicable to multiple clients. The high scalability of our solutions results into an attractive gross profit margin of 76.7% in 2024. According to Frost & Sullivan, our gross profit margin ranked among the top in both the total real-time data infrastructure and analytics market in China and the real-time data infrastructure and analytics market for China’s asset management industry.

With deep and well tested experience in the most data-intensive industry, our solutions are highly efficient and reliable, characterized by speed, accuracy and scalability, able to effortlessly adapt to various needs in other verticals. In 2024, we significantly expanded our solution applications from asset management to an array of diversified industries. We ranked fourth in market share in terms of revenue in 2024 in China’s total real-time data infrastructure and analytics market.

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High-quality and Sticky Client Base

Our client coverage spreads across insurance companies, mutual funds, asset management department within banks, securities houses, corporate treasuries, family offices, high net worth individuals, etc. Frost & Sullivan has confirmed that our client base encompasses all of the top 10 asset managers in China, as ranked by their year-end AUM for 2024 on a group basis⁽¹⁾. The revenue generated from such top 10 asset managers combined contributed to 23.3%, 18.6%, 10.9% and 19.8% of our total revenue for the years ended December 31, 2022, 2023, 2024 and for the six months ended June 30, 2025, respectively. We have successfully expanded our solutions to diversified industries other than asset management mainly including financial services (other than asset management), city management and telecommunications, covering all of the top three state-owned telecommunications operators in China.

A majority of our clients are operating in a highly regulated industry and demand superior quality, safety, reliability, and efficiency in data processing and applications. Our clients’ stickiness to a trusted real-time data infrastructure and analytics solutions provider is proven by a net dollar retention rate of 56% in 2024. The quality of our solutions and the prospects of our business have also inspired a number of our top tier asset manager clients such as Taikang Life Insurance Co., Ltd., to become our shareholders over the past five years.

The exceptional quality of our solutions earns us strong word-of-mouth recommendations from our clients, which crosses industry lines. For example, after serving the financial branch of a state-owned telecommunications operator, such telecommunications operator also became our client, showcasing our capability to draw clients from various sectors through outstanding service and client satisfaction.

We are well positioned to capture a high ceiling on order value from our clients as we continue to offer data models across new asset classes and new functionalities and solutions. The high retention rate of existing clients together with the strong flywheel effect among new clients lead to an explosive growth of more than two folds from 2022 to 2024 in terms of our total revenue.

OUR STRATEGIES

We will continue to advance our established market position as a real-time data infrastructure and analytics solutions provider in China, and expand into adjacent geographies and industries, based on the following core strategies:

Deepen and Broaden Client Base

Deepen Our Relationships with Existing Clients: We believe there is a significant opportunity to further expand our relationships with existing clients, including clients that we were not in a position to penetrate all their data processing needs when they first engaged with us. For clients that chose to initially utilize our solutions on selective asset classes or functionalities, we find that many have the tendency to expand the adoption with us once they experience the advantages of our solutions.

Note:

- (1) The group basis was calculated by including major asset management organizations/subsidiaries within the same group, as compared to calculations on the basis of each individual entity separately. Our client base of the top 10 asset managers in China refers to both the direct customers who directly purchase or engage with our products or services, and the end users who ultimately benefit from these products or services.

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Continue Broadening Our Client Base: There are significant opportunities to expand our client base across and beyond the various client segments we serve today. The robust capabilities of our solutions will better meet the clients’ evolving needs and address their existing pain points, and we expect growth to be fueled by increasing adoption and acceptance of real time data technology by larger institutional asset management clients. Growth is also supported by referrals from our existing clients, client stakeholders when they transit to other or launch new organizations, industry channel partners and strategic partners. Additionally, we are ready to leverage our core competencies to branch out into other industries by adapting our robust data processing and analytical framework to different contexts.

Advance and Extend Our Solutions

Advance Our Specialized Solutions: The growing importance of alternative assets and complex financial instruments are also enlarging the need for data processing capabilities. Our primary growth objective is to increase the breadth and depth of our solutions along the asset management vertical. We will invest heavily in innovation to cover data collection and integration across more asset classes, data processing along more functionalities, and data application across more modules. We are engaging in strategic partnerships with cross-industry veterans to develop more comprehensive data capabilities to enhance our solutions. For example, we are currently collaborating with one of the global top three management consulting firms to offer holistic and client-centric solutions to maximize the impact of digital initiatives for clients through the combination of strategic innovation and effective execution.

Extend Solutions to Horizontal Adjacencies: We believe the pain point of having multiple disparate systems, sources, and spreadsheets that hinders efficiency and occupies unnecessary manpower to consolidate, process and output data is commonly observed across multiple industries. We have accumulated extensive knowhow and expertise over multiple years by serving the highly complex asset management industry, and we believe there is significant potential in extending our solutions to adjacent and emerging industries. During the Track Record Period, we’ve expanded the adoption of our data infrastructure solutions into various sectors, initially establishing ourselves in financial services (excluding asset management), city management, and telecommunications. Our strategy moving forward includes deepening our presence in these areas and branching into retail, renewable energy, manufacturing management, agriculture, and logistics. We aim to develop data analytics modules on the application level to introduce data analytics solutions specified in these diversified industries. For example, we plan to develop data analytics modules for the city management sector with functions including real-time traffic management and public safety monitoring, for the manufacturing management sector with functions including real-time manufacturing process management, for renewable energy sector with functions including real-time resource allocation optimization, for agriculture sector with functions including yield prediction, for retail sector with functions including real-time supply chain management, and for logistics sector with functions including dynamic routing based on real-time traffic conditions. We expect the strategic growth in our versatile solutions across various industries to continuously diversify our expertise and extend our market reach.

Explore and Accelerate Expansion

Offshore Expansion: We believe there are attractive, untapped opportunities across various geographies that we can expand our business into. With our deeply rooted client relationships with China onshore asset managers, we expect to be an inseparable partner as they explore offshore investments for

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portfolio diversification and are currently pursuing such offshore opportunities. Our expansion strategy involves enhancing our data models to cover a broader array of business types and scopes, including foreign exchange, international funds and tailored services to Qualified Domestic Institutional Investors (QDIIs) and the overseas branches of domestic funds. We commenced our offshore expansion efforts with the offshore branch or business of our domestic customer, based on the long-standing and robust client relationships. We are currently supporting some of our domestic clients’ global investment strategies and data management needs for their Hong Kong branch business, and plan to introduce iterated solutions in the near future broadening the business types and scope of our data models to include foreign exchange and overseas funds. The tangible growth in revenue from the Hong Kong market, escalating from 0.3% in 2022 to 5.9% in 2024, showcases our feasibility and capabilities in navigating complex global landscapes, regulatory challenges, and competitive environments. We also aim to establish a stronger presence and increase our investments in other geographies with established financial markets, including Singapore and Japan, according to our clients’ evolving demands. We intend to enter into business discussion with some large institutional asset managers in Singapore and Japan, and plan to target industry-wide clients with our scalable and adaptable solutions in these geographies in the future.

Selective Acquisitions: With a track record of successfully integrating strategic partners, we intend to supplement our organic growth strategies with select investments and acquisitions where strategically accretive, such as opportunities to accelerate client acquisition, solution development or global expansion.

OUR SOLUTIONS

Overview

At the core of our offerings is data infrastructure, a cloud-native, unified data platform that collects, cleans, manages, analyzes and governs heterogeneous data from multiple sources, deployed in our clients’ self-managed cloud or local computing systems. Built upon this foundation is our application layer of data analytics, which leverages the underlying infrastructure to produce insights, make predictions, or inform business decisions. We offer real-time solutions encompassing both data infrastructure and data analytics to industry-wide enterprises, with a strategic focus on asset managers.

The Modular Framework of our Solutions

Our solutions are characterized by modular composition. These modules serve as the building blocks, each endowed with specific functionalities, from fundamental data processing functions including data collection, standardization and integration, to industry-specific functions such as investment portfolio monitoring. This architecture affords us great flexibility to craft bespoke solutions tailored to each client’s unique needs by selectively combining modules to incorporate the functionalities, regardless of industry application.

The number of modules we successfully developed experienced an accelerated growth, increasing from 152 in 2022 to 285 in 2023 and 318 in 2024, and further to 332 in the six months ended June 30, 2025, leading to more comprehensive functions of our solutions. For example, we introduced modules that speed up computations and combine data more effectively, applicable to all our solutions; we enhanced the risk management function of solutions with new modules that analyze additional factors such as the latest policy and market influences; and we also introduced modules to integrate more data sources.

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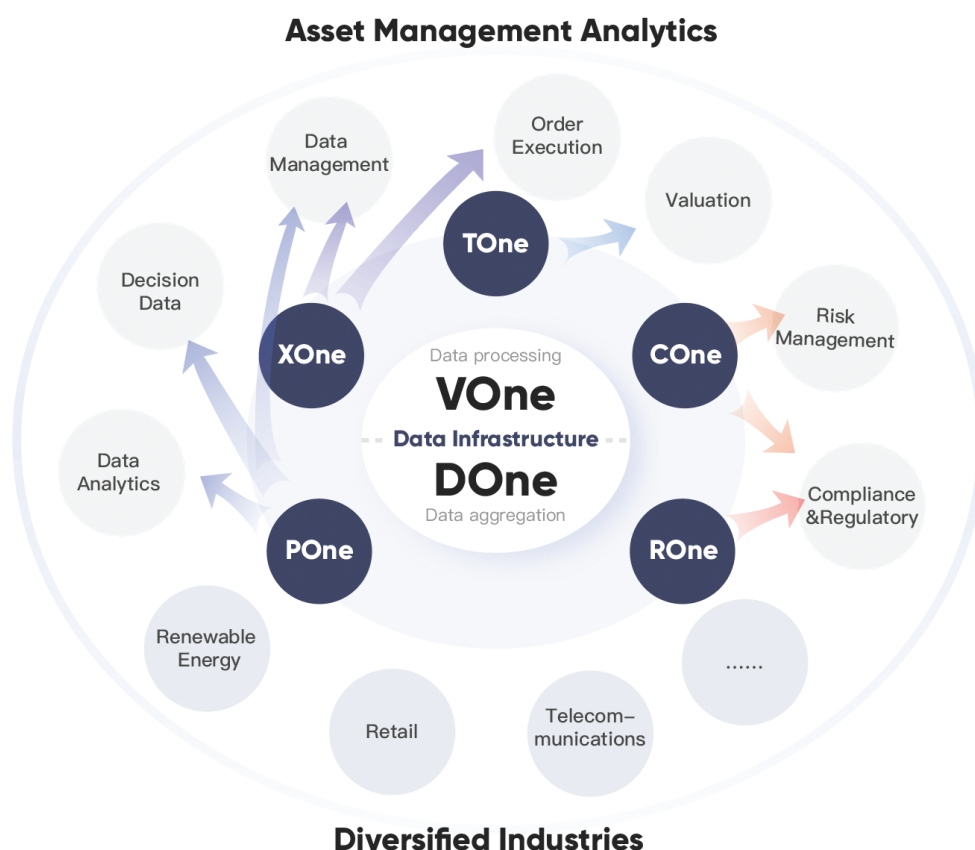
Our Data-driven Modules

The foundation of our solutions are the real-time data infrastructure and data analytics modules. These modules are offered either individually or in combination, allowing for flexible assembly to form data-driven solutions with various features and functionalities.

- *Data Infrastructure modules:* We offer automated data collection, standardization, integration and management modules for our clients’ external and internal data sources, powered by AI algorithm programming capabilities such as machine learning, OCR and NLP, which help solve the difficult problem of data silos and hindered analytics ability caused by numerous and complex enterprise data structures and mutually exclusive systems. These AI-empowered modules boast impressive processing speeds with the ability to analyze and aggregate around 1,000 external data sources at a frequency of milliseconds to seconds with industry-leading accuracy based on the client’s specific requirements. These modules compose our two real-time data infrastructure solutions, DOne and VOne.
- *Data Analytics modules:* We offer data analytics modules built with AI-empowered algorithm programming capabilities such as machine learning, OCR and NLP to enable real-time data analytics. Holistically adopted with our real-time data infrastructure models, we offer a suite of intelligent modules with automated business functions such as process optimization, smart IoT system and real-time decision making support system. These modules compose our five specialized solutions for asset managers, POne, XOne, TOne, COne and ROne. Certain specialized modules can be broadly applied in various industries.

The data aggregated and processed by our solutions are data used or generated during our clients’ own business operations. For example, an asset manager may use our solutions to process data from external sources such as earnings reports or market news, as well as internal sources such as trade data generated within its internal business departments. These data are not provided by the clients to us, but operated by the client itself for its own business needs.

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As of the Latest Practicable Date, we had successfully developed over 300 modules with a comprehensive suite of functionalities across real-time data infrastructure and data analytics, which form our seven major solutions, including two real-time data infrastructure solutions with industry-wide applications, and five specialized solutions for asset managers. These seven solutions are named and differentiated based on their distinctive functional characteristics, essentially determined by the combination of modules they comprise. However, the composition of these modules within any given solution is not fixed; it can be customized according to the unique requirements and objectives of each client. This flexible architecture allows us to offer solutions that are not only responsive to the specific demands of clients but also capable of evolving with their changing needs over time.

On average, each major data infrastructure solution utilizes approximately 30-50 modules and each major data analytics solution utilizes approximately 20-30 modules, depending on the specific requirements and configurations for the client. Among the over 300 modules that form our seven major solutions, certain modules exhibit higher usage frequencies due to their core functionalities. In particular, 30 of the data infrastructure modules and six of the data analytics modules are core modules applied in all of the data infrastructure solutions and data analytics solutions, respectively. Such 30 core modules on the data infrastructure level cover functions from the data collection (e.g. standardizing and integrating heterogeneous data sources), data storage, to data governance (e.g. data quality and security management) and data analysis (e.g. data modeling and indexing), as well as other basic functions such as access control, parameter customization and information maintenance. Those six core modules on the data analytics level cover core functions consist of analysis parameter setup (including content framework and display customization), analysis report configuration (including customization of analysis parameters, report types, and benchmarks) and periodic report updates (including scheduling and push mechanisms for automated

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report delivery). The other modules, while not universally applied across all solutions, play a crucial role in enhancing and customizing our offerings to meet specific client needs. These modules provide additional functionalities that address more specialized or advanced requirements, such as predictive analytics, compliance alerts and risk factor analysis.

Customers may purchase additional functional modules to enhance their existing solutions. The modular architecture of our solutions allows customers to start with a core set of functionalities and then incrementally add more modules as their needs evolve. These new modules are not offered on a standalone basis but integrated into the existing framework to form an organic whole.

Our Real-time Data Infrastructure Solutions

As of the Latest Practicable Date, we had introduced two major real-time data infrastructure solutions, including DOne and VOne:

- DOne, launched in 2018, is our real-time data infrastructure solution for raw data. It connects with a client’s heterogeneous internal and external databases and serves as an automated, standardized and visualized data market. Data aggregation is DOne’s key value, comprised of functional modules such as data standardization, integration, and a series of data management tools such as data quality management, data lineage management, data standard management and data security management. DOne outputs a unified dataset within milliseconds to seconds, providing standard and traceable data for further use.
- VOne, launched in 2019, is our real-time data infrastructure solution offering preprocessing functions for the application level, including precision data processing based on business requirements and data types based on functional modules such as data modeling, data governance, and data indexing, which manage data according to business logic. VOne outputs a structured representation of the data within milliseconds to seconds to facilitate data analytics across different business units.

Our Specialized Solutions for Asset Managers

As of the Latest Practicable Date, we had introduced five major specialized solutions on the application level for asset managers, including POne, XOne, TOne, COne and ROne. Built upon our real-time data infrastructure, these solutions encompass industry-specific functions such as investment portfolio monitoring. Each module within these solutions acts as a self-contained unit that can be utilized independently or integrated with other modules to create a comprehensive solution.

With a strategic industry focus, these solutions are designed to optimize all aspects of the asset management lifecycle, from portfolio monitoring, order execution, valuation, to risk management and compliance.

- POne, launched in 2021, is our specialized data analytics solution. It serves as a specialized and functional system that identifies portfolio returns, risk exposure, performance attribution and other characteristics. It also incorporates insights for market analysis by leveraging advanced

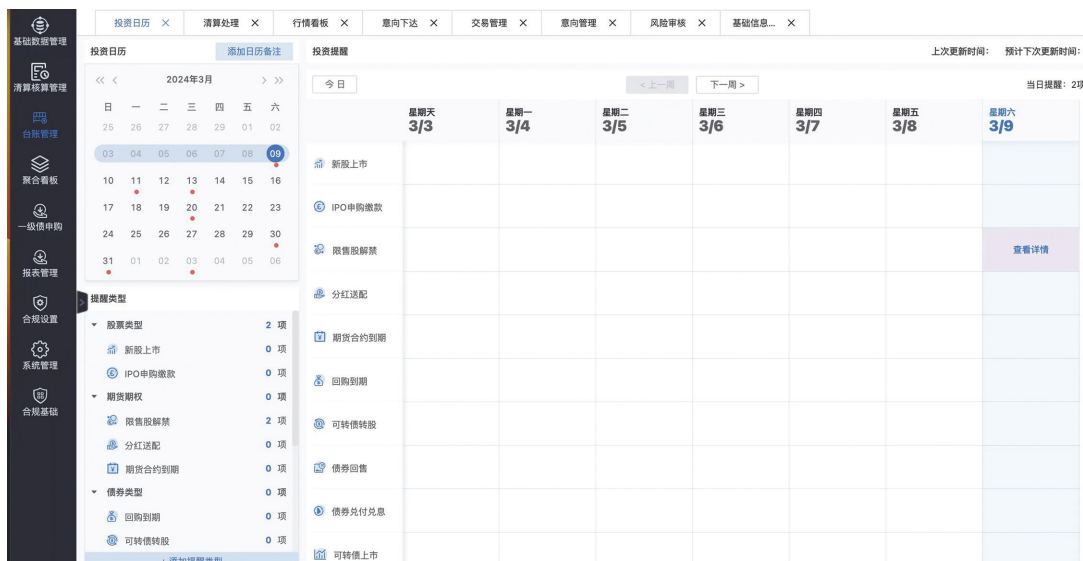
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analytics and data modeling to discern patterns, evaluate market trends, and assess competitive landscapes, thereby enabling strategic planning and informed decision-making. The screenshot below demonstrates an example of the user interface of POne:



POne 2.0: We have purpose-built a research and development team of around 40 experts to iterate POne utilizing a DevOps agile development model, which involves continuous development and testing, with a focus on rapid iteration. POne 2.0’s technical highlights involve utilizing AI and big data technologies to improve agility and performance metrics through the use of Robotic Process Automation, a technology that automates repetitive tasks.

- *XOne*, launched in 2017, is our specialized data analytics solution. It improves investment and trading efficiency through its comprehensive functions including order execution and management, real-time position monitoring and forecast, fund settlement management, company behavior monitoring, and collateral management and risk analysis. The screenshot below demonstrates an example of the user interface of *XOne*:

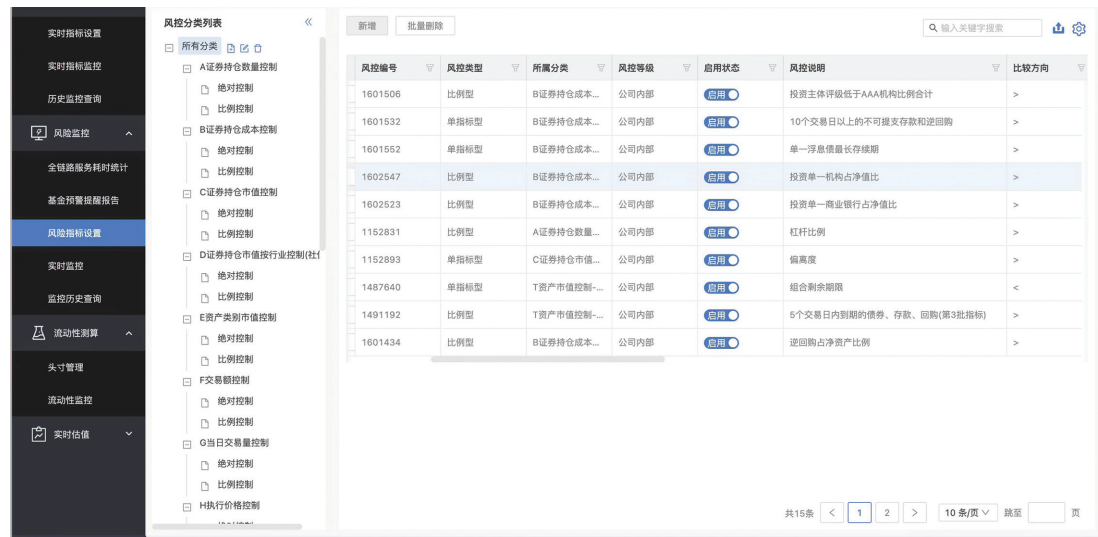


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- TOne, launched in 2021, is our specialized data analytics solution offering valuation services. Its core functions include real-time asset bookkeeping and accounting based on initial position, asset data and settlement flow changes, analyzing transaction data such as instructions, orders, trades, and settlements to perform whole-product accounting processing, generating position, market value details, and product-specific valuation indicators. The screenshot below demonstrates an example of the user interface of TOne:



- COne, launched in 2022, is our specialized data analytics solution offering risk management and compliance analysis. It specializes in real-time comprehensive risk monitoring services over multiple asset classes and provides integrated risk-management services from pre-investment, mid-investment, to post-investment. At pre-investment stage, COne features a compliance policy management function that allows clients to efficiently establish internal control rules based on relevant regulations, product contracts, and internal policies from different business departments. At investment stage, COne features a powerful compliance engine to conduct calculations, and real-time monitoring across different business units. At post-investment stage, COne features continuous monitoring and event management functions that help clients improve risk management efficiency. The screenshot below demonstrates an example of the user interface of COne:



COne 2.0: We are developing an integrated asset management indicator engine to bring significant improvements in computational performance and development efficiency. Based on such indicator engine, COne 2.0 is designed to be a unified risk control center management platform that supports integrated risk control management throughout the pre-investment, investment, and post-investment stages. COne 2.0 provides open interfaces and standardized modules to enable rapid upgrades across different enterprises.

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- ROne, launched in 2022, is our specialized data analytics solution offering compliance analysis. It is designed for regulated financial institutions featuring data management and reporting tools that allow clients to import and export compliance reports, verify data by checking and reconciling different data sources, and generate analysis reports by intelligent results outputs. The screenshot below demonstrates an example of the user interface of ROne:



Out of the above solutions for asset managers, certain specialized modules can be broadly applied in other industries. All of our solutions are cloud-native and can be delivered over cloud infrastructure and deployed by our clients to integrate data sources and process data on their self-managed public or private cloud environments.

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The following table sets forth the breakdown of our revenue for the years/periods indicated, by industry application. For avoidance of doubt, “industry application” refers to the industry in which our solutions are adopted, rather than the end industries where our customers operate in.

	Year ended December 31,						Six months ended June 30,			
	2022		2023		2024		2024		2025	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
<i>(Unaudited)</i>										
<i>(in thousands, except for percentages)</i>										
Asset management	214,056	74.4	349,741	65.9	244,441	38.7	134,710	47.7	93,506	47.3
Diversified industries										
(ex-asset management)	73,843	25.6	180,717	34.1	387,537	61.3	147,834	52.3	104,339	52.7
Financial services										
(other than asset										
management) ⁽¹⁾ . .	17,141	6.0	23,239	4.4	71,349	11.3	55,830	19.8	10,630	5.4
City management . .	35,781	12.4	46,292	8.7	154,472	24.4	66,552	23.6	39,373	19.9
Manufacturing										
management	4,870	1.6	9,873	1.9	88,229	14.0	5,210	1.8	30,763	15.5
Telecommunications	5,044	1.8	69,877	13.2	51,425	8.1	3,868	1.4	19,864	10.0
Others ⁽²⁾	11,007	3.8	31,436	5.9	22,062	3.5	16,374	5.7	3,709	1.9
Total	287,899	100.0	530,458	100.0	631,978	100.0	282,544	100.0	197,845	100.0

Notes:

- (1) Include a broad range of financial services such as banking or brokerage services, the key application scenarios therein include anti-fraud, credit profile assessment, loan origination or customer acquisition for financial products.
- (2) Industries including retail, renewable energy and agriculture, etc., none of which contributed to over 5% of our total revenue in any year during the Track Record Period.

Generative AI Application

Our current solutions provided to enterprise customers mainly use analytical AI technology (models that use deep learning and other statistical analysis methods aimed primarily at quantitative analysis to enhance asset returns) rather than generative AI technology or deep synthesis technology. We have been exploring the generative AI applications in AI data governance and AI data miner domains to further iterate our product offerings.

- AI data governance: The AI data governance tool is designed to address the challenges financial institutions face with unstructured data, especially in non-standard operations. In scenarios involving contracts, product descriptions, and research reports, the volume of unstructured data is vast and beyond the scope of manual analysis. This can lead to risk control failures or even regulatory penalties. The AI data governance tool under development utilizes generative AI model to understand, categorize, and integrate this previously unmanageable data into a cohesive system.

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- AI data miner: The AI data miner tool, leveraging generative AI and vector database technology, embodies generative AI’s focus on learning and adaptability. This tool is designed to streamline data interfaces cluttered in traditional systems, offering user-friendly, scalable solutions tailored for asset managers. It is designed to automate data interpretation, achieving flexible expansion of modular functions and easy-to-search for the users. The AI data miner tool under development is specifically designed and optimized for asset management scenarios by building in a vector database, which stores data in the form of vectors for more efficient processing of large-scale complex data.

As of the Latest Practicable Date, we were at the stage of exploring the generative AI applications internally for research purposes and have completed proof-of-concept implementation using simulated client data.

In light of the above, our legal advisor as to PRC data security law is of the view that the applicable laws and regulations in the PRC related to generative AI services, including the Notice on Promulgation of the Guiding Opinions on Strengthening the Comprehensive Governance of Algorithm-related Internet Information Services (關於加強互聯網信息服務算法綜合治理的指導意見), the Provisions on the Administration of Algorithm-generated Recommendations for Internet Information Services (互聯網信息服務算法推薦管理規定), the Provisions on the Administration of Deep Synthesis of Internet Information Services (互聯網信息服務深度合成管理規定) and the Provisional Administrative Measures for Generative Artificial Intelligence Services (生成式人工智能服務管理暫行辦法), are currently not applicable to us and do not have any material impact on our business operations. Please see “Regulatory Overview — Laws and Regulations in Relation to AI Industry” for details on the applicable laws and regulations in the PRC related to generative AI services. When we launch the generative AI applications to the market, we will take measures to ensure compliance with the relevant requirements specified under the laws and regulations in the PRC related to generative AI services, including without limitation, fulfilling our responsibilities for algorithmic security, establishing and improving management systems for algorithm mechanism examination, and following algorithm filing requirements.

Case Studies

As a real-time data infrastructure and analytics solutions provider, our solutions are able to handle data aggregation, processing, and output at especially fast speeds, achieving results in milliseconds to seconds. This means that the moment data is collected, it can almost instantaneously be processed and made available for decision-making, analysis, or further action. In practical terms, this allows our clients to receive up-to-the-minute information, ensuring that business decisions are based on the most current data available. For example, when a piece of significant market news is released that could impact the stock prices of companies within the client’s investment portfolio, our data infrastructure solutions can immediately collect this data point, standardize it to fit the client’s internal formats, and integrates it with other relevant data points. Also within milliseconds to seconds, our data analytics solutions can process this data point to update the client’s investment portfolio performance metrics, assisting the client to quickly assess whether to buy, hold, or sell assets based on such latest market conditions. In addition, industry knowhow is critical to generate accurate interpretation of data, and ensures that the solutions developed are finely tuned to recognize and react to the nuances of market dynamics. For instance, knowledge of how different types of market news (e.g., earnings reports, regulatory changes, geopolitical events) affect various

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sectors and asset classes allows the system to weigh the relevance and potential impact of data accurately. We continuously optimize our solutions based on knowhow accumulated on what functionalities that clients deem critical, latest risk and regulatory landscapes, and etc.

The below case studies showcase our real-time data infrastructure and analytics solutions in specific application scenarios:

Case Study I

Background: Client A is a hedge fund with over RMB100 billion in AUM. It provides investment services to its clients across a diverse range of asset classes, but traditionally relied heavily on external brokerage research services for in-depth analysis. Based on our communications with Client A, its original operations relied on manual collection and organization through hundreds of Excel spreadsheets of data that came from dozens of different terminals. Hedge funds collect and analyze a broad array of data daily to inform their investment decisions, manage risks, and comply with regulatory requirements. The types of data critical to their business include market data (e.g. price and volume traded of various securities or market news), corporate data (e.g. earnings reports or corporate news), economic indicator data (e.g. economic growth rates or interest rates), and regulatory data (e.g. information relevant to ensuring investments comply with current laws and regulations). Throughout the trading day, the financial markets generate vast amounts of the afore-mentioned data from various sources. Before adopting our solution, Client A collected and analyzed financial data manually using spreadsheets, which was slow, prone to errors, and only updated daily after the market closed. Recognizing that strengthening its independent investment research capabilities was critical to breaking through development bottlenecks and boosting core competitiveness, Client A proactively set a strategic goal to improve its system with AI “building an integrated investment research AI team.”

Our Solution: We delivered an integrated data infrastructure and AI-powered investment research solution guided by the philosophy of “data-driven, AI-core, process-reengineered, and human-AI collaborative.” On the infrastructure side, we enabled real-time aggregation and capture of data, and realized real-time data update as fast as one millisecond during trading hours with 100% data consistency and traceability, allowing Client A to make quicker, more informed decisions, and better management of investment risks in the ever-evolving market environment. At the data analytics level, our solutions also help Client A analyze a large number of reports from research analysts. In the past, research institutes relied on tags such as article authors and institutions to screen research reports. Through our solutions, we built an AI-powered smart research hub with a multi-dimensional data integration platform and natural language processing (NLP) to parse unstructured information. We also deployed an intelligent research assistant powered by large language models (LLMs), supporting intelligent summarization and extraction, knowledge Q&A and reasoning, industrial chain mapping, and event-driven analysis. In addition, our solution integrated AI-powered value factor quantification, AI-enhanced stock selection, dynamic risk monitoring, smart order routing, transaction cost analysis (TCA), closed-loop strategy validation, and performance attribution. Together, these capabilities significantly enhanced Client A’s investment discovery, research proficiency, operational efficiency, and cost optimization, helping it transition from manual workflows to a modern AI-empowered investment research organization.

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Case Study II

Background: Client B is a trust company specializing in financial management services, providing investment advisory, data analysis, and risk management solutions to institutional clients. Based on our communications with Client B, its original operations heavily relied on manual data collection from a multitude of sources, including over dozens of account terminals. It also faced challenges in targeting appropriate private equity funds to match banking clients’ needs. Its original data analytics operations heavily relied on phone calls and external research to understand private equity funds’ investment capabilities, which was resource-intensive and exposed the client to unreliable feedback. Additionally, the complexity of private equity fund performance and risk analysis models further limited the client’s ability to provide timely and reliable risk and return management solutions to their service targets, hindering their business growth.

Our Solution: We provided data solutions on both infrastructure and application level to establish a comprehensive multi-dimensional performance evaluation system for Client B to improve operational efficiency and client experience. Our data infrastructure solutions equipped Client B with a dataset that meets the needs of its service targets and output through a standardized API. This has greatly improved the frequency of data updates from once a week to every hour, and service response efficiency from days to hours, while increasing the number of clients served from 10 to over 300. Our offering to Client B on the data analytics level focuses on investment decision and risk management. Our solutions aggregate and analyze a vast array of investment indicators from thousands of private equity fund products, providing a quantifiable evaluation of their investment and risk management capabilities. In particular, our solutions track each fund’s investment performance by analyzing key metrics like internal rate of return and cash-on-cash returns, enabling investment managers of Client B to quickly identify top-performing funds, spot potential risks, and make data-driven decisions. The number of private equity funds covered increased from 10 to over 1,000. Real-time risk and return data can be output through the same API, greatly improving operational efficiency and client experience.

Case Study III

Background: Client C is a financial subsidiary of a state-owned telecommunications operator. It is the only licensed financial institution within the group and serves as the platform for centralized fund management and settlement, financing activities and internal financial services of the entire group. Based on our communications with Client C, its information technology infrastructure lacks the systematic capacity to support efficient management of original data originating from diverse sources among the group companies, spanning different departmental units and various data formats.

Our Solution: We have helped Client C adopt a full-scale upgrade to its information technology infrastructure, enabling unified control, monitoring, and traceable record-keeping of its business data collected across the entire group. Our offerings include data collection, data cleansing, data modeling, and development of applications for data display terminals, as well as data operation and maintenance services to ensure the reliability and usability of the new information technology infrastructure.

Case Study IV

Background: Client D is a state-owned telecommunications operator. It aims to build a digital platform to drive industry innovation and expand its business scope to the other industry sectors such as transportation and education.

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Our Solution: Our solutions have been deeply cultivated and well tested in the asset management industry, which features one of the most complex datasets and highest demands for data accuracy and timeliness, and therefore are able to effortlessly adapt to various needs in other verticals. We applied a combination of data collection, standardization, integration and processing modules in the data infrastructure solution to help Client D establish a smart transportation IoT and an education resource database. Leveraging our AI and big data technologies, we delivered a high-performance, secure, and reliable data circulation channel, deployed within Client D’s private cloud, which agilely accesses vast and diverse data sets across multiple sources and is scalable and expandable to other verticals at Client D’s demand in the future.

Case Study V

Background: Client E is a city management technology company. It aims to improve the efficiency and resource allocation within healthcare facilities through better data management and decision support systems.

Our Solution: We provided data infrastructure solutions focusing on the intelligent information management in the healthcare sector. In particular, our data infrastructure solutions assisted Client E in collecting and identifying key information in a massive amount of medical records, as well as real-time data aggregation and update on patient traffic, hospital equipment and medicine utilization. Our solutions provided Client E with insights for better resource allocation and decision-making, and thus increasing operational efficiency and improving patient experience in healthcare facilities.

Case Study VI

Background: Client F is a renewable energy company. It aims to upgrade its data management system to monitor and manage the energy storage, transmission, grid connection and consumption in real-time.

Our Solution: We provided data infrastructure solutions to collect real-time data from smart meters, sensors, and IoT devices to monitor the operation of renewable energy equipment and systems, including fuel consumption, pressure, temperature, etc., so as to help Client F optimize its energy use and reduce costs and negative impacts on the environment. The data aggregated and processed by our solutions also includes energy usage patterns by region and time, providing decision support for Client F in energy scheduling and dispatching.

Case Study VII

Background: Client G is a machinery equipment company. It aims to upgrade its data management system to monitor and manage the energy storage, transmission, grid connection and consumption in real-time.

Our Solution: We provided data infrastructure solutions to collect real-time data of key parameters of workshop equipment (such as temperature and vibration) to detect if any deviations from normal range. With our data infrastructure solutions, Client G is able to gain real-time visibility into equipment performance, predict and prevent accidents, and optimize productivity.

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RESEARCH AND DEVELOPMENT

Overview

Research and development is at the heart of our innovation and allows us to continue to provide attractive value propositions to our clients. Our strong research and development capabilities has enabled us to develop our solutions with technologies in the forefront of AI and cloud-based services, and will continue to support our future growth.

Research and Development Capacities

We assembled a strong research and development team with approximately 320 experienced professionals as of June 30, 2025, representing approximately 67.0% of our total staff. Our research and development team is led by a seasoned and insightful management team which consists of Mr. Liu Zhijian, Mr. Geng Dawei and Mr. Yang Yang and a group of experienced technical experts. For more details, see “Directors, Supervisors and Senior Management” in this Document.

As an industry pioneer, we have attracted and retained a highly qualified research and development team. A substantial portion of our research and development staff is equipped with extensive knowhow and expertise over multiple years’ industry experience accumulated while serving highly complex asset management companies and other leading information technology companies, such as Alibaba, Tencent and Futu Securities, before joining us. Our research and development team has an average industry experience of approximately seven years, whose expertise spans a wide range of subject areas such as software design and development, AI, big data and cloud. We will continue to proactively recruit research and development talents to further innovate and improve on our technologies and solutions.

Since our inception in 2016, we have been investing significantly in strengthening our research and development capacities to develop innovative and nimble solutions to keep up with evolving client demands. During the Track Record Period, we recorded research and development expenses of RMB258.8 million, RMB379.1 million, RMB450.4 million, RMB248.2 million and RMB168.1 million in 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively.

Core Technologies Applied in Our Solutions

Our solutions are powered by AI and is cloud-native. Our research and development efforts focus on advancing these technologies.

AI

AI Applied to Data Infrastructure: Automation, standardization, and speed of data aggregation are the core strengths of our solutions. To achieve such strengths, we leveraged AI algorithm programming capabilities in various fields, such as machine learning, OCR and NLP technologies in our solutions.

- *Machine Learning and OCR:* Machine learning and OCR are closely intertwined to automate data collection and integration. While OCR recognizes patterns in large datasets of images and text, machine learning algorithms can be trained to improve the accuracy

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and efficiency of OCR capabilities. By feeding large amounts of data into a machine learning model, it can learn to recognize and classify broader varieties of text, patterns and contexts more accurately over time. Machine learning and OCR technologies allow our solutions to accurately and automatically capture data from a full spectrum of finance and investment software interface and websites, and automatically simulate manual collection and aggregation of data, taking into account the unique patterns and formats of the different intermediaries and dispersed data sources, enabling our clients to substantially reduce the costs incurred from manual process.

- *NLP*: we utilize NLP technologies to efficiently analyze and organize the content of transaction documents to extract structure information from complex documents or other information sources across major investment databases, including research reports, social media contents and websites, professional financial analysis, and macro data such as ESG reports. The NLP algorithms we trained can accurately and automatically extract key data points from large amounts of documents in different types for further processing and analysis.

AI Applied to Data Analytics: Our AI-empowered algorithm programming capabilities such as machine learning, OCR and NLP technologies are also at the core of our data analytics capabilities.

- *Machine Learning and OCR*: OCR technologies embedded in the data analytics solutions track and identify regulatory documents, while machine learning technologies construct intelligent rules and perform predictive modeling from very large, richly structured data assets to assist human decision-making, and agilely respond to new regulatory and market changes, delivering real-time compliance checks and individualized compliance reports on each client. In addition, we utilize machine learning algorithms to capture the relationships between different entities or concepts and depicts them with multidimensional information such as business scope, business operation risks, judicial risks, historical stock prices, industry-level incidents and investor reactions. Our machine learning algorithms mine various databases for hidden correlations and peripheral data points that would typically escape human detection to assist risk management.
- *NLP*: NLP technologies are able to translate raw client financial data and unstructured client behavioral data into intuitive, actionable insights in the form of consumer credit assessments, precision marketing plans, risk management metrics among others.

Virtual Employee Powered by AI: Our digital employees transcend traditional RPA that mechanically executes preset rules, functioning instead as intelligent agents capable of comprehending ambiguous instructions, deconstructing tasks, and making dynamic decisions. Nor are they conventional conversational bots limited to information exchange; they constitute a virtual workforce that actively operates systems, delivering outputs such as product operation reports, analyzing research findings, and conducting compliance inspections. Our virtual employees are powered by large language models as their cognitive core, domain expertise as professional knowledge, automation tools as operational limbs, and business system permissions as their digital workspace.

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- *Value Created:* The deployment of digital employees delivers value by substantially enhancing operational efficiency, significantly reducing costs, and elevating user experience. Organizations leveraging virtual employees gain the ability to accomplish more while optimizing resource allocation.
- *Types of Digital Employees:* Digital employees can be seamlessly integrated into core business units such as investment research, risk and compliance, and marketing. For instance, digital investment researchers are capable of processing and comprehensively summarizing large volumes of research reports with source traceability in a short time. Beyond summarization, they extract key investment perspectives for statistical application, expand research capabilities into new domains, and efficiently filter user-relevant insights. Additionally, they can support real-time analytical question-and-answer interactions, providing immediate, data-driven responses to complex queries.
- *Deployment Options:* Businesses can opt for either cloud or on-premises deployment models, each offering distinct advantages. Cloud deployment provides access to powerful, scalable computing resources, streamlined maintenance and updates, and flexible cost structures; while on-premises deployment has better data privacy and network latency performance. On the other hand, on-premises deployment ensures complete data control, ultra-low latency, and high-performance execution, along with deep customization and system integration capabilities, while cloud deployment can enjoy lower initial investment and less maintenance demands.

Our capabilities are further strengthened by powerful network effects. While our solutions are deployed in our clients’ self-managed cloud or local computing systems, our AI algorithms are informed by our rich operational know-how accumulated from extensive engagements with clients. Specifically, we refine and enhance our AI algorithms based on feedback and usage pattern from our clients, such as optimization strategies, functionalities that clients deem critical, latest risk and regulatory landscapes. This architecture allows us to refine and enrich data analytics and insights continually, leveraging the collective experience of our user base without compromising individual data integrity.

Cloud-based Services

We apply cloud computing and virtual machine technologies in our solutions to integrate data sources, handle data aggregation, and automatically put data into analysis-ready models over the internet. Our solutions are cloud-native, equipping the clients with flexibility to deploy within their own self-managed private or public cloud environments. This feature enables data to be easily managed across multiple cloud environments, improving efficiency and reducing operational costs.

Strategic Collaborations

While the research and development of our solutions is primarily conducted in-house, we also seek strategic collaborations with clients of high complexity and renowned universities to support our ongoing research and development and product optimization. As of the Latest Practicable Date, all of our modules were developed in-house, and the strategic collaborations had helped enhance the functions of our existing modules.

BUSINESS

Collaborations with Cross-Industry Veteran Partners

We are engaging in strategic partnerships with cross-industry veterans to develop more comprehensive data capabilities. In particular, we are currently collaborating with one of the global top three management consulting firms (“Partner A”) to develop solutions in the following three key areas, aimed at enhancing our existing solutions and expanding our business coverage:

- *Digital Consulting and Integrated Implementation:* We provide comprehensive data-driven technological support for the implementation of its digital strategies to our clients. This initiative addresses a crucial industry challenge where many enterprises lack the requisite talent to effectively execute top-level strategies, leading to a discounted value of consulting solutions. By combining Partner A’s expertise in strategic planning with our data-driven technological capabilities, we aim to bridge this gap, ensuring that strategic plans are not only well-crafted but also successfully implemented.
- *Data Asset Construction and Evaluation:* This solution focuses to address the common disconnect between technology and business departments within enterprises. Further complicated by internal data silos among multiple departments, this disconnection often leads to inefficient communication of business needs and limited utility of technological investments on data assets. We leverage our real-time data infrastructure to provide business diagnostics, complemented by Partner A’s solutions in presenting business value of data assets. This enables frontline staff to promptly identify data problems and allows senior management to monitor the progress and value of data asset construction.
- *Localized AI Training and Deployment:* Asset management institutions usually have, and enterprises in other sectors tend to have, increasingly high expectations and budgets for AI-driven solutions, demanding stringent data protection and deep business integration. To address these needs, it is essential to conduct client-specific training and deployment locally. Partner A, with its years of AI application experience in the global finance and other sectors, is seeking to expand its footprint in China. Their strength lies in complete product functionality modules, which need to be adapted to each Chinese institution’s actual data circumstances and infrastructure. In this collaboration model, we aim to provide real-time data infrastructure as the foundation for Partner A to deploy its AI functionality modules at the clients’ local cloud environment, as well as to provide data services for initial deployment tuning and ongoing system maintenance and upgrades to clients.

Partner A is the Shanghai branch of a globally recognized leader in management consulting, with an operational history of over 25 years in Shanghai. During our collaborations with Partner A, we are responsible for providing the underlying data infrastructure and ongoing maintenance, while Partner A provides inputs on strategic plans on customer penetration and AI use case enhancement. The agreement we entered into with Partner A is long-term and can be terminated if with either party’s prior written notice. We retain all intellectual property rights for the development outcome, while Partner A retains all the knowhow related to the development outcome (such as surveys, assessments or industry perspectives that Partner A uses, develops, or improves, and do not involve any of our confidential information). Partner A grants us a non-exclusive, non-transferable, global, non-sublicensable, royalty-free license to use such know-how. Partner A was an Independent Third Party as of the Latest Practicable Date.

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Our collaborations with cross-industry veterans underscores our commitment to delivering tangible results and enhancing the digital transformation journey of our clients. By fostering these partnerships, we are positioned not only as a technological service provider but also as a key player in driving practical, impactful digital solutions spanning various sectors.

Collaborations with Clients

Our solutions involve developing customized modules and AI algorithms together with our strategic clients. Through these collaborations, we were able to enrich and refine the key performance indicators that we applied to inform our own investment and risk control models, as well as to optimize our modular deployment abilities, and thus iterating our solutions to meet the latest needs across different industries.

During our collaborations with clients, we are typically responsible for solution design, development, and system integration testing. The client, on the other hand, is typically responsible for project management, determining business function outputs, and conducting user acceptance testing. The term of agreement we enter into with clients for strategic collaborations usually depends on the number and complexity of modules to be developed, while each module takes approximately two to three months. The collaboration can be terminated if either party causes a progress delay of more than 30 days, or if the client fails to make payments for more than 30 days. We enjoy exclusive sales rights for the modules. The client only has internal use rights and is not allowed to sell the solution to any third party. We retain all intellectual property rights for the modules under the collaboration with most clients, while for a few high-profile clients who co-develop certain customized modules with us, the intellectual property rights for such co-developed modules are jointly owned. We retain exclusive sales and marketing rights of the modules under collaboration with all clients.

Collaborations with Universities

The advanced nature of our technology capabilities is also evident in our collaborations with top universities in China in the fields of AI, big data and cloud computing. For example, we entered into collaboration with the Graduate School of Peking University in Shenzhen in 2022 to conduct research on the financial big data industry. In the same year, we jointly established two research laboratories with Harbin Institute of Technology (Shenzhen) and Tianjin University, with a research focus on AI, finance AI and big data analytics, and cloud computing and real-time data analytics, respectively.

During our collaborations with universities, we are typically responsible for funding the research project, project management, providing technical expertise, and defining the scope of research, while the universities are typically responsible for conducting researches and providing academic resources.

Our collaboration agreements with universities typically last for one to three years. We are typically required to settle our funding payments either in full upon executing the agreements, or in installments subject to parties’ negotiation. The agreement automatically terminates upon expiration. Both parties may terminate the agreement through negotiation if force majeure prevents achieving research goals. Each party to the collaboration agreements shall treat all trade and technological secrets made known to it by the other party in the strictest confidence during and after the contract terms. Both parties jointly own the intellectual property rights for research outcomes under the collaboration and no transfers or exclusive licensing are allowed without mutual consent.

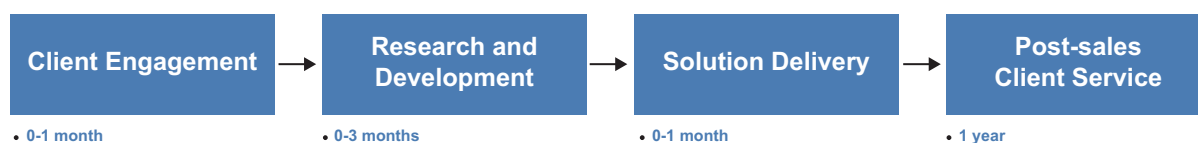
BUSINESS

MARKETING STRATEGY AND REVENUE MODEL

Our Marketing Strategy

Given our unique solutions with prominent innovativeness, we acquire clients primarily through word-of-mouth referrals by our clients in addition to our in-house sales force. During the Track Record Period, we also successfully secured a small portion of our clients through participation in public tenders, primarily as a procedural requirement from the clients’ side. The revenue contributed by clients procured by public tenders accounted for 12.0%, 16.4%, 17.9% and 20.7% of our total revenue in 2022, 2023, 2024 and the six months ended June 30, 2025, respectively. By June 30, 2025, we provided services to clients including the top asset managers in China, spanning insurance companies, mutual funds, asset management department within banks, securities houses, corporate treasuries, family offices, high net worth individuals, etc. The total number of our clients grew from 182 in 2022 to 232 in 2024.

We have established an in-house sales team and solution delivery team, both consisting of professionals with deep knowledge of the industries and clients that they are responsible for. Our in-house sales team, solution delivery team and research and development team work closely with one another to ensure that they can propose and integrate the most suitable solutions to address the pain points faced by potential clients. Our solution development and delivery processes mainly include the below steps:



- *Client Engagement:* Our industry-experienced sales team engages with the potential clients by managing and developing outbound leads, identifying their needs and requirements, and providing solution demonstrations.
- *Research and Development:* Once a lead is identified, our sales team frames the unique pain points, goals and needs of the prospective client and passes them to the research and development center, which evaluates the type of requirement and decides on the appropriate course of action. If the client’s needs can be addressed by our off-the-shelf solutions, the sales team will coordinate directly with the solution delivery team to finalize the contract and delivery logistics. If the client’s needs require customizations such as enhancement of currently available modules or development of new modules, the research and development team steps in to work with the client directly to map suitable solutions addressing their needs.
- *Solution Delivery:* Although our solutions are modular and can be freely combined to meet customer needs, the delivery of our solutions is standardized because they are widely compatible with currently available domestic cloud computing products, from hardware to databases. For certain clients whose systems are self-developed, we will perform data initialization to ensure smooth integration of our solutions. Based on the client needs, our research and development team develops a prototype solution for several rounds of testing and conducts internal tests to resolve any technological issues and software bugs that may

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exist in the test version. Our solution delivery team subsequently delivers the solution to the client as a trial run and continually monitors and analyzes client feedback to optimize the solution before the final delivery. Our solution delivery is primarily over the cloud or at our clients’ local computing system, at their request. From time to time and upon clients’ request, we also pre-install our solutions on devices (including laptops or servers) and deliver these fully-equipped devices to our clients.

- *Post-sales Client Service:* Our solution delivery team provides post-delivery support to each client to address any issues or questions that arise after the solution delivery. This may include providing training, troubleshooting, and bug fixes.

Our Revenue Model

We adopt a modular framework of our solutions, which can be adjusted according to customer needs. We implement a tailored pricing model — instead of a uniform pricing for each individual module, we price each module based on factors including but not limited to the volume and complexity of data involved and processing speed (from milliseconds to seconds). Accordingly, the pricing of each solution is determined by the number and type of modules required, the processing speed demanded by the client, level of customization, and the availability of similar solutions in the market, among others. While our real-time data infrastructure solutions can be purchased independently, our real-time data analytics solutions can only be acquired together with our real-time data infrastructure solutions as an organic whole. This is because the data utilized for analysis at the application layer is directly linked to the foundational infrastructure layer, and purchasing them as a whole ensures a seamless integration to deliver accurate results efficiently.

During the Track Record Period, we generated revenue under two models, a subscription model and a transaction model, mostly opted by the clients based on their own commercial needs. Two types of payment terms opted by our clients lead to these two revenue models. We charge our customers by an annual subscription fee under the subscription model. Under the subscription model, payment is generally due within 12 months from the commencement of the contracts and our performance obligation is satisfied over time as subscription services are rendered and payment is generally due within 12 months from the commencement of the contracts. Revenue from subscription-based solutions is recognized over time, using an average daily allocation method to measure progress towards complete satisfaction of the subscription, as the customer receives the benefits daily provided by us. We charge our customers by an individual set-up fee under the transaction model. Under the transaction model, our performance obligation is satisfied upon the acceptance by the customers and the payment is generally due within 3 months from acceptance. Revenue is recognized at the point when the solutions are accepted by customers, generally on the signing of the acceptance report. For more details, see “— Customers and Suppliers — Customers” and “Financial information — Material Accounting Policy Information — Revenue Recognition.” Both revenue models require efficient management to track usage, ensure solution quality, and handle renewals or project acceptance effectively. For details of the potential risks related to the management of our revenue models, see “Risk Factors — Risks Relating to Our Business and Industry — If we are unable to manage risks related to our revenue models, our business, financial condition, results of operations and prospects may be materially and adversely affected.” In substance, the solutions provided under both fee models are the same, and the choice to purchase under which fee model is made by the client based on considerations including payment preference, internal budget and approval process, and other commercial reasons.

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The price of our solutions charged under the subscription model per contract ranged approximately from RMB150,000 to RMB10 million in 2022, RMB200,000 to RMB9 million in 2023, RMB20,000 to RMB12 million in 2024, RMB10,000 to RMB6.3 million in the six months ended June 30, 2025, and the price of our solutions charged under the transaction model per contract ranged from RMB80,000 to RMB6 million in 2022, RMB110,000 to RMB10 million in 2023, and RMB50,000 to RMB22.8 million in 2024, RMB20,000 to RMB14.1 million in the six months ended June 30, 2025. The price of our solutions charged under both fee models presented a general upward trend during the Track Record Period, primarily because of the enhanced solutions functions deriving from more comprehensive modules developed and our stronger bargaining power due to our established position in the market. As confirmed by Frost & Sullivan, it is in line with industry norm that prices are separately negotiated with different customers, and therefore there is no standard market price for real-time data infrastructure and analytics solutions.

The following table sets forth a breakdown of our revenue by subscription models and transaction models for the years/periods indicated.

	Year ended December 31,						Six months ended June 30,			
	2022		2023		2024		2024		2025	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
(Unaudited)										
(in thousands, except for percentages)										
Subscription										
model	153,907	53.5	203,229	38.3	122,326	19.4	76,855	27.2	46,569	23.5
Transaction										
model	133,992	46.5	327,229	61.7	509,652	80.6	205,689	72.8	151,276	76.5
Total	287,899	100.0	530,458	100.0	631,978	100.0	282,544	100.0	197,845	100.0

Our revenue growth under the transaction model was faster than the subscription model during the Track Record Period mainly because:

Internal Requirements of Large Institutions: large institutions often have internal mandates or protocols that necessitate flexibility in contractual agreements, due to reasons such as the regular change to senior management personnel and data security compliance requirements. This can lead to a preference for transaction-based purchases over subscription-based contracts with longer terms. We covered an increasing number of large institutional asset managers during the Track Record Period, who typically prefer the transaction-based purchase for the aforementioned reasons and as in line with industry norm, considering their operational complexities and the highly variable nature of their investment activities.

Industry Customer Habits: traditionally customers within the software industry prefer to purchase products through transaction-based models because transaction models allow customers to reduce long-term dependence on the software vendor. This approach mitigates the risk of future disruptions in case the vendor ceases to provide services, ensuring customers can continue using the software without interruption. Furthermore, owning the software allows large enterprises to customize, maintain and upgrade the software according to their specific needs with their own IT team, instead of being dependent on the vendor’s regular maintenance and upgrade schedule. Although in the real-time data infrastructure and analytics industry, normally customers’ own IT team does not have the capabilities to customize or upgrade the solutions

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purchased due to the high level of sophistication of solutions, this longstanding habit can influence new and existing customers in the real-time data infrastructure and analytics industry to opt for transaction-based contracts due to familiarity and perceived simplicity in procurement and budget allocation.

Initial Engagements with New Clients: we have successfully expanded our client base to adopt our solutions across various industries, where new clients tend to initiate their engagement through transaction-based collaborations—a practice widely recognized in the industry for new adopters to evaluate the solution’s effectiveness before committing to a subscription. This is because clients lose access to the solutions under the subscription model once the subscription is no longer active. In contrast, the transaction-based model offers indefinite use of the purchased solution version, although without any future updates. In addition, as we aim to expand our client base, we usually defer to the customer’s preferred purchasing method when commencing business relationship. However, we will propose to continue our offering to the customer under longer-term subscription model as the business relationship matures and customer stickiness is established.

Market Uncertainty: the past three years have witnessed a temporary slowdown in the financial sector’s growth, and the recent macro-market conditions tend to cause enterprises to adopt a more cautious outlook towards future investments. In times of uncertainty, businesses may prefer transaction models that require less commitment and provide greater flexibility in response to changing economic conditions.

The following table sets forth a breakdown of our gross profit by subscription models and transaction models for the years/periods indicated.

	Year ended December 31,						Six months ended June 30,			
	2022		2023		2024		2024		2025	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(unaudited)									
	(in thousands, except for percentages)									
Subscription										
model	141,227	62.9	186,953	44.6	107,363	22.2	61,542	27.0	29,484	22.4
Transaction										
model	83,387	37.1	232,225	55.4	377,264	77.8	166,482	73.0	102,398	77.6
Total	224,614	100.0	419,178	100.0	484,631	100.0	228,024	100.0	131,882	100.0

The following table sets forth a breakdown of our gross profit margin by subscription models and transaction models for the years/periods indicated.

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
	%	%	%	%	%
	(unaudited)				
Subscription model	91.8	92.0	87.8	80.1	63.3
Transaction model	62.2	71.0	74.0	80.9	67.7
Overall	78.0	79.0	76.7	80.7	66.7

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Our gross profit margin under transaction model had an upward trend from 2022 to 2024 on an annual basis, mainly due to our revenue expansion led by more matured solutions and penetration into larger customer base. Solutions provided under the subscription model are generally standard, while solutions provided under the transaction model generally involve customizations. The gross profit margin under the transaction model is generally lower than the subscription model, primarily because (i) compared to the subscription model, the transaction model generally involves more customizations of our solutions based on request of customers, which led to higher costs, and (ii) under the transaction model, some asset management clients requested us to pre-install our solutions on devices and deliver such fully-equipped devices to them directly, which also increased our costs. Our gross profit margin under the transaction model was 62.2%, 71.0%, 74.0% and 80.9% in 2022, 2023, 2024 and the six months ended June 30, 2024, which decreased to 67.7% during the six months ended June 30, 2025. This is because, as we continued to explore a broader range of industries, our solutions required greater customization and adaptation, which led to an increase in unit costs.

Given the temporary decrease in our revenue generated under the subscription model during the Track Record Period, largely due to our successful expansion into various industries where new clients tend to initiate their engagement through transaction-based collaborations, our business strategy is focused on converting transaction-based customers into long-term subscribers by enhancing customer education and training about the benefits and functionalities of our solutions. In particular, we plan to host educational webinars and workshops regularly to customers to keep existing customers engaged and informed about new features of our offerings and available upgrades to the solutions they are using. These sessions also serve as a platform for feedback and direct interaction with customers. Our efforts also include leveraging transaction-based periods to build strong customer relationships with high-quality client support services to highlight our long-term value, and continuously innovate and enhance our solutions to meet evolving client demands. During the Track Record Period, we had 12 customers in 2022, 11 customers in 2023, 12 customers in 2024, 3 customers in the six months ended June 30, 2025 who transitioned from transaction-based to subscription-based customers, the revenue contribution of whom accounted for 29%, 32%, 17% and 22% of our total revenue in 2022, 2023, 2024 and the six months ended June 30, 2025, respectively. See “Risk Factors — Risks Relating to Our Business and Industry — We operate in an increasingly competitive environment, and pricing pressure, new technologies, or other competitive dynamics may materially and adversely affect our business, financial condition, and results of operations.”

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Our solutions are well tested in the asset management industry, and applicable across various industries. The following table sets forth a breakdown of our revenue by industry application for the years/periods indicated. For avoidance of doubt, “industry application” refers to the industry in which our solutions are adopted, rather than the end industries where our customers operate in.

	Year ended December 31,						Six months ended June 30,			
	2022		2023		2024		2024		2025	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
<i>(Unaudited)</i>										
<i>(in thousands, except for percentages)</i>										
Asset management	214,056	74.4	349,741	65.9	244,441	38.7	134,710	47.7	93,506	47.3
Diversified industries										
(ex-asset management)	73,843	25.6	180,717	34.1	387,537	61.3	147,834	52.3	104,339	52.7
Financial services										
(other than asset management) ⁽¹⁾ . .	17,141	6.0	23,239	4.4	71,349	11.3	55,830	19.8	10,630	5.4
City management . .	35,781	12.4	46,292	8.7	154,472	24.4	66,552	23.6	39,373	19.9
Manufacturing										
management	4,870	1.6	9,873	1.9	88,229	14.0	5,210	1.8	30,763	15.5
Telecommunications	5,044	1.8	69,877	13.2	51,425	8.1	3,868	1.4	19,864	10.0
Others ⁽²⁾	11,007	3.8	31,436	5.9	22,062	3.5	16,374	5.7	3,709	1.9
Total	287,899	100.0	530,458	100.0	631,978	100.0	282,544	100.0	197,845	100.0

Notes:

- (1) Include a broad range of financial services such as banking or brokerage services, the key application scenarios therein include anti-fraud, credit profile assessment, loan origination or customer acquisition for financial products.
- (2) Industries including retail, renewable energy and agriculture, etc., none of which contributed to over 5% of our total revenue in any year during the Track Record Period.

Our revenue generated from both the asset management industries and the diversified industries demonstrated an overall upward trend in 2022, 2023 and 2024, mainly attributable to the increase in the number of modules we developed and offer, the expansion of our customer base, the increase in ARPU driven by our advanced solutions and established brand awareness, as well as our strategic plans to expand into broader business verticals. For more details, see “Financial Information — Period-to-Period Comparison of Results of Operations.”

The following table sets forth a breakdown of our gross profit by industry application for the years/periods indicated.

	Year ended December 31,						Six months ended June 30,			
	2022		2023		2024		2024		2025	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
<i>(Unaudited)</i>										
<i>(in thousands, except for percentages)</i>										
Asset management	176,560	78.6	248,768	59.3	175,752	36.3	94,488	41.4	48,713	36.9
Diversified industries (ex-asset management)	48,054	21.4	170,410	40.7	308,875	63.7	133,536	58.6	83,169	63.1
Total	224,614	100.0	419,178	100.0	484,627	100.0	228,024	100.0	131,882	100.0

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The following table sets forth a breakdown of our gross profit margin by industry application for the periods indicated.

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
	%	%	%	%	%
				<i>(Unaudited)</i>	
Asset management	82.5	71.1	71.9	70.1	52.1
Diversified industries (ex-asset management)	65.1	94.3	79.7	90.3	79.7
Total	78.0	79.0	76.7	80.7	66.7

As of the Latest Practicable Date, our solutions adopted in diversified industries were mostly data infrastructure solutions and we are currently developing new data analytics modules on the application level, seeking to introduce data analytics solutions specified for diversified industries. The cost structure of our data infrastructure and data analytics solutions are similar.

Our gross profit margin in the asset management industry decreased from 82.5% in 2022, to 71.1% in 2023, primarily due to customers in certain projects requested us to deploy our solutions on devices which increased our costs. Our costs on devices increased from RMB26.2 million in 2022 to RMB59.9 million in 2023. The gross profit margin we obtained for devices is normally lower than that for solutions with no devices involved; the prices we charged for our solutions with or without devices are similar. Our gross profit margin in the asset management industry increased from 71.1% in 2023 to 71.9% in 2024, primarily due to the enhanced scalability and accumulated value of our solution portfolio, as solutions developed in prior periods continued to be leveraged across multiple projects, allowing us to benefit from prior development efforts while ongoing investments in research and development supported continuous enhancement of our offerings, resulting in a relatively stable gross profit margin level. Our gross profit margin in the asset management industry decreased from 70.1% in the six months ended June 30, 2024 to 52.1% during the same period in 2025, primarily due to increased client demand for customized solutions. Our gross profit margin in diversified industries stayed relatively high during the Track Record Period; except that, among these diversified industries, the gross profit margin in the city management sector was relatively low in 2022. This was mainly due to the combined effects of (i) the impact of COVID-19 quarantine policies on city management industry, which temporarily slowed down the industry development and thus significantly affected clients within this industry’s willingness and ability to pay, and (ii) our efforts to establish ourselves in this new industry with more competitive pricing strategies given such decreased willingness and ability to pay of potential clients. In addition, the number of our clients in each diversified industry was relatively small, the fluctuations in our gross profit margin during the Track Record Period were incidental to some extent given the small sample size.

Our gross profit margin in the asset management industry was lower compared to other diversified industries during the Track Record Period (except for 2022 due to the reasons mentioned above), mainly because (i) asset management clients generally have higher demands and requirements on the services provided due to complex business needs, such as adding specific risk modules to analyze risks within their investment portfolio or developing new modules capable of monitoring real-time transactions in compliance with the latest regulatory requirements, which led to higher costs associated with our asset management client as a whole, and (ii) some asset management clients requested us to pre-install our solutions on devices and deliver such fully-equipped devices to them directly, which also increased our costs.

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CUSTOMERS AND SUPPLIERS

Customers

Our customers primarily include institutional asset managers. Leveraging our advanced technology capabilities and deep industry insights, we have generated a solid and highly-engaged customer base by offering a spectrum of AI-empowered solutions to asset managers. Our customer coverage spreads across insurance companies, mutual funds, asset management department within banks, securities houses, corporate treasuries, family offices, high net worth individuals, etc. Frost & Sullivan has confirmed that our client base also encompasses all of the top 10 asset managers in China, as ranked by their year-end AUM for 2022 on a group basis⁽¹⁾. The revenue generated from such top 10 asset managers combined contributed to 23.3%, 18.6%, 10.9% and 19.8% of our total revenue for the years ended December 31, 2022, 2023, 2024 and for the six months ended June 30, 2025, respectively. Our revenue attributable to each of these top 10 asset managers in China experienced fluctuations during the Track Record Period, mainly because (i) large institutional asset managers typically prefer to purchase our solutions on a transaction basis considering their operational complexities and the highly variable nature of their investment activities, which is in line with industry norm, according to Frost & Sullivan, (ii) large institutional asset managers typically have internal budget cycles, which would naturally lead to fluctuations in their procurement activities, according to Frost & Sullivan, and (iii) the past three years have witnessed a temporary slowdown in the financial sector’s growth, attributable to the overarching impacts of COVID-19 and the global political climate. We have successfully expanded our solutions to diversified industries other than asset management mainly including financial services (other than asset management), city management and telecommunications, covering all of the top three state-owned telecommunications operators in China.

For the years ended December 31, 2022, 2023, 2024 and for the six months ended June 30, 2025, the aggregate revenue generated from our top five customers amounted to RMB98.2 million, RMB186.6 million, RMB169.3 million and RMB83.0 million, which accounted for 34.1%, 35.2%, 26.8% and 42.0% of our total revenue in each corresponding period during the Track Record Period, respectively. For the same periods, revenue from the largest customer amounted to RMB35.5 million, RMB65.3 million, RMB51.6 million and RMB27.1 million, which accounted for 12.3%, 12.3%, 8.2% and 13.7% of our total revenue, respectively. During the Track Record Period, the vast majority of our customers were located in China. As a result of our offshore expansion efforts, 5.9% of our revenue was generated from Hong Kong in 2024, growing from only 0.3% in 2022.

Note:

- (1) The group basis was calculated by including major asset management organizations/subsidiaries within the same group, as compared to calculations on the basis of each individual entity separately. Our client base of the top 10 asset managers in China refers to both the direct customers who directly purchase or engage with our products or services, and the end users who ultimately benefit from these products or services.

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The following tables set out details of our five largest customers for each year during the Track Record Period:

For the year ended December 31, 2022

Rank	Customer	Type of Products/Services Purchased	Background	Year of Commencing Business Relationship	Revenue (RMB'000)	% of Total Revenue
1	Customer A ⁽¹⁾	Real-time data infrastructure solutions	A technology company established in 2013 with 18 offices in China, specializing in cloud computing and big data services for transport logistics and cross-border e-commerce.	2022	35,513	12.3
2	Customer B	Real-time data infrastructure and analytics solutions	One of China's leading insurance providers.	2016	23,043	8.0
3	Customer C	Real-time data infrastructure and analytics solutions	A prominent life insurance company in China, providing a comprehensive portfolio of life insurance, health insurance, and asset management services.	2020	18,972	6.6
4	Customer D ⁽²⁾	Real-time data infrastructure solutions	A technology company established in 2012 with over 200 employees in China, focused on providing intelligent marketing services.	2022	10,418	3.6
5	Customer E	Real-time data infrastructure and analytics solutions	A comprehensive securities firm in China providing a wide range of financial services such as securities brokerage, investment banking, and asset management.	2018	10,264	3.6

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For the year ended December 31, 2023

Rank	Customer	Type of Products/Services Purchased	Background	Year of Commencing Business Relationship	Revenue (RMB'000)	% of Total Revenue
1	Customer F ⁽³⁾	Real-time data infrastructure and analytics solutions	A technology company established in 1998 with 30 offices and over 2,000 employees in China, being a wholly-owned subsidiary of a company listed on the SSE, offering a wide range of IT solutions and services including system integration.	2022	65,294	12.3
2	Customer G ⁽⁴⁾	Real-time data infrastructure solutions	A technology company established in 2018 in China with a registered capital of over RMB8 million, focused on city management technologies, providing integrated solutions for urban planning, construction, and management through advanced IT and communication technologies.	2023	37,358	7.0
3	Customer D ⁽²⁾	Real-time data infrastructure solutions	A technology company established in 2012 with over 200 employees in China, focused on providing intelligent marketing services.	2022	36,088	6.8
4	Customer H ⁽⁵⁾	Real-time data infrastructure solutions	A subsidiary of a state-owned telecommunications operator, established in 1999 with over 30 offices in China, offering system integration, IT services, and digital solutions.	2023	32,747	6.2
5	Customer I	Real-time data infrastructure and analytics solutions	A large, full-service Chinese insurance asset manager.	2021	15,093	2.8

Notes:

- (1) System integrator; end user is in the public transportation industry in China
- (2) End user who utilized our solutions to better analyze data and power its own service offerings in intelligent marketing
- (3) System integrator; end user is a well-established and reputable insurance company in China
- (4) End user who utilized our solutions to better analyze data for strategic decisions and improve its own products and services in urban planning, construction, and management
- (5) System integrator; end user is in the city management industry in China

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For the year ended December 31, 2024

Rank	Customer	Type of Products/Services Purchased	Background	Year of Commencing Business Relationship	Revenue (RMB'000)	% of Total Revenue
1	Customer J	Real-time data infrastructure solutions	A leading AI software company established in 2014 which focuses on providing platform centric AI software which enables enterprises to develop their own decision-making AI applications.	2023	51,586	8.2
2	Customer K	Real-time data infrastructure and analytics solutions	A leading cloud computing & big data service provider in China, engaged in computing equipment, software, cloud services, among others, serving clients in over 100 countries or regions.	2024	37,475	5.9
3	Customer L	Real-time data infrastructure solutions	An infrastructure company established in 2020 which focuses on the designing, planning, construction, management and operation of infrastructures for digital economics and smart city management.	2024	30,429	4.8
4	Customer M	Real-time data infrastructure solutions	A Hong Kong listed company focusing on digital intelligent services, helping partners with IT product distribution and solutions.	2024	25,029	4.0
5	Customer N	Real-time data infrastructure solutions	A Hong Kong listed tech firm specialized in intelligent connected vehicle simulation testing, offering design, R&D, verification, and evaluation solutions.	2024	24,779	3.9

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For the six months ended June 30, 2025

Rank	Customer	Type of Products/Services Purchased	Background	Year of Commencing Business Relationship	Revenue (RMB'000)	% of Total Revenue
1	Customer F ⁽⁶⁾	Real-time data infrastructure and analytics solutions	A technology company in China, being a wholly-owned subsidiary of a company listed on the SSE, offering a wide range of IT solutions and services including system integration.	2022	27,113	13.7
2	Customer O	Real-time data infrastructure and analytics solutions	A technology company in China, established in 2000, focusing on education digitalization, next innovation and IPv6 deployment.	2025	17,849	9.0
3	Customer P	Real-time data infrastructure solutions	A specialized digital services company engaged in software technology development and consulting, as well as software testing.	2025	13,293	6.7
4	Customer Q	Real-time data infrastructure and analytics solutions	A digital technology company focusing on industrial & digital industrialization.	2024	13,142	6.6
5	Customer R	Real-time data infrastructure and analytics solutions	A Hong Kong listed company founded in 2018, offering enterprises AI products and solutions.	2025	11,573	5.8

Notes:

(6) System integrator; end user is a well-established and reputable insurance company in China

As of the Latest Practicable Date, none of our Directors, their associates or any other Shareholder which, to the knowledge of our Directors, owned more than 5% of our share capital had any interest in any of our top five customers. None of our five largest customers, including their shareholders, directors, senior management or any of their respective associates, have any past or present relationship (family, employment, trust, financing or otherwise) with us, our subsidiaries, our Shareholders, Directors, senior management or any of their respective associates.

Certain end users of our solutions rely on system integrators when selecting suppliers or service providers. Such system integrators are not engaged by us to broaden our sales channels; instead, they are primarily information technology service providers selected by end users to implement their projects to fulfill their specific demands and save them from the trouble of directly negotiating with a large number of different suppliers or service providers. The use of such system integrators by end users is an industry norm, according to Frost & Sullivan. The contract terms we enter into with such system integrators are substantially consistent with other customers. We only have contractual rights and obligations with such

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system integrators. One of our top five customers in the six months ended June 30, 2025 was a system integrator, accounting for 13.7% of our total revenue in the six months ended June 30, 2025. All the top five customers in 2024 were end users of our solutions. Two of our top five customers in 2023 were system integrators, accounting for 18.5% of our total revenue in 2023, and one of our top five customers in 2022 was a system integrator, accounting for 12.3% of our total revenue in 2022. We expect the direct engagement with end users will remain our main focus going forward.

During the Track Record Period, our customers consisted of end users and system integrators. The following table sets forth a breakdown of our revenue by customer types for the years/periods indicated.

	Year ended December 31,						Six months ended June 30,			
	2022		2023		2024		2024		2025	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
<i>(Unaudited)</i>										
<i>(in thousands, except for percentages)</i>										
End users	249,921	86.8	431,510	81.3	610,982	96.7	275,505	97.5	170,732	86.3
System integrators	37,978	13.2	98,948	18.7	20,996	3.3	7,039	2.5	27,113	13.7
Total	287,899	100.0	530,458	100.0	631,978	100.0	282,544	100.0	197,845	100.0

The following table sets forth a breakdown of our gross profit by customer types for the years/periods indicated.

	Year ended December 31,						Six months ended June 30,			
	2022		2023		2024		2024		2025	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
<i>(Unaudited)</i>										
<i>(in thousands, except for percentages)</i>										
End users	209,163	93.1	366,684	87.5	483,368	99.7	228,024	100.0	124,107	94.1
System integrators	15,451	6.9	52,494	12.5	1,259	0.3	—	—	7,775	5.9
Total	224,614	100.0	419,178	100.0	484,627	100.0	228,024	100.0	131,882	100.0

The following table sets forth a breakdown of our gross profit margin by customer types for the years/periods indicated.

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
	%	%	%	%	%
<i>(Unaudited)</i>					
End users	83.7	85.0	79.1	82.8	72.7
System integrators	40.7	53.1	6.0	0.0	28.7
Overall	78.0	79.0	76.7	80.7	66.7

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The profit margin generated from sales to system integrators is generally lower than those to end users. This is primarily because system integrators, selected by end users according to their specific requirements, typically require data solutions that are customized or precisely tailored to address end users’ needs, leading to increased costs. Such profit margin difference between sales to system integrators and direct sales to end users is also in line with industry norm according to Frost & Sullivan, considering factors such as customization costs and negotiation dynamics. Customization costs typically include costs related to integration with end users’ existing systems or developing unique features that cater specifically to the end user’s business needs. Negotiation dynamics typically refer to the greater bargaining power of system integrators over solution providers, due to system integrators’ role as intermediaries between solution providers and end users. As confirmed by Frost & Sullivan, system integrators have the leverage to negotiate lower prices because they understand the competitive landscape and can compare different offers by solutions providers to secure the best deal. In addition, system integrators typically buy products in bulk, leading vendors to offer discounts that affect the overall profit margin. The system integrators we worked with during the Track Record Period sometimes, based on request of end users, asked us to pre-install our solutions on devices and deliver the fully-equipped devices to them directly, which further increased our costs.

Set forth below is a summary of key terms with most of our customers under both subscription and transaction fee models:

Term

Typically one year with renewal options under the subscription model. Our performance obligation is satisfied over time as subscription services are rendered and payment is generally due within 12 months from the commencement of the contracts.

Or until both parties fulfill their obligations under the agreement under the transaction model. Our performance obligation is satisfied upon the acceptance by the customers and the payment is generally due within 3 months from acceptance.

Payment

We charge our customers by an annual subscription fee under the subscription model. Revenue from subscription-based solutions is recognized over time, using an average daily allocation method to measure progress towards complete satisfaction of the subscription, as the customer receives the benefits daily provided by us. The average daily allocation method recognizes revenue on the basis of the days expended relative to the total expected days to complete the subscription.

We charge our customers by an individual set-up fee under the transaction model. Under the transaction model, revenue is recognized at the point when the solutions are accepted by customers, generally on the signing of the acceptance report.

See “Financial information — Material Accounting Policy Information — Revenue Recognition” for more details.

Customers shall pay pursuant to the timetable as agreed, such as by milestone or by installments.

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Credit term According to contract terms, within three months under the transaction model, and up to 12 months under the subscription model.

Termination The agreement automatically terminates upon expiration. Both parties may terminate the agreement through negotiation if force majeure prevents achieving contract objectives. Under certain sales agreements, if the payment is overdue by more than 30 days, we are entitled to unilaterally terminate the contract without any liability.

Post-sales client service (Ongoing solution support) We typically provide ongoing solution support services (including maintenance, version updates and function upgrades) free of charge to customers during the contract term under the subscription model;

We typically provide ongoing solution support services (including only basic maintenance and excluding any version updates or function upgrades) free of charge to clients within one year from the acceptance by clients of our solutions under the transaction model.

Disclaimer We disclaim our responsibilities for any damages or losses caused by the customers’ own operating environment or any third parties, the improper use or accidents caused by the customers, the customers’ own or third-party’s modification, upgrade, or maintenance of our solutions, and any other damages or losses not intentionally caused by us.

IP rights We typically retain all intellectual property rights for the solutions we independently develop, and customers have limited rights to use the solutions during the valid term specified in the agreement and are not allowed to sell the solution or authorize the use of solutions to any third party.

If the solutions are developed through customization for the customer, intellectual property rights are typically jointly owned by both parties. We have the right to independently authorize or license these customized development results to third parties for use, and any income derived from this shall be solely owned by us.

Suppliers

Our suppliers include software developers and technical service providers, among others, providing generic IT services such as data storage or backup, server management and maintenance services, as well as certain non-core and less sophisticated software development services such as development of basic user interface, routine database management and system maintenance. For the years ended December 31, 2022, 2023, 2024 and for the six months ended June 30, 2025, the aggregate purchases from our top five suppliers

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amounted to RMB68.6 million, RMB71.7 million, RMB106.0 million and RMB66.6 million, which accounted for 34.7%, 20.5%, 22.0% and 36.1% of our total purchases in each corresponding year/period during the Track Record Period, respectively. For the same periods, purchases from our largest supplier amounted to RMB24.9 million, RMB30.5 million, RMB36.4 million and RMB22.1 million, which accounted for 12.6%, 8.7%, 7.6% and 12.0% of our total purchases, respectively. We believe we do not have any material impediment to switch our third-party service providers as we have adequate alternative sources for such services, which are commonly accessible in the market. We believe, and as concurred by Frost & Sullivan, switching between third-party service providers of generic IT services such as data storage or backup, server management and maintenance services, and certain non-core and less sophisticated software development services is a straightforward process without significant time, switching cost or any material technical obstacles as numerous readily available alternatives exist in the market for such services.

The following tables set out details of our five largest suppliers for each year during the Track Record Period:

For the year ended December 31, 2022

Rank	Supplier	Type of Products/Services Provided	Background	Year of Establishment/ Registered Capital (Paid-in Capital) ⁽¹⁾	Year of Commencing Business Relationship	Purchase Amount (RMB'000)	% of Total Purchase
1	Supplier A	Software and device procurement	A high-tech in China focused on R&D of intelligent software and hardware system and provision of the smart logistics solution.	2019/ RMB249.2 million (RMB232.6 million)	2022	24,889	12.6
2	Supplier B	Technical services	An information technology company in China focused on internet data and security services, data processing and storage support services, information system integration services and software development.	2021/ RMB2.0 million	2022	21,314	10.8
3	Supplier C	Technical services	A technology company in China, specializing in information technology services and solutions, including an IoT (Internet of Things) cloud data platform.	2010/ RMB65.0 million (RMB65.0 million)	2022	10,189	5.2

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Rank	Supplier	Type of Products/Services Provided	Background	Year of Establishment/ Registered Capital (Paid-in Capital) ⁽¹⁾	Year of Commencing Business Relationship	Purchase Amount (RMB'000)	% of Total Purchase
4	Supplier D	Technical services	A technology company in China providing data processing, data analysis, web recharging, and other services.	2010/ RMB45.3 million (RMB45.3 million)	2022	7,519	3.8
5	Supplier E	Technical services	A technology company in China focused on web page design, live streaming and digital advertising.	2016/ RMB10.0 million (RMB2.7 million)	2021	4,717	2.4

For the year ended December 31, 2023

Rank	Supplier	Type of Products/Services Provided	Background	Year of Establishment/ Registered Capital (Paid-in Capital) ⁽¹⁾	Year of Commencing Business Relationship	Purchase Amount (RMB'000)	% of Total Purchase
1	Supplier F*	Software and device procurement	An internet technology company in China engaged in technical development, technology transfer, technical consulting, and other technical services.	2022/ RMB50.0 million	2022	30,451	8.7
2	Supplier G*	Software and device procurement	An internet technology company in China engaged in technical development, technology transfer, technical consulting, and other technical services.	2023/ RMB30.0 million	2023	13,816	4.0
3	Supplier C	Technical services	A technology company in China, specializing in information technology services and solutions, including an IoT (Internet of Things) cloud data platform.	2010/ RMB65.0 million (RMB65.0 million)	2022	10,183	2.9
4	Supplier H	Technical services	A technology service company in China offering various technical services such as technology transfer services and technical consulting.	2019/ RMB2.0 million	2021	9,236	2.6

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Rank	Supplier	Type of Products/ Services Provided	Background	Year of Establishment/ Registered Capital (Paid- in Capital) ⁽¹⁾	Year of Commencing Business Relationship	Purchase Amount (RMB'000)	% of Total Purchase
5	Supplier I	Technical services	A technology company in China, specializing in software development and AI. It is a subsidiary within an IT service provider group founded in 1983 in China.	2022/ RMB10.0 million	2023	8,057	2.3

* We engaged in business with Supplier F and Supplier G to purchase device to pre-install our solutions on devices and deliver these fully-equipped devices to our clients upon request. Supplier F and Supplier G were able to fulfill the exact requirements on delivery timelines and quantities of the devices, and at market price, which allowed us to make speedy delivery to our clients as requested.

For the year ended December 31, 2024

Rank	Supplier	Type of Products/ Services Provided	Background	Year of Establishment/ Registered Capital (Paid- in Capital) ⁽¹⁾	Year of Commencing Business Relationship	Purchase Amount (RMB'000)	% of Total Purchase
1	Supplier J	Technical services	A high-tech firm with 30 years in information construction, focusing on shielded room building and information security- centered businesses.	2006/ RMB160.0 million (RMB55.8 million)	2023	36,373	7.6
2	Supplier K	Software and device procurement	A technology company primarily engaged in software services, smart city and smart park.	2018/ RMB50.0 million	2024	20,708	4.3
3	Supplier L	Technical services	A full range AI technology and service provider.	2000/ RMB66.7 million	2024	19,053	3.9
4	Supplier N	Technical services	A national high-tech enterprise focused on operating models, and AI- related R&D.	2015/ RMB10.0 million (RMB6.0 million)	2024	15,036	3.1
5	Supplier M	Technical services	A technology company in China, engaged in the research and development of internet technologies and as a service provider for various industries.	2016/ RMB103.3 million	2024	14,875	3.1

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For the six months ended June 30, 2025

Rank	Supplier	Type of Products/ Services Provided	Background	Year of Establishment/ Registered Capital (Paid- in Capital) ⁽¹⁾	Year of Commencing Business Relationship	Purchase Amount (RMB'000)	% of Total Purchase
1	Supplier O	Technical services	An ICT supply chain integrated service provider.	2012/ RMB1,000.0 million	2024	22,118	12.0
2	Supplier F	Software and device procurement	An internet technology company in China engaged in technical development, technology transfer, technical consulting, and other technical services.	2022/ RMB50.0 million	2022	19,628	10.6
3	Supplier P	Technical services	A company providing digital integrated solutions for scenario-based finance to customers in the financial field.	2016/ RMB12.7 million (RMB2.0 million)	2024	11,141	6.0
4	Supplier Q	Technical services	A leading domestic provider of intelligent construction and spatial digital-intelligent services in China, with business covering over 60 countries worldwide.	2014/ RMB67.1 million (RMB63.2 million)	2024	7,570	4.1
5	Supplier R	Technical services	An AI company specializing in full-spectrum and large-model computing. It focuses on multiple fields of digital cities and continuously creates value for customers.	2013/ RMB8.6 million (RMB7.9 million)	2024	6,132	3.3

* We engaged in business with Supplier F to purchase device to pre-install our solutions on devices and deliver these fully-equipped devices to our clients upon request. Supplier F was able to fulfill the exact requirements on delivery timelines and quantities of the devices, and at market price, which allowed us to make speedy delivery to our clients as requested.

Note:

(1) The amount of paid-in capital of each supplier was based on search result in public domains as of the Latest Practicable Date, and such information of certain suppliers is not publicly available.

As of the Latest Practicable Date, none of our Directors, their associates or any other Shareholder which, to the knowledge of our Directors, owned more than 5% of our share capital had any interest in any of our five largest suppliers. None of our five largest suppliers, including their shareholders, directors, senior management or any of their respective associates, have any past or present relationship (family, employment, trust, financing or otherwise) with us, our subsidiaries, our Shareholders, Directors, senior management or any of their respective associates.

Overlapping of Suppliers and Customers

During the Track Record Period and up to the Latest Practicable Date, Supplier F acted as both our supplier and our customer. In particular, Supplier F, among our five largest suppliers in 2023 and the six months ended June 30, 2025, also served as our customer during the relevant periods.

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We provided real-time data infrastructure and analytics solutions to Supplier F. We purchased both software and devices from Supplier F, including devices pre-installed with our solutions for delivery to clients upon request.

All such transactions were conducted on an arm’s length basis and at prevailing market rates. While Supplier F was one of our top five suppliers in 2023 and the six months ended June 30, 2025, these overlapping relationships have not resulted in any reliance on a single party for the provision of critical goods or services, nor have they compromised our operational independence.

In 2022, 2023, 2024 and the six months ended June 30, 2025, revenue generated from Supplier F as a customer amounted to nil, RMB2.9 million, RMB15.5 million and nil, respectively, while purchase amounts attributable to Supplier F as a supplier amounted to nil, RMB30.5 million, RMB7.5 million and RMB19.6 million in 2022, 2023, 2024 and the six months ended June 30, 2025, respectively.

We believe we were not subject to any material sanctions risks during the Track Record Period and up to the Latest Practicable Date given the following reasons:

- During the Track Record Period and up to the Latest Practicable Date, all of our major suppliers and strategic partners were located in the PRC. In particular, our major suppliers include software developers, technical service providers and to a lesser extent, device (laptop/server) distributors. All of the device distributors we worked with during the Track Record Period were located in the PRC and the devices that we utilize to deploy our solutions are standard, readily accessible products that are widely available in the market and can be easily substituted with alternative options;
- We have established internal economic sanctions compliance policies and export controls compliance policies, and regularly conducts risk assessments and internal audits including anti-corruption, economic sanctions, AML, and export controls;
- Before engaging any business partner, such potential partner will be reviewed by the legal and compliance department, the finance department, and other relevant departments (including conducting background checks), and subject to the senior management’s final approval; and
- We have adopted standard language in the form sales and purchase contracts requiring business partners to comply with applicable laws and regulations, including those related to export controls and sanctions.

See “Risk Factors — Risks Relating to Our Business and Industry — Changes in the global, national, or regional economic and market conditions, political and social conditions, as well as government policies, could have a material adverse effect on our business, financial condition, results of operations and prospects.”

We have established a set of internal measures on selection of suppliers. We take into account various factors in selecting our suppliers, which primarily include (i) the candidates’ technology skillsets and capabilities, (ii) commercial terms offered by the candidates, (iii) business background, results of operations and financial positions of the candidates, and (iv) project-specific demands.

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We usually enter into technology development agreements with our suppliers on an annual basis, subject to our standard terms and conditions. Set forth below is a summary of key terms with our suppliers:

Term	Typically ranging from one month to one year, or until both parties fulfill their obligations as stipulated in the relevant agreements.
Payment and credit terms	We are typically required to settle our payment in installments with the first to be settled within 30 days of the agreement being signed.
Termination	The agreement terminates upon both parties fulfilling their obligations. The agreement may be terminated by mutual written agreement, except where otherwise specified in the agreement or required by law. Both parties may terminate the agreement through negotiation if force majeure prevents achieving contract objectives.
Post-sales client service (Ongoing product support)	Suppliers are obligated to provide product support services free of charge to address our inquiries on the daily operations of applications they developed within one year of delivery.
IP rights	We typically retain all intellectual property rights for the applications developed by the supplier under this agreement.

BUSINESS SUSTAINABILITY AND PATH TO PROFITABILITY

Overview

We had achieved sustained business growth but were loss-making during the Track Record Period. The following table sets forth certain financial data during the periods indicated.

	Year Ended December 31,			Six Months Ended June 30,	
	2022	2023	2024	2024	2025
	<i>(Unaudited)</i>				
	<i>(RMB in thousands, except for percentages)</i>				
Revenue	287,899	530,458	631,978	252,544	197,845
Revenue growth	N/A	84.3%	19.1%	N/A	(30.0)%
Gross profit	224,614	419,178	484,627	228,024	131,882
Gross profit margin	78.0%	79.0%	76.7%	80.7%	66.7%
Operating expenses	(350,846)	(497,650)	(582,657)	(318,170)	(217,646)
Net loss	(96,512)	(63,391)	(97,845)	(97,759)	(107,998)
Net loss margin ⁽¹⁾	33.5%	12.0%	15.5%	34.6%	54.6%
Cash resources ⁽²⁾	896,329	822,367	563,895	N/A	452,949
Cash used in operations . . .	191,137	200,603	174,138	109,932	129,938

(1) Net loss margin is calculated by dividing loss for the period by revenue for the period indicated. The increase in net loss margin for the six months ended June 30, 2025 as compared to June 30, 2024 was primarily due to the significant decrease in the revenue generated from the provision of transaction-based specialist technology products in the six months ended June 30, 2025, primarily attributable to changes in our customers’ budget allocation schedules in 2025, as certain customers tended to defer the purchase to the second half of the year.

(2) Cash resources include cash and cash equivalents, time deposits, and financial assets at fair value through profit or loss (current portion).

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The following table sets forth a breakdown of our operating expenses, both in absolute amounts and as percentages of total revenues, for the years/periods indicated.

	Year Ended December 31,						Six Months Ended June 30,			
	2022		2023		2024		2024		2025	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(unaudited)									
	(in thousands, except for percentages)									
Operating expenses . . .										
Research and development expenses	258,778	89.9	379,137	71.5	450,441	71.3	248,234	87.9	168,099	85.0
Administrative expenses	67,926	23.6	81,991	15.5	91,173	14.4	47,825	16.9	34,380	17.4
Selling and distribution expenses	24,142	8.4	36,522	6.8	41,043	6.5	22,111	7.8	15,167	7.6
Total	350,846	121.9	497,650	93.8	582,657	92.2	318,170	112.6	217,646	110.0

In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, we recorded net loss of RMB96.5 million, RMB63.4 million, RMB97.8 million, RMB97.8 million and RMB108.0 million, respectively. Our net losses during the Track Record Period could be attributed mainly to the substantial R&D expenses, administrative expenses and selling and distribution expenses we incurred as our business expanded rapidly.

We used RMB185.0 million, RMB194.0 million, RMB170.2 million, RMB107.3 million and RMB128.1 million in operating activities in 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively. The increase in the cash used for operating activities during the Track Record Period was mainly due to the increase in our trade receivables primarily as a result of our business growth and the increasing number of paying customers in each year. See “Financial Information — Discussion of Certain Selected Items from the Consolidated Statements of Financial Position — Assets — Trade Receivables” for more details. Furthermore, as we extend our operations into these new sectors, the initial costs associated with establishing our presence and adapting our offerings to meet the unique demands of these markets have contributed to a higher outflow of operational cash. Nevertheless, we believe as our relationships with customers in these new industries grow and our operational efficiencies improve overtime, our operating cash position will improve.

Reasons for Historical Loss

Due to our continuous investment in R&D activities and technological innovation and efforts on business expansion, we had recorded operating loss during the Track Record Period. As we navigated through the early stages of our business development, our emphasis was not just on immediate profitability but on revenue expansion to acquire market shares and attract premium customers. This approach will set the stage for us to leverage our enhanced market position and customer base towards achieving profitability in the short term.

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Our net losses during the Track Record Period could be mainly attributed to the substantial R&D expenses, administrative expenses and selling and distribution expenses we incurred as our business expanded rapidly:

- *R&D Expenses:* Our R&D expenses increased from RMB258.8 million in 2022 to RMB379.1 million in 2023, primarily due to (i) the increase of technical service fees we paid to our third-party service providers for complementary services needed to continuously enhance our R&D capabilities, and (ii) the increase of staff costs in 2023, mainly because of an increase in the performance-related staff compensation based on our further expanded business and increased revenue. Our R&D expenses further increased to RMB450.4 million in 2024, primarily due to the material increase in our technical service fees, reflecting our refined R&D resource allocation strategy under which a greater proportion of noncore and resource-intensive development activities was undertaken by qualified external service providers, enabling us to enhance operational efficiency and focus our internal resources on core technology development. Our R&D expenses decreased from RMB248.2 million in the six months ended June 30, 2024 to RMB168.1 million during the same period in 2025, primarily due to relatively lower demand for outsourced R&D in the six months ended June 30, 2025 as a result of seasonal business fluctuations, and the slowdown in technical service fee growth compared with the significant increase recorded in 2024, which was consistent with our R&D strategy to support our business growth in other diversified industries. Our R&D expenses accounted for 89.9%, 71.5%, 71.3%, 87.9% and 85.0% of the total revenue in 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively.
- *Administrative Expenses:* Our administrative expenses increased from RMB67.9 million in 2022 to RMB82.0 million in 2023, primarily attributable to our expanded business and increased revenue, which led to the increase in performance-related staff compensation as well as office expenses. Our administrative expenses slightly increased to RMB91.2 million in 2024, primarily due to our expansion of business scale, which led to higher staff costs, office and administrative expenses. Our administrative expenses decreased from RMB47.8 million in the six months ended June 30, 2024 to RMB34.4 million during the same period in 2025, primarily due to the our efforts to optimize cost structure and improve operational efficiency, under which we streamlined non-essential expenditures and reallocated resources to support sustainable growth. Our administrative expenses accounted for 23.6%, 15.5%, 14.4%, 16.9% and 17.4% of the total revenue in 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively.
- *Selling and Distribution Expenses:* Our selling and distribution expenses increased from RMB24.1 million in 2022 to RMB36.5 million in 2023, primarily due to (i) the increase of staff costs mainly because of an increase in the performance-related staff compensation of sales and marketing team based on our further expanded business and increased revenue, and (ii) the increase of marketing and advertising expenses following the growth of our business scale. Our selling and distribution expenses further increased to RMB41.0 million in 2024, primarily due to the incremental investments we made in promotional activities and customer engagement initiatives to support the expansion of our client base. Our selling and distribution expenses decreased from RMB22.1 million in the six months ended June 30, 2024 to RMB15.2 million during the same period in 2025. Our selling and distribution expenses accounted for 8.4%, 6.8%, 6.5%, 7.8% and 7.6% of the total revenue in 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively.

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We have successfully attained an initial level of economies of scale, proven by the decreasing percentage of R&D expenses, administrative expenses and selling and distribution expenses to total revenue in 2022, 2023 and 2024. Clients in the real-time data infrastructure and analytics market do not easily replace their service providers in the long term due to factors such as user habits and system stability. In particular, it usually takes more than six months, or even more than one year in many cases, for major customers in the real-time data infrastructure and analytics market (e.g. asset management institutions) to complete the procurement and implementation process to on-board a new digital system, and the replacement costs can be as high as millions of RMB to integrate the new system, according to Frost & Sullivan. Additionally, our solutions, especially on the data infrastructure level, address common pain points across various industries, which allows us to generate revenue in new segments without extensive R&D efforts. As we continue to leverage synergies in customer acquisition, retention, and solution development, our net losses are expected to be on a consistent downward trend, paving the way towards achieving profitability in the short term.

Overall Background in Support of Our Profitability Potential

Sufficient Demand

Since 2017, “Digital China” has become a national-level development strategy, and the development of the digital economy has become an important means of promoting high-quality economic growth. As data volume continues to grow and new data types and sources emerge, enterprises have increasingly sophisticated needs for data platforms and applications, including timeliness, uniformity and efficiency, in order to unleash the full potential of their data value. The asset management industry, in particular, is highly complex and changing rapidly, with demands for timely, accurate and comprehensive data about investment portfolios and potential opportunities. According to Frost & Sullivan, the total addressable market of real-time data infrastructure and analytics market for China’s asset management industry was approximately RMB61.8 billion as of December 31, 2023, and is forecasted to reach RMB156.5 billion in 2028, at a CAGR of 20.4% from 2023 to 2028. At the same time, the total addressable market size of real-time data infrastructure and analytics market in China reached RMB442.9 billion in 2023. Due to a series of favorable national policies, such as the implementation of the policy to record data assets on statement of financial position, this total addressable market size of real-time data infrastructure and analytics solutions market in China is expected to reach RMB1,152.0 billion in 2029.

Today, the real-time data infrastructure and analytics solution penetration in all industries in China remains at an infant level — the penetration rate of real-time data infrastructure and analytics market for the entire real-time data infrastructure and analytics market in China in terms of potential budgets of enterprises in all industries for real-time data infrastructure and analytics solutions was 3.6% in 2024, according to Frost & Sullivan. Such significant gap between the market size and total addressable market suggests massive market growth potential.

Our Competitive Edge

We ranked first in terms of revenue in 2024 in the real-time data infrastructure and analytics market for China’s asset management industry with a market share of 11.6%, which greatly exceeds the other top four players. With deep and well tested experience in the asset management industry, our solutions are able to effortlessly adapt to various needs in other verticals. We ranked fourth in terms of revenue in 2024 in

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China’s real-time data infrastructure and analytics market with a market share of 3.4%, according to Frost & Sullivan. Market shares of the top two players (two major cloud service providers) in China in terms of 2024 total revenues were 11.2% and 7.2%, respectively. Nonetheless, these competitors may not have the experience or expertise to penetrate and dominate each industry sector. Similar to major players in the overseas real-time data infrastructure and analytics market, the top two players in China mainly targeted at Internet and cloud sectors and typically offer standard real-time data infrastructure solutions with generic data processing functions. We believe that we are well-positioned in the market competition due to our advanced solutions as well as strategic vertical selection. We have gained valuable insights and industry knowhow from our commitment to the asset management industry since establishment. As compared to other major competitors, we have gained early-mover advantage and extensive industry knowhow in the asset management industry, which has a high barrier of entry as it features one of the most complex datasets and highest demands for data accuracy and timeliness. In particular, our industry knowhow is critical to generate accurate interpretation of data, and ensures that the solutions developed are finely tuned to recognize and react to the nuances of market dynamics. For instance, knowledge of how different types of market news (e.g., earnings reports, regulatory changes, geopolitical events) affect various sectors and asset classes allows our solutions to better weigh the relevance and potential impact of data. We continuously optimize our solutions based on knowhow accumulated on what functionalities that clients deem critical, latest risk and regulatory landscapes, and etc. At the same time, our asset management expertise enables our solutions to easily adapt across various sectors. In addition, as compared to other major competitors that historically mainly targeted at Internet and cloud sectors, our individualized enterprise service experience and system integration expertise at client’s end enable us to penetrate into industry-wide enterprise clients more easily.

Our competitive edge is further defined by three key attributes of our solutions, speed, accuracy, and scalability. Our solutions are able to rapidly aggregate, process and analyze data at a frequency of milliseconds to seconds (as compared to the industry average speed at the level of seconds), delivering automatic data outputs with 100% data consistency and traceability to optimize efficiency and flexibility across operations, representing the highest industry standard. Our solutions also stand out for their inherent scalability, as they are composed by functional modules, with great flexibility to craft bespoke solutions tailored to each client’s unique needs by selectively combining different modules.

In addition, we believe that we are able to effectively compete with other players considering that (i) we have accumulated a large and reputable client base, which covers all of the top 10 asset managers in China as ranked by their year-end AUM for 2022 on a group basis⁽¹⁾, according to Frost & Sullivan, as well as all of the top three state-owned telecommunications operators in China, and evidenced by a net dollar retention rate at 98%, 56% and 36% in 2023, 2024 and the six months ended June 30, 2025, respectively; and (ii) our high-quality solutions earn us up-sell potentials across industry lines. For example, after serving the financial branch of a state-owned telecommunications operator, such telecommunications operator also became our client. The quality of our solutions and the prospects of our business are also evidenced by the fact that a number of our top tier asset manager clients such as Taikang Life Insurance Co., Ltd., have become our shareholders over the past five years.

Note:

- (1) The group basis was calculated by including major asset management organizations/subsidiaries within the same group, as compared to calculations on the basis of each individual entity separately. Our client base of the top 10 asset managers in China refers to both the direct customers who directly purchase or engage with our products or services, and the end users who ultimately benefit from these products or services.

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Our Penetration Strategy

We believe we have established early-mover advantages as the leading real-time data infrastructure and analytics solutions provider for China’s asset management industry. In 2022, 2023, 2024 and the six months ended June 30, 2025, the number of our new paying customers was 77, 85, 119 and 27, respectively. In the face of international trade tensions, geopolitical uncertainties, and potential economic downturn, we believe our market leadership and expertise are able to win us new clients and adoption opportunities across industries ahead, and thus making us more resilient to market risks. In particular, our penetration strategies include:

- *Deepening relationships with existing clients:* We believe there is a significant opportunity to further expand our relationships with existing clients, including clients that we were not in a position to penetrate all their data processing needs when they first engaged with us. For clients that chose to initially utilize our solutions on selective asset classes or functionalities, we find that many have the tendency to expand the adoption with us once they experience the advantages of our solutions.
- *Addressing industry-wide pain points:* We believe the pain point is commonly observed across multiple industries where multiple disparate systems, sources, and spreadsheets hinders efficiency and occupies unnecessary manpower to consolidate, process and output data. We have accumulated extensive knowhow and expertise over multiple years by serving the highly complex asset management industry, and we believe there is significant potential in extending our solutions to adjacent and emerging industries. We expect the strategic growth in our versatile solutions across various industries to continuously diversify our expertise and extend our market reach.
- *Diversifying geographical market reach:* We believe there are attractive, untapped opportunities across various geographies that we can expand our business into. With our deeply rooted client relationships with China onshore asset managers, we expect to be an inseparable partner as they explore offshore investments for portfolio diversification and are currently pursuing such offshore opportunities. Our expansion strategy involves enhancing our data models to cover a broader array of business types and scopes, including foreign exchange, international funds and tailored services to Qualified Domestic Institutional Investors (QDIIs) and the overseas branches of domestic funds.

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Path to Profitability

Despite the history of operating losses, we have accumulated extensive industry knowhow and developed advanced real-time data infrastructure and analytics solutions, thereby establishing a solid foundation for long-term development and profitability. In particular, we have a proven track record of business sustainability and steady progress on profitability:

- *Established market presence:* We have developed into an established player in both the real-time data infrastructure and analytics market for China’s asset management industry and the total real-time data infrastructure and analytics market in China. We ranked first in terms of revenue in 2024 in the real-time data infrastructure and analytics market for China’s asset management industry with a market share of 11.6%, which greatly exceeds the other top four players. We ranked fourth in terms of revenue in 2024 in China’s real-time data infrastructure and analytics market with a market share of 3.5%.
- *Growth at scale:* Our growth has consistently outpaced the market during the Track Record Period. We achieved business and financial growth, with a revenue growth from RMB287.9 million in 2022 to RMB632.0 million in 2024 at a CAGR of 48.2%, thanks to the expansion of our customer base across various industries as a result of our advanced real-time data infrastructure and analytics solutions, knowhow accumulated and established brand awareness.
- *Profitability potential:* Our gross profit increased from RMB224.6 million in 2022 to RMB419.2 million in 2023, and further to RMB484.6 million in 2024. We anticipate continued growth in our gross profit as we further expand our customer base and extend the application of our solutions. We incurred adjusted net loss (Non-HKFRS measure) of RMB96.5 million, RMB58.3 million, RMB82.4 million, RMB87.1 million and RMB105.0 million in 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively. In addition, our gross profit margin remained relatively stable and increased from 78.0% in 2022 to 79.0% in 2023, and slightly decreased to 76.7% in 2024, coupled by the decreasing percentage of R&D expenses, administrative expenses and selling and distribution expenses to total revenue in 2022, 2023 and 2024. According to Frost & Sullivan, our gross profit margins throughout the Track Record Period ranked among the top in both the total real-time data infrastructure and analytics market in China and the real-time data infrastructure and analytics market for China’s asset management industry.
- *Liquidity:* We have consistently and successfully secured various forms of financing from capital markets, including financial institutions and third-party investors, prudently managed cash flows and maintained strong cash position, proactively optimized business mix for corporate resilience, and prudently and decisively invested in R&D capabilities for the long run. As of July 31, 2025, we had a total of RMB421.2 million cash resources (which include cash and cash equivalents, time deposits and financial assets at fair value through profit or loss (current portion)). As of July 31, 2025, we had RMB134.0 million of unutilized banking facilities.

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To maintain business sustainability and achieve profitability, we plan to:

- *Continue to upgrade our existing solutions and develop more advanced solutions:* Our ARPU increased from RMB1,582 thousand in 2022 to RMB2,652 thousand in 2023, and further to RMB2,724 thousand in 2024, growing at a growth rate of 68% from 2022 to 2023 and 2.7% from 2023 to 2024, respectively. Our ARPU slightly decreased from RMB1,672 thousand in the six months ended June 30, 2024 to RMB1,635 thousand in the same period of 2025. The number of modules we developed have more than doubled, increasing from 152 by the end of 2022 to 318 by the end of 2024 and to 332 as of June 30, 2025. We expect to obtain higher ARPU as we enhance our solutions, accumulate deeper industry insights and improve our brand awareness going forward.
- *Continue to expand our customer base across industries and offshore:* In 2024, our revenue by industry application generated in various industries outside asset management accounted for 61.3% of our total revenues, growing from 25.6% in 2022, leading to our revenue growth from RMB73.8 million in 2022 to RMB387.5 million in 2024. Our revenue generated in industries outside asset management was 52.3% and 52.7% of our total revenue in the six months ended June 30, 2024 and 2025. We believe there is significant potential in further extending our solutions to other industries. In addition, we commenced our offshore expansion efforts with the offshore branch or business of our domestic customer, based on the robust client relationships. We are currently supporting some of our domestic clients’ global investment strategies and data management needs for their Hong Kong branch business, and plan to introduce iterated solutions in the near future broadening the business types and scope of our data models to include foreign exchange and overseas funds. The tangible growth in revenue from the Hong Kong market, escalating from 0.3% in 2022 to 5.9% in 2024, showcases our feasibility and capabilities in navigating complex global landscapes, regulatory challenges, and competitive environments. We plan to establish stronger presence and increase our investments in other geographies with established financial markets, including Singapore and Japan, according to our clients’ evolving demands. We plan to start the penetration into new market from large asset management institutions leveraging our proven track record in the asset management industry. We plan to target industry-wide clients with our scalable and adaptable solutions in these geographies in the future.
- *Continue to benefit from the policy-backed societal shift towards industry-wide digitalization:* Since 2017, “Digital China” has become a national-level development strategy, and the development of the digital economy has become an important means of promoting high-quality economic growth. In particular, a series of national-level initiatives have been introduced in recent years on enhancing data application across various industries to unleash the value of data and strengthen real-time data infrastructure in China, such as the policy to record data as assets on a statement of financial position (數據資產入表) and the “Data Element X” Three-Year Action Plan (2024-2026)) to fully leverage the multiplier effect of data as an economic factor. These favorable national policies have propelled the public awareness of data’s intrinsic value and stimulated market demand for real-time data infrastructure and analytics solutions, establishing a fertile ground for our business. See “Business — Our Opportunities” for more details.

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- *Improve our operational efficiency and economies of scale:* We intend to optimize our costs of principal activities and operating expenses by increasing economies of scale and cost-efficiency as our business continues to grow. In particular, as we continue to accumulate technology know-how and grow as an established player in the real-time data infrastructure and analytics market in China, and apply our well tested solutions by the asset management industry to other industries, we expect our R&D expenses as a percentage to the revenue will continue to decrease. We also intend to optimize our administrative expenses by enhancing our level of centralized management, streamlining our internal workflows, and leveraging technology to drive cost-efficiency and productivity. In addition, we expect to continue to increasingly benefit from the network effect of our extensive and interconnected client base, as well as the strong word-of-mouth referrals that it generates, which would optimize our operating expenses in general, including but not limited to selling and distribution expenses.

COMPETITION

We believe our offerings are unique and our early recognition of the significant need in China’s asset management industry for data solutions back in 2016 has enabled us to establish trusted and long-lasting relationships with a loyal, sticky client base. Our real-time data infrastructure and analytics solutions are purpose-built to streamline our clients’ workflows across business departments. According to Frost & Sullivan, the total number of players in real-time data infrastructure and analytics market in China was more than 400 by the end of 2024, and the total number of players in real-time data infrastructure and analytics market for China’s asset management industry was more than 50 by the end of 2024. We ranked first in terms of revenue in 2024 in the real-time data infrastructure and analytics market for China’s asset management industry with a market share of 11.6%, which greatly exceeds the other top four players, and ranked fourth in terms of revenue in 2024 in China’s real-time data infrastructure and analytics market.

The real-time data infrastructure and analytics market in China, and particularly such market in the asset management industry, are subject to intense competition, pricing pressure, rapid technological advancements, and constantly changing competitive dynamics. Our future success depends on our ability to navigate the competitive landscape, optimize pricing model, effectively manage the growth of our business, maintain and improve our profit margins, and continue to commercialize our solutions successfully. See “Risk Factors — Risks Relating to Our Business and Industry — We operate in an increasingly competitive environment, and pricing pressure, new technologies, or other competitive dynamics may materially and adversely affect our business, financial condition, and results of operations” for details.

Furthermore, as our business continues to grow rapidly, we face significant competition for highly skilled personnel, including management, technical, sales and other personnel. The success of our growth strategy depends in part on our ability to retain existing personnel and attract additional highly skilled employees. See “Risk Factors — Risks Relating to Our Business and Industry — Our inability to attract, retain and motivate qualified personnel or loss of key management members or technical staff may materially and adversely affect our growth and prospects” for details.

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DATA PRIVACY AND SECURITY

Our solutions are deployed and run on our clients’ self-managed cloud or local computing systems and we do not store or have access to our clients’ data during their operation. We also disclaim our responsibilities for any damages or losses caused by the clients’ own operating environment or any third parties, the improper use or accidents caused by the clients, the clients’ own or third-party’s modification, upgrade, or maintenance of our solutions, and any other damages or losses not intentionally caused by us in the agreements we enter into with our clients. Nevertheless, during the course of providing our services, we may have access to and be entrusted with information that is confidential in nature during our collaboration, such as the client’s future plans, business strategies, and upcoming projects that are not publicly known. We believe data security is critical to our business operation and we are committed to complying with all applicable laws and regulations on data security and privacy. Our data are primarily processed and stored at servers located in China.

To ensure the confidentiality and integrity of our data, we maintain a comprehensive and rigorous data security program. We encrypt confidential data and take other technological measures to ensure the secure collection, storage, processing, transmission, usage and deletion of data. We have also established stringent internal protocols under which we grant classified access to data so as to only allow minimum data access by limited employees with strictly defined and layered access authority. Data access records are kept for review on a regular basis. We strictly control and manage the use of data in our Company. To ensure reliability and availability of our operations, we have designed various emergency plans in response to events of potential security breaches and attacks. We back up our data locally to minimize the risk of data loss. We also conduct periodical reviews of our back-up systems to ensure that they function properly and are well maintained. We have adopted internal data protection policies which require regularly compliance reviews and data security trainings to all employees.

The PRC government has enacted a series of laws and regulations on protection of cybersecurity, data and privacy in the past few years, mainly including the Cybersecurity Law (網絡安全法), the Data Security Law (數據安全法), the Personal Information Protection Law (個人信息保護法), and the Cybersecurity Review Measures (網絡安全審查辦法) (collectively, the “**Data Compliance Laws**”). For more details, see “Regulatory Overview — Laws and Regulations in Relation to the Protection of Cyber Security, Data and Privacy.” During the Track Record Period and up to the Latest Practicable Date, we were in compliance in all materials aspects with regulatory requirements in respect of data security and privacy based on the following:

- we have adopted comprehensive internal policies and measures on protection of cybersecurity, data and privacy to ensure continuous regulatory compliance;
- we have not received any investigation, enquiry, warning, penalty or sanction from competent government authorities (including the CAC) with regard to the Company’s business operations concerning any issues relating to protection of cybersecurity, data and privacy;
- we have not been involved in any legal proceedings initiated by competent government authorities or third parties in relation to protection of cybersecurity, data and privacy; and
- there has not been any cybersecurity incident or unauthorized misappropriation, leakage or loss of data that had any material adverse impacts on the business operations of the Company.

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Given the above, our legal advisor as to PRC data security law is of the view that, during the Track Record Period and up to the Latest Practicable Date, the applicable Data Compliance Laws had not have any material impact on our business operations and we had been in compliance in all material respects with all applicable Data Compliance Laws.

Based on the above, our Directors believe that the Company’s data security program is adequate and effective in ensuring the confidentiality and integrity of our data. Based on the independent due diligence work conducted by the Sole Sponsor, nothing has come to the Sole Sponsor’s attention that would cause it to disagree with the Directors’ view. For risk relating to data security and privacy, see “Risk Factors — Risks Relating to Our Business and Industry — We may be involved in disputes arising from our operations or breaches of our clients’ security systems, and the resulting client complaints, regulatory actions and legal proceedings against us may harm our reputation and have a material and adverse effect on our business, financial condition, results of operations and prospects” for details.

AWARDS AND ACHIEVEMENTS

As a result of our continuous investments in its research and development capacities, it has earned industry-wide recognition for its leading position as an innovator from multiple PRC governmental authorities. For instance, the Group has been awarded the High-tech Enterprise Certificate by relevant authorities in Shenzhen, Shanghai and Beijing.

See below our major awards and achievements as of the Latest Practicable Date.

Award/Recognition	Awarding Authority	Award Year
Shenzhen “Specialized, Refined, Differentiated and Innovative” Small and Medium-sized Enterprise Certificate	Shenzhen Municipal Bureau of Industry and Information Technology	2024
China Specialized, Refinement, Differentiation, Innovation (SRDI) “Little Giants” Firm	Ministry of Industry and Information Technology of the PRC	2024
Software Enterprise Certificate Encouraged by the State	Shenzhen Software Industry Association	2023
2022 KPMG China’s Leading 50 Fintech Companies	KPMG China	2023
High-Tech Enterprises Certificate	Beijing Science and Technology Innovation Commission, Finance Bureau of Beijing Municipality and Beijing Branch of State Taxation Administration	2023

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Award/Recognition	Awarding Authority	Award Year
Beijing Innovative Small and Medium Enterprises	Beijing Municipal Bureau of Economy and Information Technology	2023
Shenzhen Nanshan District High-Level Innovative Talent Training Base	Shenzhen Nanshan District Human Resources Bureau	2023
High-Quality Digital Transformation Product	China Academy of Information and Communications Technology	2023
Most Influential Financial Service Enterprise of 2022-2023	Devott Industrial Research Institute	2023
Shenzhen Specialized, Refinement, Differentiation, Innovation (SRDI) Small and Medium Enterprises	Industry and Information Technology Bureau of Shenzhen Municipality	2022
Zhongguancun High-tech Enterprise	Administrative Commission of Zhongguancun Science Park	2022
Recommended Excellent Product Certificate (for Xunce VOne)	Shenzhen Software Industry Association	2022
Standing Director Unit of Shenzhen Artificial Intelligence Society	Shenzhen Artificial Intelligence Society	2022
Standing Director Unit of Shenzhen Information Technology Application Innovation Alliance	Shenzhen Information Technology Application Innovation Alliance	2022
Software Enterprise Certificate	Shenzhen Software Industry Association	2021 and 2022
Member of Shenzhen Financial Technology Association	Shenzhen Financial Technology Association	2021

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INTELLECTUAL PROPERTY

We regard our patents, copyrights, trademarks, domain names, know-hows, proprietary technologies, trade secrets and other intellectual property rights as critical to our business operations. In this regard, we rely primarily on a combination of patents, copyrights, trademarks, trade secret and unfair competition laws and contractual rights, such as confidentiality agreement entered into with our employees, business partners, clients and others, to protect our intellectual property rights. We clearly state the rights and obligations regarding the ownership and protection of intellectual properties in the employment agreements and commercial agreements we enter into. In addition, we have taken the following key measures to protect our intellectual property rights: (i) implementing a set of comprehensive internal policies to establish robust management over our intellectual property rights, (ii) deploying a special team to guide, manage, supervise and monitor our daily work regarding intellectual properties, (iii) timely registration, filing and application for ownership of our intellectual properties, and (iv) engaging professional intellectual property service providers (e.g. patent agents). In particular, when making a patent application, our internal legal team and R&D team work together to evaluate the scope and strategy of application, and also engage external patent agents to leverage their specialized knowledge for refining application, ensuring robust protection and aligning with the latest technological and regulatory advancements in the field. The patent agents we work with have extensive experience and expertise in both law and data technology, which enable them to provide professional advice that helps us optimize the scope and protection strength of our patents.

As of the Latest Practicable Date, we possessed 51 patents and 478 copyrights in the PRC, and are applying for 7 patents in the PRC, mainly for our advanced technologies such as AI, cloud and big data. In addition, as of the same date, we had registered 59 trademarks and 10 domain names. See below our material invention patent rights granted, all of which are owned by us:

Patents	Registration No.	Status	Place of registration/ application	Date of Registration/ Expiry
Full-domain asset report generation method based on full-chain link	ZL202211598176.2	Registered	PRC	February 17, 2023/December 14, 2042
Unstructured data extraction method, apparatus, equipment, and storage medium	ZL202211339392.5	Registered	PRC	January 17, 2023/October 29, 2042
Encryption method for financial asset trading data transmission	ZL202211575625.1	Registered	PRC	March 3, 2023/December 9, 2042
Batch data processing method, apparatus, terminal device, and storage medium	ZL202010015112.X	Registered	PRC	September 12, 2023/January 7, 2040

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Patents	Registration No.	Status	Place of registration/ application	Date of Registration/ Expiry
Real-time valuation method, apparatus, and readable medium for big data financial assets	ZL202110152635.3	Registered	PRC	January 12, 2024/February 4, 2041
Method, apparatus, and readable medium for real-time calculation of fund valuation and risk indicators	ZL202011437197.7	Registered	PRC	December 26, 2023/December 10, 2040
Method for Secure Storage of Financial Asset Transaction Data	ZL202211679441.X	Registered	PRC	March 7, 2023/December 27, 2042
Data processing method, system, and readable medium for financial asset trading	ZL202211262481.4	Registered	PRC	April 25, 2023/October 14, 2042

The material patents above have comprehensively covered the underlying data processing technologies that are critical to the key characteristics and functions of our data modules, which comprised our major solutions. For example, the “full-domain asset report generation method based on full-chain link” patent protects our capability to collect heterogeneous data from multiple sources and produce comprehensive and accurate asset reports, which serves as the foundation for the unified data platform we provide for managing and analyzing data from various sources; the “unstructured data extraction method, apparatus, equipment, and storage medium” patent covers a set of technologies aim at extracting valuable information from unstructured data sources, which is crucial for data analysis, business intelligence, machine learning, and other applications across industries. These innovations not only reinforce our competitive edge but also help us maintain our leading position in the high-barrier industry we operate in.

For detailed information about our material intellectual property, see “Appendix IV — Statutory and General Information — Further Information about our Business — Intellectual Property Rights.”

Our Directors confirm that as of the Latest Practicable Date, we had no instance of infringement of third parties’ intellectual property rights.

We intend to protect our technology and proprietary rights vigorously, but there can be no assurance that our efforts will be successful. See “Risk Factors — Risks Relating to Our Business and Industry — We may not be able to prevent unauthorized use of our intellectual property, which could harm our business, brand, reputation, and competitive position, while we may also be subject to intellectual property infringement claims that may be expensive and time-consuming to defend, disrupting our business and operations by diverting our financial and management resources.”

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EMPLOYEES

As of June 30, 2025, we had a total of 478 employees. All our employees are based in the PRC. The following table sets forth a breakdown of our employees categorized by function as of June 30, 2025.

Function	Number	% of total
Research and development	320	67.0
Solution delivery	55	11.5
Sales and marketing	38	7.9
General and administration	65	13.6
Total	478	100.0

Our success depends on our ability to attract, retain and motivate qualified employees. To this end, as part of our human resource strategy, we offer employees competitive salaries, performance-based cash bonuses, and other incentives and benefits such as share-based compensation to our key management and technical staff. As a result, we have generally been able to attract and retain qualified employees and maintain a stable core management team.

We primarily recruit our employees through on-campus job fairs, recruitment agencies and online channels, including our corporate website and third-party employment websites. We provide regular training and reviews on internal policies and work skills to our employees to enhance their performance. We enter into standard employment agreements with our employees and confidentiality and non-compete agreements with our key management and technical staff. The agreements we enter into with our key management and technical staff typically have a term of three or five years, specify the obligations of such employees regarding the confidential information, including how they must handle and protect the information, and restrictions on its use or disclosure, and include a standard non-compete covenant that prohibits the employee from competing with us, directly or indirectly, during his or her employment and for certain period after termination of his or her employment.

As required by PRC laws and regulations, we participate in housing fund and various employee social insurance plans that are organized by applicable local municipal and provincial governments, including housing, pension, medical, work-related injury and unemployment benefit plans.

We believe that we maintain good working relationship with our employees and we had not experienced any material labor disputes or any difficulty in recruiting qualified staff for our operations during the Track Record Period and as of the Latest Practicable Date. Our employees are not currently represented by any labor union.

INSURANCE

We have contracted with leading insurance companies and providers to provide social security insurance, including pension insurance, unemployment insurance, work-related injury insurance, maternity insurance and medical insurance for our employees. In line with general market practice and as of the Latest Practicable Date, we had not obtained any business liability or disruption insurance to cover our operations, nor do we maintain key-man insurance, which are not mandatory under PRC laws. We believe our

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insurance policy complies with the relevant rules and regulation in China. See “Risks Factors — Risks Relating to Our Business and Industry — We may not have sufficient insurance coverage to cover our potential liability or losses, and our business, financial conditions, results of operations and prospects may be materially and adversely affected should any such liability or losses arise” for details.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Overview

We are committed to promoting corporate social responsibility and sustainable development and integrating it into all major aspects of our business operations. Corporate social responsibility is viewed as part of our core growth philosophy that will be pivotal to our ability to create sustainable value for our shareholders by embracing diversity and public interests. Accordingly, our Board of Directors has adopted a comprehensive policy on environmental, social and corporate governance responsibilities (the “ESG Policy”) in accordance with the Listing Rules, which sets forth our corporate social responsibility objectives and provides guidance on practicing corporate social responsibility in our daily operations, including (i) the appropriate risk governance on environmental, social and governance (“ESG”) matters, including climate-related risks and opportunities; (ii) identification of key stakeholders and the communication channels to engage with them; (iii) ESG governance structure; (iv) ESG strategy formation procedures; (v) ESG risk management and monitoring; and (vi) the identification of key performance indicators, the relevant measurements and mitigating measures.

Under our ESG Policy, we aim to build a sustainable community with our employees, clients and business partners by supporting local initiatives that aim to create effective and lasting benefits to the local community, through various initiatives that may include corporate philanthropy, establishing community partnerships, and mobilizing our employees to participate in volunteer work. In addition, we also endeavor to reduce any negative impacts on the environment through our commitment to energy saving and sustainable development. We will also focus on embracing diversity within our organization and equal and respectful treatment of all of our employees in their hiring, training, wellness and professional and personal development. While maximizing equal career opportunity for everyone, we will also continue to promote work-life balance and create a happy culture in our workplace for all of our employees.

Our Board of Directors has the collective and overall responsibility for establishing, adopting and reviewing the ESG vision, policy and target of our Group, and evaluating, determining and addressing our ESG-related risks at least once a year. Our Board of Directors may assess or engage independent third party(ies) to evaluate the ESG risks and review our existing strategy, target and internal controls. Necessary improvement will then be implemented to mitigate the risks. We have an ESG management team authorized by our Board of Directors to oversee ESG-related issues and perform relevant ESG governance responsibilities on behalf of our Board. The duties of our ESG management team include but not limit to reviewing the performance of our Group with respect to ESG matters, identifying, assessing and managing the relevant risks and opportunities, reviewing, evaluating, adopting and updating the relevant policies, and reporting and making recommendations to our Board.

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Environmental Policies

Commitment to Environment Sustainability through Business Operations

We recognize the importance of contributing to sustainable development for the benefit of our environment. We will monitor environmental and climate-related risks that may impact on our business, strategy and financial performance and evaluate the magnitude of resulting impact over the short, medium and long-term horizons. See “— Identification and assessment of environmental, social and governance risks and issues” for more information. We strive to minimize the impact of our operations on the environment.

We have implemented internal policies to reduce our carbon footprint in our operation in the following ways:

- Installing energy efficient lighting and ensuring lights are switched off when out of use either manually or through automatic sensors;
- Promoting e-office policies and requiring double-sided printing of documents throughout our offices;
- Switching off certain IT equipment or automatic power shutdown for certain systems and devices during holidays as appropriate;
- Air conditioning controls, with measures including requirements on lowest temperature, regular maintenance of air cooling technologies and optimal timing controls; and
- Posting slogans on saving water in our office, calling on employees to practice water conservation in their daily life.

Energy Conservation and Emission Reduction

We adhere to the development concept of green, low-carbon and recycle. Through the formulation and implementation of an energy resource management system, we have comprehensively promoted the management of energy resources, proactively identified potential space for energy conservation and formulated detailed energy conservation plans.

As a technology company, we recognize that while technology brings significant social and economic value, its environmental impact, especially the contribution of high computational power and electricity consumption to GHG emissions, cannot be overlooked. We face numerous challenges in the ESG domain.

In the short term, the direct environmental impacts of electricity consumption and its carbon emissions, as well as the effect of rising energy costs on operational expenses, are of concern. Looking to the medium term, technological upgrades and transitions must also consider their environmental impacts, testing our business capabilities; in the long term, maintaining competitiveness while adhering to increasingly strict environmental regulations is also necessary.

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We calculated Scope 1 to 3 carbon emissions according to the national carbon emission factors and GHG Protocol. In addressing Scope 1 to 3 emissions, we have adopted the following strategies and metrics to measure and manage our environmental impact:

	Strategies and metrics to measure and manage our Scope 1 to 3 carbon emissions
Scope 1 (Direct Emissions)	- Although our direct emissions are low, we continue to reduce them by optimizing our office environment and employee travel policies. For instance, internally we advocate for the utilization of video conferencing to minimize unnecessary travel expenses among employees. - We also endorse eco-friendly office practices, including the reduction of disposable product usage, and actively encourage green commuting alternatives.
Scope 2 (Indirect Emissions from Electricity Consumption)	- We continue to reduce indirect emissions by using more efficient server and data center technologies, as well as giving preferences to purchasing green energy products. We have implemented measures to manage electricity consumption effectively, which include initiatives such as the replacement of conventional lighting with energy-efficient LED fixtures and upgrading to Grade 2 or higher energy-efficient equipment. - To foster a culture of energy conservation among our staff, we require measures such as dimming or turning off non-essential lights during breaks and overtime periods, as well as powering down idle computers or setting them to energy-saving modes.
Scope 3 (Value Chain Emissions)	- The scope 3 emissions during our ordinary course of business mainly relates to emission from the computational power and electricity consumption of our suppliers in providing software or other technical services. We work with suppliers to optimize supply chain management, use more efficient server and green power, and encourage our partners to adopt sustainable practices. - We extend our commitment to environmental stewardship to our supplier management processes. We mandate compliance with all pertinent environmental regulations and laws, ensuring the safe handling, transportation, storage, and responsible disposal of waste, air emissions, and wastewater.

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Our Strategies to Address ESG-Related Risks and Opportunities

Climate-related issues are among our key agenda. Supervised by our Board, we actively identify and monitor the climate-related risks and opportunities over the short, medium and long term, and we seek to incorporate such climate-related issues into our businesses, strategy and financial planning. Set forth below is a summary of the climate-related risks that we have identified or plan to identify over the short, medium and long term:

	Climate-related risks	Potential impact
Short term (current reporting period)	• Extreme weather conditions such as rainstorms and typhoons	• Service outage and data loss, and the resulting financial liabilities and reputational damage
Medium term (one to three years)	• Heightened environmental regulatory oversight	• Increased operating and compliance costs
Long term (above three years)	• Global initiatives for carbon emission reduction	• Higher operating costs and/or tax burdens due to stringent environmental regulations

Our Board will evaluate the likelihood of occurrence and the estimated magnitude of the resulting impact over short-, medium- and long-term horizons. The decision to mitigate, transfer, accept or control a risk is influenced by various factors such as business location, cost-benefit analysis and change in regulatory landscape. We will incorporate physical and transition risk analysis into risk assessment processes and risk appetite setting. If the risks and opportunities are considered to be material, we will incorporate them into the strategy and financial planning process. It is expected that the extreme weather conditions for potential physical risks, and change in climate-related regulations and policy for potential transition risks would not have a material impact on our operation in the short and medium terms. We also aim to minimize the transition risk in the long term through reducing our carbon footprints. We have been and will continue taking mitigating steps to address these climate relates risks, including establishing and monitoring various metrics and targets to advance our ESG goals.

Metrics and Targets

We have established a comprehensive of key performance indicators to constrain and guide our business operations.

Power Usage

Metrics and targets. In 2024, the total power usage for our headquarters and offices in Shenzhen and Hangzhou was 192,921.3 kWh, corresponding to an average annual power usage of 1,339.7 kWh per employee in such offices. In the six months ended June 30, 2025, the total power usage for our headquarters and offices in Shenzhen and Hangzhou was 95,254.5 kWh, corresponding to an average power usage of 762.0 kWh per employee in such offices during the period. Along with our business expansion, we intend to reduce the level of our average annual power usage to 990 kWh per employee over the next three years.

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Measures leading to the targets. Going forward, we will continue to take measures to control the consumption of energy in our daily operations, thereby controlling carbon emissions. We install energy-efficient equipment and facilities in the office and ensure lights and electric devices are switched off when out of use. We urge employees to set air-conditioning temperature in a reasonable manner, and close the windows when the air conditioner is turned on. We also raise energy consumption awareness of our employees during our trainings and campaigns.

Water Usage

Metrics and targets. In 2024, the total water usage for our headquarters and offices in Shenzhen was 672 m³, corresponding to an average annual water usage of 9.2 m³ per employee in such offices. In the six months ended June 30, 2025, the total water usage for our headquarters and offices in Shenzhen was 345 m³, corresponding to an average water usage of 5.1 m³ per employee in such offices during the period. Along with our business expansion, we intend to reduce the level of our average annual water usage to 5.80 m³ per employee over the next three years.

Measures leading to the targets. Going forward, we will continue to take measures to control the water usage in our daily operations. We will continue our efforts of actively promoting green office practices to enhance our staff’s awareness of green and low-carbon practices, as well as conducting regular inspections and replacement of old water supply equipment to ensure their efficient operation. We will monitor our water consumption to identify irregularities in a timely manner.

Resource Consumption

We endeavor to reduce negative impact on the environment through our commitment to energy saving and sustainable development. We actively promote the idea of paperless workplace, and we encourage double-sided printing of documents in our office. The table below summarizes key energy usage indicators of our corresponding offices as set out above during the Track Record Period.

	Year ended December 31,			For the six months ended June 30,
	2022	2023	2024	2025
Electricity (MWh)	278,153	261,500	192,921	95,255
Electricity (MWh/employee)	1,133.0	1,043.9	364.7	199.3
Water (m ³)	696	694	672	345
Water (m ³ /employee)	5.66	6.49	1.27	0.72

Social and Governance Policies

In respect of social responsibilities, we are committed to offering a fair and caring working environment to our employees. We have transparent policies on compensation and dismissal, equal opportunities and anti-discrimination. We hire employees based on their merits and it is our corporate policy to offer equal opportunities and fair compensations to our employees. As of June 30, 2025, we had 159 female employees, accounting for approximately 33.3% of our total employees. We encourage our

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employees who encounter any discrimination to seek immediate assistance, which also allows us to conduct timely investigation and follow up as needed. In addition, we provide training programs on industry and regulatory developments to our employees. We also require all employees to follow our safety rules and receive safety training, which includes fire drills and video on evacuation and other fire safety measures.

During the COVID-19 pandemic, we had endeavored to provide a safe work environment by implementing company-wide self-protection policies for employees, including offering flexibility to work remotely, providing surgical masks and disinfectant sanitizers to our employees.

We comply with the laws and regulations in the PRC regarding anti-corruption. In addition, we have adopted and strictly implemented our internal anti-corruption policies as stipulated in our employee handbook, which is distributed to all employees through email and to new employees upon onboarding. Pursuant to our anti-corruption policies, any employee who takes a bribe from any business partner for the purpose of getting business will be subject to penalties or termination of labor contracts. In addition, we have imposed a whistleblowing procedure that allows employees to report actual or suspected wrongdoing. The identities of the whistle blowers are kept strictly confidential. We have built a sound corporate governance structure to ensure the effectiveness of our management. See “— Risk Management and Internal Controls” for more details.

Identification and Assessment of Environmental, Social and Governance Risks and Issues

We are committed to a thorough analysis and assessment process that will enable us to identify any material ESG risks and take actions to address these risks timely and effectively.

In respect of physical risk, we focus on acute physical risk, such as extreme weather events, which will cause service outage and data loss, and the resulting financial liabilities and reputational damage. To this end, we have formulated an emergency response plan with clear division of labor and specific implementation measures to ensure the full implementation of safety and health management guidelines. We also regularly organize employees to conduct relevant training and drills.

In respect of transition risks, we are not in an industry highly sensitive to climate-related risks and we are mainly concerned with policy and legal risks. We pay close attention to the global trend and China’s national strategy of addressing climate change and ecological environment protection, and will actively enhance our ability to address climate change and cope with China’s initiatives and action plans regarding future carbon dioxide emission.

We have taken certain measures to reduce ESG-related risks in the process of operation. See “— Environmental Policies.” We will continue to develop ESG guidelines, clarify departmental responsibilities and monitor our operations. In addition, we will make constant improvement of the ESG management regulation and operation rules. Necessary improvement will then be implemented to mitigate the risks and/or the issues identified. We may engage independent professional third parties to help us make necessary improvements on ESG issues, when necessary.

During the Track Record Period and up to the Latest Practicable Date, our business, results of operations and financial condition had not been materially adversely impacted by any environmental or

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social incidents. We do not expect our costs of complying with current and future environmental protection, health and safety laws to increase significantly going forward. However, because the requirements imposed by these laws and regulations may change, we may be unable to accurately predict the cost of complying with these laws and regulations. For more details, see “Risk Factors — Risks Relating to Our Business and Industry — Increasing focus with respect to environmental, social and governance matters may impose additional costs on us or expose us to additional risks. Failure to adapt to or comply with the evolving expectations and standards on environmental, social and governance matters from investors and the PRC government may adversely affect our business, financial condition and results of operations.”

PROPERTIES

Our current principal executive offices are located in Shenzhen, China. As of the Latest Practicable Date, we did not own any properties, and we rent 19 properties with an aggregate floor area of over 10,000 sq.m. We did not own or lease any properties overseas, as of the same date. These properties currently accommodate our management headquarters, most of our research and development, sales and marketing and general and administrative activities, as well as the post-sale product maintenance. We also rent properties for our other research and development center in Hangzhou, China. We believe that there is sufficient supply of properties in Chinese mainland and we do not rely on the existing leases for our business operations.

As of the Latest Practicable Date, for four leased properties, the lessors had not provided valid ownership certification, authorization documents or any other documentation proving their rights to lease those properties to us. As a result, these leases may not be valid, and there are risks that we may not be able to continue to use such properties. In the event that we are forced to relocate from any such leased properties, we may incur additional relocation costs. Our Directors believe that the aforementioned title defects will not have a material adverse effect on our business, financial condition, results of operations and prospects. Even if we are required to vacate from such properties, we believe we will be able to find comparable properties to relocate and the costs and expenses that we may incur for relocation will be immaterial. As of the Latest Practicable Date, we were not aware of any ownership controversies or disputes or third party claims. See “Risk Factors — Risks Relating to Our Business and Industry — Legal defects regarding some of our leased properties may affect our interests in the leased properties. Challenges to our interests in the leased properties could significantly disrupt our business and may adversely affect our business, financial condition and results of operations” for details.

As of the Latest Practicable Date, 17 of our property lease agreements had not been registered and filed with the competent PRC government authorities as required by applicable PRC laws and regulations. Our PRC Legal Advisor has advised us that failure to complete the registration and filing of lease agreements will not affect the validity of such leases or impede our use of the relevant properties but could result in fines ranging from RMB1,000 to RMB10,000 per lease agreement that is unregistered if we fail to rectify such non-compliance within the time frame prescribed by the relevant authorities. See “Risk Factors — Risks Relating to Our Business and Industry — Some leasing agreements of our leased properties have not been registered as required by applicable PRC laws and regulations. We may be subject to penalties should we fail to register these lease agreements upon request by the relevant authorities” for details.

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Though none of our leases have been terminated or voided before expiration during the Track Record Period, if any of our leases are terminated or voided as a result of challenges from third parties or the government, we would need to seek alternative premises and incur relocation costs. We believe that there are alternative properties at comparable rental rates available on the market, the use of which would not materially and adversely affect our business operations.

LEGAL PROCEEDINGS AND NON-COMPLIANCE

Legal Proceedings

During the Track Record Period and up to the Latest Practicable Date, we had not been involved in any actual or pending legal, arbitration or administrative proceedings (including any bankruptcy or receivership proceedings) that we believe would have a material adverse effect on our business, results of operations, financial condition or reputation. For the potential impact of legal proceedings on us, see “Risk Factors — Risks Relating to Our Business and Industry — We may be involved in disputes arising from our operations or breaches of our clients’ security systems, and the resulting client complaints, regulatory actions and legal proceedings against us may harm our reputation and have a material and adverse effect on our business, financial condition, results of operations and prospects.”

Based on (i) reviewing the material sales contracts included in the legal opinions issued by our PRC Legal Advisor, (ii) laptop research conducted by our PRC Legal Advisor; and (iii) confirmation by the Company, our PRC Legal Advisor is of the view that we are focusing on providing the development of system technology, technical support, system maintenance and upgrading services and we do not assume liabilities for the accuracy or completeness of the analytical results delivered to the customers through our solutions. During the Track Record Period and up to the Latest Practicable Date, we had not been subject to any material litigations, disputes or claims arising from such liabilities.

Non-Compliance

During the Track Record Period and up to the Latest Practicable Date, we had not been involved in any material non-compliance incidents that have led to fines, enforcement actions, or other penalties that we believe would have a material adverse effect on our business, results of operations, financial condition or reputation.

Social Insurance and Housing Provident Funds

During the Track Record Period and as of the Latest Practicable Date, we did not make full contribution to the social insurance and housing provident funds for some of our employees in accordance with the relevant PRC laws and regulations. In 2022, 2023, 2024 and the six months ended June 30, 2025, we made a provision in the amount of RMB1 million, RMB2 million, nil and nil, respectively, in connection with the shortfall amount of the social insurance and housing provident funds contribution during the Track Record Period.

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Potential Legal Consequences

For the shortfall of social insurance, we may be subject to the following legal consequences: (i) to pay all outstanding social insurance contributions within a prescribed period, with late fees at a daily rate of 0.05% of the outstanding amount, accruing from the date when the social insurance contributions are due, and (ii) to pay a fine of one to three times of the overdue amount if such payment is not made within the stipulated period. For the shortfall of housing provident funds, we may be subject to the following legal consequences: (i) to pay the outstanding housing provident funds within a prescribed period, and (ii) an application may be made to the courts by relevant authorities for compulsory enforcement if the payment is not made within the stipulated period.

Latest Status and Remedial Measures

Our Directors believe that such shortfall of social insurance and housing provident funds would not have a material and adverse effect on our business and results of operations, considering that: (i) we had not been imposed of any administrative penalties for not making full payment of the social insurance and housing provident funds, or received any notice to pay the shortfall, by relevant social insurance and housing provident fund authorities during the Track Record Period and up to the Latest Practicable Date; (ii) in accordance with the certificates issued by the competent authorities and verified by our PRC Legal Advisor by visiting the website of the competent authorities of social insurance and housing provident fund, we had not be punished for the violation of the laws of the PRC on social insurance or housing provident fund during the Track Record Period and up to the Latest Practicable Date; (iii) as of the Latest Practicable Date, there were no pending disputes or controversies between our employees and us in connection with social insurance and housing provident fund contributions during the Track Record Period; (iv) during the Track Record Period, no employees or relevant competent authorities raised objections in relation to social insurance or housing provident funds, and up to the Latest Practicable Date, we had not received any objections from any employees or authorities in relation to social insurance or housing provident funds during the Track Record Period; (v) in the event that we receive requests from the relevant authorities to pay any historical outstanding social insurance and housing provident fund contributions, or that we are required to pay any related late charges or penalties, we will timely make such payments in full; and (vi) as advised by our PRC Legal Advisor, considering the facts as mentioned above, the possibility that we are subject to administrative penalties for any outstanding social insurance and housing provident fund contributions incurred during the Track Record Period and up to the Latest Practicable Date is low.

We have taken the following internal control enhancement measures relating to social insurance and housing provident funds contributions:

- We have designated our human resources department to monitor the reporting and contributions of social insurance and housing provident funds;
- We will consult our PRC legal counsel on a regular basis for advice on relevant PRC laws and regulations to keep us abreast of relevant regulatory developments; and

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- We will actively communicate with relevant social insurance and housing fund local authorities to ensure we have the most updated information about the relevant laws and regulations concerning social insurance and housing provident funds. If the relevant authorities order us to pay the outstanding social insurance and/or housing provident funds or take any rectification measures in accordance with applicable laws and regulations, we undertake to make such payments or take such rectification measures promptly within the specified period.

We plan to make full payment of social insurance and housing provident fund contributions based on the actual salaries of our employees as soon as feasible in accordance with the regulatory window to adjust employee salary base filed with the relevant authorities in China. See “Risk Factors — Risks Relating to Our Business and Industry — Failure to comply with relevant regulations relating to social insurance and the housing provident fund may subject us to penalties and adversely affect our business, financial condition, results of operations and prospects.”

Registration of Leased Properties

As of the Latest Practicable Date, 17 of our leased properties had not been registered with the competent PRC government authorities as required by applicable PRC laws and regulations. We may have a maximum penalty of RMB10,000 imposed on us for each non-registered lease if we fail to complete the lease registration after we are requested to do so by the competent PRC government authorities.

We will take all practicable and reasonable steps to request the lessors of such properties to cooperate with us to complete the registration in a timely manner, however, such lessors may fail to do so. Our PRC Legal Advisor has advised us that the lack of registration of the lease agreements will not affect the validity of the lease agreements under PRC laws. See “Risk Factors — Risks Relating to Our Business and Industry — Some leasing agreements of our leased properties have not been registered as required by applicable PRC laws and regulations. We may be subject to penalties should we fail to register these lease agreements upon request by the relevant authorities.”

THIRD-PARTY PAYMENT ARRANGEMENT

Background

During the Track Record Period, as requested by one of our customers (the “Relevant Customer”), we settled its payments with us through third-party payers (such payer(s), the “Third-Party Payer(s),” and such arrangement(s), the “Third-Party Payment Arrangement(s)”). The Third-party Payers comprised of senior management of the Relevant Customer. In 2022, the aggregate amount of third-party payments (the “Third-Party Payments”) we received from Third-Party Payers was RMB4.8 million, which accounted for 1.7% of our total revenue for the corresponding period, respectively. In 2023, 2024 and the six months ended June 30, 2025, we did not have any Third-Party Payment Arrangements. No individual Relevant Customer had made material contribution to our Group’s revenue during the Track Record Period. As of the Latest Practicable Date, we had ceased all Third-party Payment Arrangements.

During the Track Record Period and up to the Latest Practicable Date, we had not initiated any Third-Party Payment Arrangements, but only accepted the Third-Party Payments paid by the Third-Party Payers at the request of the Relevant Customer. In addition, during the Track Record Period and up to the Latest

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Practicable Date, we had not provided any discount, commission, rebate, or other benefits to any of the Relevant Customer or the Third-Party Payers to facilitate or encourage the Third-Party Payment Arrangements. The Customer and the Third-Party Payers was an Independent Third Party as of the Latest Practicable Date. The payment, the pricing terms and other general commercial terms of the Relevant Customer are generally the same as our other customers. During the Track Record Period and up to the Latest Practicable Date, as confirmed by the Directors, (1) we had not encountered any disputes with, nor received any refund request from, any Relevant Customer or Third-Party Payer, and (2) we had not been subject to any disputes or administrative penalties by the relevant government authorities with respect to the Third-party Payment Arrangements.

Reasons for Utilizing Third-Party Payment Arrangements

During the Track Record Period, (A) the Relevant Customer was domestic asset manager in the PRC; and (B) the Third-Party Payers comprised of senior management of the Relevant Customer. According to Frost & Sullivan, it is not uncommon for the senior management of asset managers to settle payments through third-party payers to their vendors to facilitate payments. As advised by our PRC Legal Advisor, the Third-Party Payment Arrangements are not in breach of mandatory requirements of applicable laws or regulations in China. To the best knowledge of our Directors, the main reason for the Relevant Customer to utilize Third-Party Payment Arrangements is for convenience and flexibility.

Internal Control Measures for Third-Party Payment Arrangements

Our Directors are responsible for formulating and overseeing the implementation of our internal control measures and the effectiveness of our internal control system. To safeguard our interest against risks associated with Third-Party Payment Arrangements, the following internal control measures have been adopted:

- (1) prior to the end of 2022, we applied a layered contract approval framework for accepting third-party payments, which is subject to the approval of head of the sales department, product line manager, head of the R&D department, head of the delivery department, head of the legal department and head of the finance department, subject to the CEO’s final review and approval. After the approval, the sales assistant from the sales department delivers the contract to the seal administrator in the HR and administration department for contract seal registration. The seal administrator will then stamp the contract after verifying that the contract approval process is complete.
- (2) since 2023, we have ceased to allow our customers to settle payments through Third-Party Payers and all can only be settled by such customers’ own accounts thereafter;
- (3) we implemented an internal control policy in January 2024 to prohibit Third-Party Payments, and circulated the notice internally to alert and inform relevant staff members of requirements on identification of, and prohibition on accepting, Third-Party Payments; and
- (4) our employees are required to reject and/or return all payments made by third-party payers that failed to satisfy the above-mentioned requirements.

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Considering that our revenue generated from Third-Party Payment Arrangements as a percentage of our total revenue was immaterial, and in 2023, 2024 and the six months ended June 30, 2025 we did not have any Third-Party Payment Arrangements, our Directors confirm that the cessation of the Third-Party Payment Arrangements would not have any material adverse impact on our business, financial conditions or results of operations.

LICENSES, REGULATORY APPROVALS AND COMPLIANCE RECORD

As confirmed by our PRC Legal Advisor and as of the Latest Practicable Date, we had obtained all material licenses and permits required for our business operations in the PRC, and such material licenses and permits had remained in full effect. Since we only assist relevant clients in designing and providing the software system solutions they need, and we do not conduct any substantial asset management activities, our operations do not require licenses related to asset management.

The following table sets forth the material licenses and certifications we voluntarily obtained:

License/Certification	Entity Granting the License/ Certification	Grant Date	Expiration Date
ISO9001 (Quality Management System Certification)	Beijing Zhong’ An Quality Certification Center Co., Ltd.	May 21, 2024	May 20, 2027
ISO/IEC27001 (Information Security Management System Certification)	Beijing Zhong’ An Quality Certification Center Co., Ltd.	June 7, 2024	June 6, 2027
GB/T29490-2013 (Intellectual Property Management System Certification)	Zhongzhi (Beijing) Certification Co., Ltd.	May 22, 2024	May 21, 2027
ISO27701 (Privacy Information Management System Certification)	Beijing Zhong’ An Quality Certification Center Co., Ltd.	May 19, 2022	May 18, 2028
ISO45001 (Occupational Health and Safety Management System Certification)	Beijing Zhong’ An Quality Certification Center Co., Ltd.	October 18, 2022	October 17, 2025
ISO14001 (Environmental Management System Certification)	Beijing Zhong’ An Quality Certification Center Co., Ltd.	October 18, 2022	October 17, 2025
ISO9001 (Quality Management System Certification)	NOA Group Co., Ltd.	August 30, 2024	August 29, 2027
ISO9001 (Quality Management System Certification)	Zhonghong Certification (Jiangsu) Co., Ltd.	October 17, 2022	October 16, 2025

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RISK MANAGEMENT AND INTERNAL CONTROL

We have established and currently maintain risk management and internal control systems consisting of policies and procedures that we consider to be appropriate for our business operations. We are dedicated to continually improving these systems. We have adopted and implemented comprehensive risk management policies in various aspects of our business operations such as legal compliance and intellectual property rights, information technology, human resource, financial reporting, and internal control. Our Board of Directors is responsible for the establishment and updating of our internal control systems, while our senior management monitors the daily implementation of the internal control procedures and measures with respect to each subsidiaries and functional departments.

Internal Control Risk Management

To monitor the ongoing implementation of our risk management policies and ensure strict compliance of our business operations with applicable rules and regulations, we have designed and adopted a set of comprehensive internal control policies. We have also established an internal audit department to enhance internal controls and have engaged an independent internal control consultant to perform certain agreed-upon procedures in connection with the selected areas of our internal control, covering the period from July 1, 2024 to June 30, 2025.

During the review by the independent internal control consultant, certain non-material deficiencies were identified based on sample review and we have adopted the appropriate internal control measures to rectify such deficiencies. A follow-up review of those identified deficiencies was performed, covering the period from July 28, 2025 to August 8, 2025. We continually review our risk management policies and measures to ensure our policies and implementation are effective and sufficient.

Legal and Compliance Risk Management

In order to effectively manage our compliance and legal risk exposures, we have adopted strict internal procedures to ensure the compliance of our business operations with the applicable rules and regulations. In accordance with these procedures, our in-house legal department performs the basic function of reviewing and updating the form of contracts we enter into with our clients, suppliers and other business partners. Our legal department examines the contract terms and reviews all relevant documents for our business operations, including licenses and permits obtained by the counterparties to perform their obligations our business contracts and all the necessary underlying due diligence materials, before we enter into any contract or business arrangements.

We have in place detailed internal procedures to ensure that our in-house legal department reviews our products and services, including upgrades to existing products and services, for regulatory compliance before they are made available to the general public. Our in-house legal department is also responsible for obtaining any requisite governmental pre-approvals or consents, including preparing and submitting all necessary documents for filing with relevant government authorities, within the prescribed regulatory timelines.

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We continuously improve our internal policies according to changes in laws, regulations and industry standards, and update internal templates for legal documents. We undertake compliance management over various aspects of our operations and employee activities. We have also established an accountability system in respect of employees’ violations of laws, regulations and internal policies. We have an employee code of conducts in place, which contains internal rules and guidelines regarding basic working rules, work ethics, confidentiality, negligence, anti- bribery and anti-corruption. We provide our employees with regular training and resources to explain the guidelines contained in the employee code of conducts.

Intellectual Property Rights Risk Management

We implement strict internal rules and procedures to ensure our compliance with applicable rules and regulations relating to protection of our intellectual property rights and minimize risk of copyright infringement and related commercial and competition disputes. Specifically, we have in place internal processes to ensure that our in-house legal teams review, in some cases in consultation with outside legal counsel, our solutions and other ancillary services, including upgrades to existing solutions, for compliance with these laws and regulations before they are made available to our clients. As part of the review, we seek to minimize risk of infringement of third-party intellectual property rights and potential disputes by performing necessary intellectual property rights searches and analysis. We also periodically monitor published trademarks and patents to identify potential risks of infringement. Our legal teams also assist our product teams in ensuring that all necessary applications or filings for trademark, copyright and patent registrations are timely made to the competent authorities and seeking to upgrade our product feature to minimize the risks of potential copyright infringement arising from clients’ acts.

Our in-house legal teams are also responsible for reviewing and updating the terms in the form of contracts we enter into with our clients, business partners and suppliers, including those relating to the protection of intellectual property rights. They also constantly monitor updates and changes in laws and regulations in the PRC or other jurisdictions relating to intellectual property to ensure our ongoing compliance with these laws and regulations.

Data Privacy and Information Security Risk Management

Our solutions are deployed and run on our clients’ self-managed cloud or local computing systems and we do not store or have access to our clients’ data during their operation. We also disclaim our responsibilities for any damages or losses caused by the clients’ own operating environment or any third parties, the improper use or accidents caused by the clients, the clients’ own or third-party’s modification, upgrade, or maintenance of our solutions, and any other damages or losses not intentionally caused by us in the agreements we enter into with our clients. Nevertheless, during the course of providing our services, we may have access to and be entrusted with information that is confidential in nature, such as information that relates to our clients’ systems, operations or affairs.

We pay close attention to risk management relating to our information technology, as protection of clients’ data and other confidential information is critical to us. To ensure data security, we have adopted a rigorous encrypted algorithm to store sensitive data and strictly execute a data accessing and transmitting policy to ensure the confidentiality of our system. We have also developed strict internal control and data accessing mechanisms and detailed approval and operation procedures regarding data storage and

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processing. We have established a set of internal protocols on data security, which set forth detailed, stringent requirements in relation to the use, disclosure and protection of confidential information. For details, see “— Data Privacy and Security.”

Human Resource Risk Management

We have established internal control and risk management policies covering various aspects of human resource management such as recruitment, training, work ethics and legal compliance. We maintain high standards in recruitment with strict procedures to ensure the quality of new hires and provide specialized training tailored to the needs of our employees in different departments. We require our employees to conform to high ethical standards. We have in place an employee handbook and a code of conduct which is distributed to all our employees. The handbook contains internal rules and guidelines regarding work ethics, fraud prevention mechanisms, negligence, anti-bribery, and anti-corruption. In particular, our code of conduct explicitly requires that all employees comply with any applicable anti-corruption laws, regulations and policies, and they are prohibited from making illegal or improper payments to any government official, either on their own or via third parties. Additionally, our employees and their family members are not allowed to solicit or accept gifts, travel, hospitality or anything of value to the extent such favors or advantages may influence their professional judgments. Under our firm-wide whistle-blowing policy, we make our internal reporting channel open and available for our employees to report, on an anonymous basis, any non-compliance incidents and acts, including bribery and corruption. Reported incidents and persons will be investigated and appropriate measures will be taken in response to the findings. Furthermore, we conduct periodic performance reviews for our employees, and their remuneration is performance-based. We monitor the implementation of internal risk management policies on a regular basis to identify, manage and mitigate internal risks in relation to the potential non-compliance with our code of conduct, work ethics, and violations of our internal policies or illegal acts at all levels of our Group.

Financial Reporting Risk Management

We have in place a set of policies in connection with our financial reporting risk management, such as financial reporting management, internal audit and budget management. We also have procedures in place to implement such policies, and our financial department reviews our management accounts and internal control procedures based on such procedures. In addition, we provide regular training to our financial department staff to ensure they understand our accounting policies and procedures.

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

BOARD OF DIRECTORS

Our Board of Directors comprises nine Directors, including five executive Directors, one non-executive Director and three independent non-executive Directors. Our Directors serve a term of three years and may be re-elected for successive reappointments.

The following table sets out information in respect of the Directors.

Name	Age	Position/Title	Time of Joining our Group	Time of Appointment as a Director	Role and Responsibility
Executive Directors					
Mr. Liu Zhijian (劉志堅)	[45]	Chairman of the Board, executive Director and chief executive officer	April 2016	December 2016	Overall strategic planning, marketing and operation management of our Group
Mr. Geng Dawei (耿大為)	[45]	Executive Director and general manager	June 2016	January 2019	Government relations, public relations, key account management and marketing related affairs of our Group
Mr. Yang Yang (楊陽)	[41]	Executive Director and chief technology officer	April 2016	September 2017	Overall product development and engineer team management of our Group
Mr. Xuan Ran (宣然)	[37]	Executive Director, president and joint company secretary	April 2018	January 2019	Delivery and pre-sales, as well as marketing and business operations of our Group
Mr. Jiang Chunfei (姜春飛)	[46]	Executive Director and senior vice president	April 2020	June 2020	Marketing work of institutional customers of our Group
Non-executive Director					
Mr. Cai Xiang (蔡祥)	[47]	Non-executive Director	February 2024	February 2024	Providing professional advice and guidance to the Board

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Name	Age	Position/Title	Time of Joining our Group	Time of Appointment as a Director	Role and Responsibility
Independent Non-executive Directors					
Mr. Wong Ti (汪棣)	[66]	Independent Non-executive Director	February 2024	February 2024 ^{Note 2}	Providing independent advice on issues relating to corporate governance, audit and the remuneration and assessment of our Directors, Supervisors and senior management
Mr. Jiang Changjian (蔣昌建)	[59]	Independent Non-executive Director	February 2024	February 2024 ^{Note 2}	Providing independent advice on issues relating to corporate governance, audit and the remuneration and assessment of our Directors, Supervisors and senior management
Ms. Tian Jiangchuan (田江川)	[37]	Independent Non-executive Director	February 2024	February 2024 ^{Note 2}	Providing independent advice on issues relating to corporate governance, audit and the remuneration and assessment of our Directors, Supervisors and senior management

Note 1: Each of our Directors had no relationship with other Directors, Supervisors or members of senior management of our Company as at the Latest Practicable Date.

Note 2: The appointment will become effective upon the [REDACTED].

Executive Directors

Mr. Liu Zhijian (劉志堅), aged [45], joined our Group in April 2016 and has been serving as the chief executive officer and a Director of our Company since December 2016. Mr. Liu served as the chairman of the Board from September 2017 to June 2019, and was selected as the chairman of the Board since December 2023. He was re-designated as our executive Director in February 2024. Mr. Liu is primarily responsible for the overall strategic planning, marketing and operation management of our Group.

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Mr. Liu has extensive work experience in the asset management and corporate management industries. Prior to founding our Company, Mr. Liu worked in The Royal Bank of Scotland, where he joined in July 2006 as a graduate trainee and left in August 2012 with his last position as a director. Mr. Liu also served as an executive director of China Development Bank International Investment Limited (國開國際投資有限公司), a company listed on the Stock Exchange (HKEX: 1062), from September 2012 to May 2015.

Mr. Liu obtained his bachelor’s degree in electronic science and technology from Tsinghua University (清華大學) in the PRC in July 2004. Mr. Liu obtained his master’s degree in electrical and electronic engineering from the Hong Kong University of Science and Technology in Hong Kong in November 2006. Mr. Liu is currently pursuing an Executive Master of Business Administration (EMBA) degree at the PBC School of Finance, Tsinghua University (清華大學五道口金融學院) in the PRC from September 2021. Mr. Liu is a Yale Sinovation Fellow (耶魯創新學者) awarded by the Yale School of Management.

Mr. Geng Dawei (耿大為), aged [45], joined our Group in 2016 and has been a Director and the general manager of our Company since January 2019. Mr. Geng also served as the chairman of the Board from June 2019 to December 2023. He was re-designated as our executive Director in February 2024. He is primarily responsible for government relations, public relations, key account management and marketing related affairs of our Group. Mr. Geng also serves as a director of a number of subsidiaries of our Company, being Beijing Xunjing, Hangzhou Xunhang, Shenzhen Xunshen, Xunce HK, Beijing Huayinshange, Shanghai Kuanrui, Shanghai Kaiyu and Shanghai Xunli.

Prior to joining our Group, Mr. Geng worked at Far Eastern International Financial Leasing Co., Ltd. (遠東國際租賃有限公司) from July 2010 to May 2012. Mr. Geng also served as the general manager of the marketing department of State Grid International Leasing Company Ltd. (國網國際融資租賃有限公司, formerly known as 英大匯通融資租賃有限公司) from June 2012 to May 2016.

Mr. Geng obtained his bachelor’s degree in computer science and technology from Tianjin University (天津大學) in the PRC in June 2002. Mr. Geng obtained his master’s degree in business administration from Tsinghua University (清華大學) in the PRC in July 2010. Mr. Geng is currently pursuing DBA degree in China Europe International Business School (中歐國際工商學院).

Mr. Yang Yang (楊陽), aged [41], joined as the chief technology officer of our Company in April 2016 and has been a Director of our Company since September 2017. He was re-designated as our executive Director in February 2024. Mr. Yang is primarily responsible for overall product development and engineer team management of our Group. Mr. Yang also serves as a director of Shanghai Kuanrui, Shanghai Kaiyu and Xunce HK.

Prior to joining our Group, Mr. Yang worked at Tencent Technology (Shenzhen) Company Limited (騰訊科技(深圳)有限公司), a wholly-owned subsidiary of Tencent Holdings Limited (騰訊控股有限公司), a company listed on the Stock Exchange (HKEX: 700), from September 2009 to December 2011. Mr. Yang also worked at Shenzhen Futu Network Technology Co., Ltd. (深圳市富途網絡科技有限公司), a wholly-owned subsidiary of Futu Holdings Limited, a company listed on the Nasdaq (NASDAQ: FUTU), from February 2012 to May 2013. Mr. Yang then worked at Shenzhen iDreamSky Technology Co., Ltd. (深圳市創夢天地科技有限公司), a wholly-owned subsidiary of iDreamSky Technology Holdings Limited (創夢天地科技控股有限公司), a company listed on the Stock Exchange (HKEX: 1119), from June 2013 to March 2015.

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Mr. Yang obtained his bachelor’s degree in electrical engineering automation from China University of Petroleum (East China) (中國石油大學(華東)) in the PRC in July 2006. Mr. Yang obtained his master’s degree in software theory from Jilin University (吉林大學) in the PRC in June 2009. Mr. Yang obtained his EMBA degree from Guanghua School of Management, Peking University (北京大學光華管理學院) in the PRC in July 2024.

Mr. Xuan Ran (宣然), aged [37], joined as the president of our Company in April 2018 and has been a Director of our Company since January 2019. He was re-designated as our executive Director in February 2024 and was appointed as our joint company secretary in August 2025. Mr. Xuan is primarily responsible for delivery and pre-sales, as well as marketing and business operations of our Group. Mr. Xuan also serves as a supervisor of a number of subsidiaries of our Company, being Shenzhen Xunshen, Beijing Xunjing, Hangzhou Xunhang, Shanghai Kuanrui, Shanghai Kaiyu, Beijing Huayinshangce and Shanghai Xunli.

Mr. Xuan currently serves as a director of Boyun Jianri (Shenzhen) Intelligent Technology Co., Ltd. (撥雲見日(深圳)智能科技有限公司) since June 2021. Prior to joining our Group, Mr. Xuan worked in Hudsun Technology Inc. (恒生電子股份有限公司), a company listed on Shanghai Stock Exchange (SSE: 600570), as the head of the engineering team of the customer service center capital pipeline investment innovation implementation department from July 2011 to May 2016, where he was primarily responsible for implementation delivery and pre-sales.

Mr. Xuan was awarded Forbes Asia 30 Under 30 in 2018. Mr. Xuan obtained his bachelor’s degree in software engineering from Dalian University of Technology (大連理工大學) in the PRC in June 2011. Mr. Xuan completed the VC STAR project in Cheung Kong Graduate School of Business (長江商學院) in the PRC in July 2020. Mr. Xuan obtained his MBA degree from the School of Economic and Management, Tsinghua University (清華大學經濟管理學院) in the PRC in April 2025.

Mr. Jiang Chunfei (姜春飛), aged [46], joined as the senior vice president of our Company in April 2020 and has been a Director of our Company since June 2020. He was re-designated as our executive Director in February 2024. Mr. Jiang is primarily responsible for the marketing work of institutional customers of our Group. Mr. Jiang also serves as a director of Shanghai Kaiyu and Shanghai Kuanrui.

Prior to joining our Group, Mr. Jiang served as the vice general manager of Shenzhen Kingdom Sci-Tech Co., Ltd. (深圳市金證科技股份有限公司), a company listed on the Shanghai Stock Exchange (SSE: 600446), from July 2001 to May 2011. Mr. Jiang served as an executive director of the customer service center at the chief department of brokerage business in Everbright Securities Company Limited (光大證券股份有限公司), a company listed on the Shanghai Stock Exchange (SSE: 601788) and the Stock Exchange (HKEX: 6178), from June 2011 to April 2013. Mr. Jiang was the vice general manager of Kingdom Wealth Nanjing Sci-Tech. Co., Ltd. (金證財富南京科技有限公司), where he joined in May 2013 and left in April 2020.

Mr. Jiang obtained his bachelor’s degree in computer application from Inner Mongolia University (內蒙古大學) in the PRC in July 2001. Mr. Jiang is currently pursuing EMBA degree in PBC School of Finance, Tsinghua University (清華大學五道口金融學院).

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Non-executive Director

Mr. Cai Xiang (蔡祥), aged [47], is a non-executive Director of our Company. Mr. Cai was appointed as a non-executive Director in February 2024. Mr. Cai is primarily responsible for providing professional advice and guidance to the Board.

Mr. Cai currently is a partner of Huaren Culture (Shanghai) Equity Investment Management Co., Ltd. (華人文化(上海)股權投資管理有限公司) since January 2022. Before that, Mr. Cai worked at SenseTime Investment Limited, an indirectly wholly-owned subsidiary of SenseTime Group Inc., a company listed on the Stock Exchange (HKEX: 20), as a managing director of investment department since he joined SenseTime in 2018. Prior to working at SenseTime, Mr. Cai worked at Deutsche Bank AG, Hong Kong Branch as a director at the Division of Corporate Finance. Mr. Cai worked at HSBC Group as a director of CF-Strategic Equity FIN prior to joining Deutsche Bank AG, Hong Kong Branch. Prior to that, Mr. Cai worked at UBS AG where he served as an executive director.

Mr. Cai graduated from Fudan University (復旦大學) in the PRC in July 2000, majoring in international economics. Mr. Cai obtained his JD and PhD degrees from Cornell University in the United States in May 2006 and January 2007, respectively.

Independent Non-executive Directors

Mr. Wong Ti (汪棣), aged [66], was appointed as an independent non-executive Director in February 2024 effective from the [REDACTED]. Mr. Wong is primarily responsible for providing independent advice on issues relating to corporate governance, audit and the remuneration and assessment of our Directors, Supervisors and senior management.

Mr. Wong has over 20 years of experience in serving financial service industry clients. Mr. Wong joined PricewaterhouseCoopers Zhong Tian (普華永道中天會計師事務所) in December 1990 and has held various positions successively. Mr. Wong served as senior auditor, senior manager and partner at the PricewaterhouseCoopers Zhong Tian before retiring in June 2015.

Mr. Wong served as an independent non-executive director of China Merchants Securities Co., Ltd. (招商證券股份有限公司), a company listed on the Shanghai Stock Exchange (SSE: 600999) and the Stock Exchange (HKEX: 6099), from January 2018 to November 2022. He was as an independent non-executive director of 51 Credit Card Inc., a company listed on the Stock Exchange (HKEX: 2051), from February 2018 to April 2022. Mr. Wong currently serves as an independent director of Hang Seng Bank (China) Limited (恒生銀行(中國)有限公司) since September 2022, and an independent director of Morgan Fund Management (China) Limited (摩根基金管理(中國)有限公司) since May 2019. Mr. Wong has also been serving as a supervisor at Vivasolis Biotechnology Co., Ltd. (旭昶生物科技股份有限公司).

Mr. Wong obtained his bachelor's degree in commerce from National Taiwan University in Taiwan, PRC in June 1982. Mr. Wong received his master's degree in business administration from the University of California, Los Angeles in the United States in March 1986. He was accredited as a non-practicing member of The Shanghai Institute of Certified Public Accountants in December 2015 and a Certified Public Accountant in the United States in May 1993.

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Mr. Jiang Changjian (蔣昌建), aged [59], was appointed as an independent non-executive Director in February 2024 effective from the [REDACTED]. Mr. Jiang is primarily responsible for providing independent advice on issues relating to corporate governance, audit and the remuneration and assessment of our Directors, Supervisors and senior management.

Mr. Jiang has over 20 years of experience in political science, international politics, mass media and foreign policy. He has held positions with the School of International Relations and Public Affairs of Fudan University (復旦大學) since July 1997 and has been serving as an associate professor since November 2001, responsible for lecturing international relations. He has been serving as an independent non-executive director of Linmon Media Limited, a company listed on the Stock Exchange (HKEX: 9857), since September 2021. He was a postdoctoral researcher and a Fulbright Scholar at Yale University in the United States from August 1998 to August 1999, and served as a visiting scholar at Columbia University in the United States from March 2012 to June 2012. He served as an independent director of Sanxiang Impression Co., Ltd. (三湘印象股份有限公司), a company listed on the Shenzhen Stock Exchange (SZE: 000863), from May 2018 to June 2024, as an independent director of BGI Genomics Co., Ltd. (深圳華大基因股份有限公司), a company listed on the Shenzhen Stock Exchange (SZE: 300676), from June 2015 to June 2021, and as an independent director of Suzhou Etron Technologies Co., Ltd. (蘇州易德龍科技股份有限公司), a company listed on the Shanghai Stock Exchange (SSE: 603380), from August 2015 to August 2021.

Mr. Jiang graduated from the Department of International Politics of Fudan University (復旦大學) majoring in political theory in the PRC in April 1994, and completed his doctoral courses in political theory from Fudan University (復旦大學) in June 1997. Mr. Jiang won the championship of the first “International College Debate Competition” in August 1993 and received the “Best Debater” award.

Ms. Tian Jiangchuan (田江川), aged [37], was appointed as an independent non-executive Director in February 2024 effective from the [REDACTED]. Ms. Tian is primarily responsible for providing independent advice on issues relating to corporate governance, audit and the remuneration and assessment of our Directors, Supervisors and senior management.

Ms. Tian served as an associate director of the investment bank department at UBS Hong Kong from September 2009 to June 2014. Ms. Tian then worked at CITIC Capital from November 2014 to March 2015. After leaving CITIC Capital, Ms. Tian founded Monad Ventures, an equity investment fund focusing on enterprise software and innovation technology, in April 2015 as the managing partner.

Ms. Tian obtained her bachelor’s degree in economics and statistics from University College London in the United Kingdom in August 2009. Ms. Tian received the Certification of Fund Practice Qualification (基金從業資格證書) from the Asset Management Association of China (中國證券投資基金業協會) in April 2016.

SUPERVISORY COMMITTEE

The Supervisory Committee consists of three Supervisors, including one employee representative Supervisor. The employee representative Supervisor was elected at a staff representative assembly and the other two Supervisors were elected at a Shareholders’ meeting, all for a term of three years, subject to re-election upon retirement.

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

The following table sets out information in respect of the Supervisors.

Name	Age	Position/Title	Time of Joining our Group	Time of Appointment as a Supervisor	Role and Responsibility
Mr. Guo Kexin (國可心)	[39]	Employee representative Supervisor and Chairman of the Supervisory Committee	March 2018	June 2019	Supervising the performance of our Directors and members of senior management and performing other supervisory duties as a Supervisor
Mr. Sun Zhengzhang (孫正章)	[43]	Supervisor	April 2019	December 2023	Supervising the performance of our Directors and members of senior management and performing other supervisory duties as a Supervisor
Mr. Zheng Shenglei (鄭聖磊)	[34]	Supervisor	May 2018	December 2023	Supervising the performance of our Directors and members of senior management and performing other supervisory duties as a Supervisor

Note: Each of our Supervisors had no relationship with other Directors, Supervisors or members of senior management of our Company as at the Latest Practicable Date.

Supervisors

Mr. Guo Kexin (國可心), aged [39], is the chairman of our Supervisory Committee and an employee representative Supervisor. Mr. Guo is primarily responsible for supervising the performance of our Directors and members of senior management and performing other supervisory duties as a Supervisor.

Mr. Guo joined our Group in March 2018 as a project director. He was appointed as the Supervisor of our Company in June 2019. Prior to joining our Company, Mr. Guo worked at Beijing Mingce Data Processing Co., Ltd. (北京名策數據處理有限公司) as an implementation deputy general manager from April 2016 to March 2018. Mr. Guo worked as a customer support engineer at Hudsun Technology Inc. (恒生電子股份有限公司), a company listed on the Shanghai Stock Exchange (SSE: 600570), from June 2013 to March 2016. Mr. Guo worked at the Dalian Branch of Avepoint Technology Changchun Co., Ltd. (長春徑點科技有限公司(大連分公司)), a subsidiary of AvePoint, Inc., a company listed on the Nasdaq (NASDAQ: AVPT), as a software engineer from August 2010 to May 2013.

Mr. Guo obtained his bachelor’s degree in software engineering from Dalian University of Technology (大連理工大學) in the PRC in June 2011.

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Mr. Sun Zhengzhang (孫正章), aged [43], is our Supervisor. Mr. Sun is primarily responsible for supervising the performance of our Directors and members of senior management and performing other supervisory duties as a Supervisor.

Mr. Sun joined our Group in April 2019 as the chief marketing officer. Mr. Sun was a director of our Company from March 2021 to December 2023. He was selected as a Supervisor of our Company in December 2023. Prior to joining our Company, Mr. Sun worked successively as the general manager of marketing center for Beijing region of the trust department and the national head of marketing center for AMC industry at Hudsun Technology Inc. (恒生電子股份有限公司), a company listed on the Shanghai Stock Exchange (SSE: 600570), from January 2011 to March 2019.

Mr. Sun obtained his bachelor’s degree in computer science and technology from Hebei GEO University (河北地質大學, formerly known as Shijiazhuang University of Economics (石家莊經濟學院)) in the PRC in June 2005. Mr. Sun is currently pursuing EMBA degree in China Europe International Business School (中歐國際工商學院).

Mr. Zheng Shenglei (鄭聖磊), aged [34], is our Supervisor. Mr. Zheng is primarily responsible for supervising the performance of our Directors and members of senior management and performing other supervisory duties as a Supervisor.

Mr. Zheng joined our Group in May 2018 as the project director. He was selected as a Supervisor of our Company in December 2023. Prior to joining our Company, Mr. Zheng worked at Beijing Mingce Data Processing Co., Ltd. (北京名策數據處理有限公司) as an implementation manager of eastern China region from November 2016 to May 2018. Mr. Zheng also worked at Hudsun Technology Inc. (恒生電子股份有限公司), a company listed on the Shanghai Stock Exchange (SSE: 600570), from July 2014 to November 2016.

Mr. Zheng received his bachelor’s degree in electronic information engineering from Zhejiang University of Science & Technology (浙江科技大學, formerly known as Zhejiang College of Science & Technology (浙江科技學院)) in the PRC in July 2014.

SENIOR MANAGEMENT

The following table sets out information regarding the members of senior management of our Company.

Name	Age	Position/Title	Time of Joining our Group	Time of Appointment as Senior Management	Role and Responsibility
Mr. Liu Zhijian (劉志堅)	[45]	Chairman of the Board, executive Director and chief executive officer	April 2016	December 2016	Overall strategic planning, marketing and operation management of our Group
Mr. Geng Dawei (耿大為)	[45]	Executive Director and general manager	June 2016	January 2019	Government relations, public relations, key account management and marketing related affairs of our Group

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Name	Age	Position/Title	Time of Joining our Group	Time of Appointment as Senior Management	Role and Responsibility
Mr. Yang Yang (楊陽)	[41]	Executive Director and chief technology officer	April 2016	June 2020	Overall product development and engineer team management of our Group
Mr. Xuan Ran (宣然)	[37]	Executive Director, president and joint company secretary	April 2018	January 2019	Delivery and pre-sales, as well as marketing and business operations of our Group
Mr. Jiang Chunfei (姜春飛)	[46]	Executive Director and senior vice president	April 2020	June 2020	Marketing work of institutional customers of our Group

Mr. Liu Zhijian (劉志堅), aged [45], is the chairman of the Board, an executive Director and the chief executive officer of our Company. For details of his biography, see “— Board of Directors” in this section.

Mr. Geng Dawei (耿大為), aged [45], is an executive Director and the general manager of our Company. For details of his biography, see “— Board of Directors” in this section.

Mr. Yang Yang (楊陽), aged [41], is an executive Director and the chief technology officer of our Company. For details of his biography, see “— Board of Directors” in this section.

Mr. Xuan Ran (宣然), aged [37], is an executive Director, the president and joint company secretary of our Company. For details of his biography, see “— Board of Directors” in this section.

Mr. Jiang Chunfei (姜春飛), aged [46], is an executive Director and the senior vice president of our Company. For details of his biography, see “— Board of Directors” in this section.

GENERAL

Save as disclosed above, each of our Directors, Supervisors and members of senior management has not been a director of any public company the securities of which are listed on any securities market in Hong Kong or overseas in the three years immediately preceding the date of this Document.

Save as disclosed herein, to the best knowledge, information and belief of our Directors and Supervisors having made all reasonable enquiries, there was no other matter with respect to the appointment of our Directors and Supervisors that needs to be brought to the attention of the Shareholders and there was no information relating to our Directors and Supervisors that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules as of the Latest Practicable Date.

As of the Latest Practicable Date, save for those disclosed in the section headed “Statutory and General Information – Further Information about Our Directors, Supervisors, Senior Management and Substantial Shareholders”, none of our Directors, Supervisors and senior management held any interest in our Company as set out in Part XV of the SFO.

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

JOINT COMPANY SECRETARIES

Mr. Xuan Ran (宣然) has been appointed as our joint company secretary in August 2025. For details of his biography, see “– Board of Directors” in this section.

Ms. Leung Wing Han Sharon (梁穎嫻) is our joint company secretary. Ms. Leung is a Director of Company Secretarial Services of Tricor Services Limited, a global professional services provider specializing in integrated business, corporate and investor services. Ms. Leung has over 15 years of experience in the corporate secretarial field. She has been providing professional corporate services to Hong Kong listed companies as well as multinational, private and offshore companies.

Ms. Leung is a Chartered Secretary, a Chartered Governance Professional and a Fellow Member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom. Ms. Leung is also a member of the Hong Kong Institute of Certified Public Accountants.

BOARD COMMITTEES

Our Board delegates certain responsibilities to various committees. In accordance with the relevant PRC laws and regulations and the Corporate Governance Code, our Company has formed four Board committees, namely the Audit Committee, the Remuneration and Assessment Committee, the Nomination Committee and the Strategy Committee.

Audit Committee

We have established an Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph D.3 of Part 2 of the Corporate Governance Code. The Audit Committee consists of three members, namely Mr. Wong Ti and Ms. Tian Jiangchuan, our independent non-executive Directors, and Mr. Cai Xiang, our non-executive Director. Mr. Wong Ti, who holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules, serves as the chairperson of the Audit Committee. The primary duties of the Audit Committee include, but not limited to, the following:

- proposing the appointment or change of external auditors to our Board, and coordinating the communication between internal audit and external audit;
- examining the financial information of our Company and disclosure related matters;
- supervising the financial reporting system, risk management and internal control system of our Company;
- examining the scientificity, rationality, effectiveness and implementation of the internal control system of our Company and its subsidiaries and branches, and making recommendations on the accountability of those responsible for violations;
- reviewing major connected transactions according to the mandate granted by the Board; and

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

- dealing with other matters that are authorized by our Board or involved in laws, regulations, regulatory documents, the Listing Rules, the Articles of Association, and the rules of procedure of the Board.

Remuneration and Assessment Committee

We have established a Remuneration and Assessment Committee with written terms of reference in compliance with Rule 3.25 of the Listing Rules and paragraph E.1 of Part 2 of the Corporate Governance Code. The Remuneration and Assessment Committee consists of three members, namely Mr. Liu Zhijian, our chairman of the Board and executive Director, and Ms. Tian Jiangchuan and Mr. Jiang Changjian, our independent non-executive Directors. Ms. Tian Jiangchuan serves as the chairperson of the Remuneration and Assessment Committee. The primary duties of the Remuneration and Assessment Committee include, but not limited to, the following:

- performing responsibilities set out in the relevant code provisions of the Corporate Governance Code (as amended from time to time);
- formulating individual remuneration plans for Directors, Supervisors and members of the senior management in accordance with their job responsibilities, the importance of their positions as well as the remuneration benchmarks for the relevant positions in the other comparable companies;
- making recommendations to the Board on the overall remuneration policy and structure of the Directors and senior management of our Company, and formulating a remuneration policy to establish formal and transparent procedures;
- making recommendations to the Board on the remuneration package of individual executive Directors and senior management;
- making recommendations to the Board on the remuneration of non-executive Directors (including independent non-executive directors);
- examining the criteria of performance evaluation of Directors, Supervisors and the senior management of our Company, and conducting annual performance evaluation;
- reviewing and/or approving matters relating to shares schemes under Chapter 17 of the Listing Rules; and
- dealing with other matters that are authorized by the Board.

Nomination Committee

We have established a Nomination Committee with written terms of reference in compliance with Rule 3.27A of the Listing Rules and paragraph B.3 and Part 2 of the Corporate Governance Code. The Nomination Committee consists of three members, namely, Mr. Liu Zhijian, our chairman of the Board and executive Director, and Ms. Tian Jiangchuan and Mr. Jiang Changjian, our independent non-executive

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Directors. Mr. Liu Zhijian serves as the chairperson of the Nomination Committee. The primary duties of the Nomination Committee include, but not limited to, the following:

- researching and developing standards and procedures for the election of our Board members, general managers and members of the senior management, and making recommendations to our Board;
- conducting extensive search and providing to our Board suitable candidates for Directors, general managers and other members of the senior management;
- examining our Board candidates, general manager and members of the senior management and making recommendations to our Board;
- examining at least annually the structure, number, composition and diversity of members of the Board (including skills, knowledge, experience, gender, age, cultural and educational background, and service tenure), assisting our Board in maintaining a board skills matrix and making recommendations on any changes to the Board that are proposed to match the strategy of our Company;
- evaluating the structure of the committees under the Board, making recommendations on the directors to serve as members of relevant committees, and submitting to the Board for approval;
- formulating, examining, implementing and supervising (if applicable) Director nomination policies, and disclosing them in the corporate governance report of our Company every year;
- formulating, examining and implementing the Board diversity policy, monitoring the progress towards the goals set for the implementation of relevant policies, and disclosing relevant policies or policy summaries in the corporate governance report every year, including any measurable targets set for the implementation of the policies and their achievement progress towards these goals;
- supporting the Company’s regular evaluation of the Board’s performance; and
- dealing with other matters that are authorized by our Board.

Strategy Committee

We have established a Strategy Committee according to relevant PRC laws and regulations. The Strategy Committee consists of three members, namely, Mr. Liu Zhijian, our chairman of the Board and executive Director, and Mr. Yang Yang and Mr. Xuan Ran, our executive Directors. Mr. Liu Zhijian serves as the chairperson of the Strategy Committee. The primary duties of the Strategy Committee include, but not limited to, the following:

- reviewing the overall development strategic plan and each special development strategic plan of the Company, and making recommendations to the Board;

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- assessing the overall development status of the Company’s various businesses and promptly proposing adjustments to the development strategic plan to the Board;
- reviewing the business, investment and financing plans of the Company, and making recommendations to the Board;
- reviewing the annual financial budget and final accounts plans of the Company, and making recommendations to the Board;
- supervising and inspecting the implementation of the business and investment plans of the Company;
- evaluating the governance status of the Company and making recommendations to the Board;
- other matters stipulated in laws, regulations, rules, normative documents and the Articles of Association and authorized by the Board.

CONFIRMATIONS FROM OUR DIRECTORS

Rule 8.10 of the Listing Rules

Each of our Directors confirms that as of the Latest Practicable Date, he or she did not have any interest in a business which competes or is likely to compete, directly or indirectly, with our business, and requires disclosure under Rule 8.10 of the Listing Rules.

Rule 3.09D of the Listing Rules

Each of our Directors confirms that he or she (i) has obtained the legal advice referred to under Rule 3.09D of the Listing Rules in March 2024, and (ii) understands his or her obligations as a director of a [REDACTED] issuer.

Rule 3.13 of the Listing Rules

Each of the independent non-executive Directors has confirmed (i) his/her independence as regards each of the factors referred to in Rules 3.13(1) to (8) of the Listing Rules, (ii) that he/she had no past or present financial or other interest in the business of the Company or its subsidiaries or any connection with any core connected person of the Company under the Listing Rules as of the Latest Practicable Date, and (iii) that there were no other factors that may affect his/her independence at the time of his/her appointments.

REMUNERATION OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Our Directors, Supervisors, and senior management receive their remuneration in the form of salaries, allowances and benefits in kind, performance related bonuses and pension scheme contributions.

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

The total compensation before taxation accrued to our Directors and Supervisors for the years ended December 31, 2022, 2023, 2024 and the six months ended June 30, 2025 were RMB9.43 million, RMB5.42 million, RMB4.48 million and RMB2.09 million, respectively.

Under the arrangement currently in force, we estimate the total compensation before taxation to be accrued to our Directors and Supervisors for the year ending December 31, 2025 to be approximately RMB8.0 million. The actual remuneration of our Directors and Supervisors in 2024 may be different from the expected remuneration.

The remuneration paid by our Company to the five highest paid individuals (including Directors and Supervisors) for the years ended December 31, 2022, 2023, 2024 and the six months ended June 30, 2025 were RMB8.48 million, RMB3.95 million, RMB4.12 million and RMB1.91 million, respectively.

We confirmed that during the Track Record Period, no remuneration was paid by our Group to, or receivable by, our Directors, Supervisors or the five highest paid individuals as an inducement to join or upon joining our Company or as compensation for loss of office in connection with the management positions of any subsidiary of our Company.

During the Track Record Period, none of our Directors or Supervisors waived any remuneration. Save as disclosed above, no other payments had been paid, or are payable, by our Company or any of our subsidiary to our Directors, Supervisors or the five highest paid individuals during the Track Record Period.

CORPORATE GOVERNANCE

Our Company is committed to achieving high standards of corporate governance with a view to safeguarding the interests of our Shareholders. To accomplish this, our Company intends to comply with Corporate Governance Code set out in Appendix C1 to the Listing Rules.

Our Directors recognize the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of our Group to achieve effective accountability. Our Company intends to comply with all code provisions in the Corporate Governance Code as set out in Appendix 14 to the Listing Rules after the [REDACTED] except for Code Provision C.2.1 of the Corporate Governance Code, which provides that the roles of chairman of the board and chief executive officer should be separate and should not be performed by the same individual.

The roles of chairman of the Board and the chief executive officer are currently performed by Mr. Liu Zhijian (“**Mr. Liu**”). In view of Mr. Liu’s substantial contribution to our Group since our establishment and his extensive experience, we consider that having Mr. Liu acting as both our chairman of the Board and chief executive officer will provide strong and consistent leadership to our Group and facilitate the efficient execution of our business strategies. We consider it appropriate and beneficial to our business development and prospects that Mr. Liu continues to act as both our chairman of the Board and chief executive officer after [REDACTED], and therefore currently do not propose to separate the functions of chairman of the Board and chief executive officer.

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

While this would constitute a deviation from Code Provision C.2.1 of the Corporate Governance Code, the Board believes that this structure will not impair the balance of power and authority between the Board and the management of our Company, given that (i) there are sufficient checks and balances in the Board, as a decision to be made by our Board requires approval by at least a majority of our Directors, and our Board comprises three independent non-executive Directors, which is in compliance with the requirement under the Listing Rules; (ii) Mr. Liu and the other Directors are aware of and undertake to fulfill their fiduciary duties as Directors, which require, among other things, that he acts for the benefit and in the best interests of our Company and will make decisions for our Group accordingly; and (iii) the balance of power and authority is ensured by the operations of the Board which comprises experienced and high caliber individuals who meet regularly to discuss issues affecting the operations of our Company. Moreover, the overall strategic and other key business, financial, and operational policies of our Group are made collectively after thorough discussion at the Board and/or senior management levels. The Board will continue to review the effectiveness of the corporate governance structure of our Group in order to assess whether separation of the roles of chairman of the Board and chief executive officer is necessary.

BOARD DIVERSITY POLICY

In order to enhance the effectiveness of our Board and to maintain the high standard of corporate governance, we have adopted the board diversity policy which sets out the objective and approach to achieve and maintain diversity of our Board. Pursuant to the board diversity policy, we seek to achieve Board diversity through the consideration of a number of factors when selecting the candidates to our Board, including but not limited to gender, skills, age, professional experience, knowledge, culture, education background, ethnicity and length of service. The ultimate decision of the appointment will be based on merit and the contribution which the selected candidates will bring to our Board.

Our Directors have a balanced mix of knowledge and skills, including overall management and strategic development, finance and accounting and corporate governance in addition to industry experience in asset management industry. They obtained degrees in various majors including computer science, electronic science and technology, economics and business administration. We have three independent non-executive Directors with different industry backgrounds, representing one third of the members of our Board. Furthermore, our Board has a diverse age and gender representation. Taking into account our existing business model and specific needs as well as the different background of our Directors, the composition of our Board satisfies our board diversity policy. Our board diversity policy is well implemented as evidenced by the fact that there are Directors ranging from [37] years old to [66] years old and comprises one female Director and eight male Directors. We will use our best efforts to maintain at least one or 10% female representation in the Board and continue to take steps to promote diversity at all levels of the Company to enhance the effectiveness of corporate governance of the Company as a whole.

Our Nomination Committee is responsible for ensuring the diversity of our Board members. After the [REDACTED], our Nomination Committee will review the board diversity policy from time to time to ensure its continued effectiveness and we will disclose in our corporate governance report about the implementation of the board diversity policy on an annual basis.

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

COMPLIANCE ADVISER

We have appointed Somerley Capital Limited as our Compliance Adviser pursuant to Rules 3A.19 and 3A.23 of the Listing Rules. The Compliance Adviser will provide us with guidance and advice as to compliance with the Listing Rules and other applicable laws, rules, codes and guidelines. Pursuant to Rule 3A.23 of the Listing Rules, the Compliance Adviser will advise our Company in certain circumstances including:

- (a) before the publication of any regulatory announcement, circular or financial report;
- (b) where a transaction, which might be a notifiable or connected transaction, is contemplated, including share issues, sales or transfers of treasury shares and share repurchases;
- (c) where we propose to use the [REDACTED] of the [REDACTED] in a manner different from that detailed in this Document or where our business activities, developments or results deviate from any forecast, estimate or other information in this Document; and
- (d) where the Stock Exchange makes an inquiry to our Company regarding unusual movements in the [REDACTED] or [REDACTED] of its [REDACTED] securities or any other matters in accordance with Rule 13.10 of the Listing Rules.

Pursuant to Rule 3A.24 of the Listing Rules, the Compliance Adviser will, among others, on a timely basis, inform our Company of any amendment or supplement to the Listing Rules and any new or amended laws and regulations in Hong Kong applicable to us, and guide and advise us as to compliance with the Listing Rules and all other applicable laws, rules, codes and guidelines.

The term of the appointment will commence on the [REDACTED] and is expected to end on the date on which our Company complies with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year commencing after the [REDACTED].

RELATIONSHIP WITH OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

Immediately prior to the [REDACTED], Mr. Liu Chengxi, indirectly through Zhuhai Enyuan, Zhuhai Fuqian, Zhuhai Guwen and Zhuhai Hengcheng, controlled approximately 28.86% of our total issued share capital. Immediately following the completion of the [REDACTED] and assuming the [REDACTED] is not exercised, Mr. Liu Chengxi, indirectly through Zhuhai Enyuan, Zhuhai Fuqian, Zhuhai Guwen and Zhuhai Hengcheng, will control approximately [REDACTED]% of our total issued share capital. Therefore, Mr. Liu Chengxi, Zhuhai Enyuan, Zhuhai Fuqian, Zhuhai Guwen and Zhuhai Hengcheng constitute our Single Largest Group of Shareholders upon [REDACTED], and our Company will not have any controlling shareholder as defined under the Listing Rules upon [REDACTED]. For details of the shareholding of Mr. Liu Chengxi, Zhuhai Enyuan, Zhuhai Fuqian, Zhuhai Guwen and Zhuhai Hengcheng immediately prior to and following the completion of the [REDACTED], see “History, Development and Corporate Structure.”

INDEPENDENCE FROM OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

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

Management Independence

We are able to carry on our business independently from our Single Largest Group of Shareholders from a management perspective. Our Board consists of nine Directors, including five executive Directors, one non-executive Director and three independent non-executive Directors.

- (a) each Director is aware of his/her fiduciary duties as a director which require, among other things, that he/she acts for the benefit and in the interest of our Company and does not allow any conflict between his/her duties as a Director and his/her personal interests;
- (b) our daily management and operations are carried out by a senior management team, all of whom have substantial experience in the industry in which our Company is engaged, and will therefore be able to make business decisions that are in the best interests of our Group. For details of the industry experience of our senior management team, see “Directors, Supervisors and Senior Management;”
- (c) we have three independent non-executive Directors and certain matters of our Company must always be referred to the independent non-executive Directors for review;
- (d) in the event that there is a potential conflict of interest arising out of any transaction to be entered into between our Group and a Director and/or his/her associate, he/she shall abstain from voting and shall not be counted towards the quorum for the voting; and
- (e) we have adopted a series of corporate governance measures to manage conflicts of interest, if any, between our Group and our Single Largest Group of Shareholders which would support our independent management. For details, see “— Corporate Governance.”

RELATIONSHIP WITH OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

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

Operational Independence

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

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

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

Financial Independence

We have an independent financial system and make financial decisions according to our Group’s own business needs. We have internal control and accounting systems and an independent finance department for discharging the treasury function. We have sufficient capital to operate our business independently, and have adequate internal resources and working capital to support our daily operations. We do not expect to rely on our Single Largest Group of Shareholders and their close associates for financing after the [REDACTED] as we expect that our working capital will be funded by cash flows generated from operating activities, equity financing, bank loans as well as the [REDACTED] from the [REDACTED].

In addition, we are capable of obtaining financing from independent third parties without relying on any guarantee or security provided by our Single Largest Group of Shareholders or their respective associates. As of the Latest Practicable Date, there was no outstanding loan or guarantee provided by or granted to our Single Largest Group of Shareholders or their respective associates. During the Track Record Period and as of the Latest Practicable Date, we had also received a series of Pre-[REDACTED] Investments from third party investors. For details of the Pre-[REDACTED] Investments, see “History, Development and Corporate Structure.”

Based on the above, our Directors believe that we do not place undue reliance on our Single Largest Group of Shareholders upon the [REDACTED].

INTERESTS OF OUR SINGLE LARGEST GROUP OF SHAREHOLDERS IN OTHER BUSINESSES

Save for the interests of our Single Largest Group of Shareholders in our Group, our Single Largest Group of Shareholders and the Directors confirm that as of the Latest Practicable Date, they did not have

RELATIONSHIP WITH OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

any interest in a business, apart from the business of our Group, which competes or is likely to compete, directly or indirectly, with our business, which would require disclosure under Rule 8.10 of the Listing Rules.

CORPORATE GOVERNANCE

Our Company will comply with the provisions of the Corporate Governance Code, which sets out principles of good corporate governance.

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

- (a) where a Shareholders’ meeting is to be held for considering proposed transactions in which our Single Largest Group of Shareholders or any of their respective associates has a material interest, our Single Largest Group of Shareholders will not vote on the resolutions and shall not be counted towards the quorum for the voting;
- (b) our Company has established internal control mechanisms to identify connected transactions. Upon the [REDACTED], if our Company enters into connected transactions with a substantial shareholder or any of his/its associates, our Company will comply with the applicable Listing Rules;
- (c) the independent non-executive Directors will review, on an annual basis, whether there is any conflict of interests between the Group and our Single Largest Group of Shareholders (the “**Annual Review**”) and provide impartial and professional advice to protect the interests of our minority Shareholders;
- (d) our Single Largest Group of Shareholders will undertake to provide all necessary information, including all relevant financial, operational and market information and any other necessary information as required by the independent non-executive Directors for the Annual Review;
- (e) our Company will disclose decisions (with basis) on matters reviewed by the independent non-executive Directors either in its annual report or by way of announcements;
- (f) where our Directors reasonably request the advice of independent professionals, such as financial advisors, the appointment of such independent professionals will be made at our Company’s expenses; and
- (g) we have appointed Somerley Capital Limited as our Compliance Adviser to provide advice and guidance to us in respect of compliance with the Listing Rules, including various requirements relating to corporate governance.

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

SUBSTANTIAL SHAREHOLDERS

SUBSTANTIAL SHAREHOLDERS

So far as our Directors are aware, immediately following completion of the [REDACTED] and assuming the [REDACTED] is not exercised, the following persons will have interests and/or short positions in the Shares or underlying shares of our Company which would fall to be disclosed pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO or, who is, directly or indirectly, interested in 10% or more of the nominal value of any class of our share capital carrying rights to vote in all circumstances at general meetings of our Company:

Name of Shareholder	Nature of Interest	Number and class of Shares held ⁽¹⁾	Approximate percentage of shareholding in the relevant class of Shares after the [REDACTED] (assuming the [REDACTED] is not exercised)	Approximate percentage of shareholding in the total share capital of our Company after the [REDACTED] (assuming the [REDACTED] is not exercised) ⁽¹⁾
			(%)	(%)
Mr. Liu Chengxi	Interest in controlled corporations ⁽²⁾	[REDACTED] Unlisted Shares	[REDACTED]	[REDACTED]
		[REDACTED] H Shares	[REDACTED]	[REDACTED]
Zhuhai Hengcheng ⁽²⁾	Interest in controlled corporations ⁽²⁾	[REDACTED] Unlisted Shares	[REDACTED]	[REDACTED]
		[REDACTED] H Shares	[REDACTED]	[REDACTED]
Zhuhai Enyuan ⁽²⁾	Beneficial owner	[REDACTED] Unlisted Shares	[REDACTED]	[REDACTED]
		[REDACTED] H Shares	[REDACTED]	[REDACTED]
Zhuhai Fuqian ⁽²⁾	Beneficial owner	[REDACTED] Unlisted Shares	[REDACTED]	[REDACTED]
		[REDACTED] H Shares	[REDACTED]	[REDACTED]
Zhuhai Guwen ⁽²⁾	Beneficial owner	[REDACTED] Unlisted Shares	[REDACTED]	[REDACTED]
		[REDACTED] H Shares	[REDACTED]	[REDACTED]
Guangxi Tencent Venture Capital Co., Ltd. (廣西騰訊創業投資有限公司) (“Guangxi Tencent”) ⁽³⁾	Beneficial owner	[REDACTED] Unlisted Shares	[REDACTED]	[REDACTED]
		[REDACTED] H Shares	[REDACTED]	[REDACTED]

SUBSTANTIAL SHAREHOLDERS

Name of Shareholder	Nature of Interest	Number and class of Shares held ⁽¹⁾	Approximate percentage of shareholding in the relevant class of Shares after the [REDACTED] (assuming the [REDACTED] is not exercised)	Approximate percentage of shareholding in the total share capital of our Company after the [REDACTED] (assuming the [REDACTED] and is not exercised) ⁽¹⁾
			(%)	(%)
Hubei High Quality Development Industry Investment Fund Partnership (Limited Partnership)* (湖北高質量發展產業投資基金合夥企業(有限合夥)) (“ Hubei High Quality ”) ⁽⁴⁾	Beneficial owner	[REDACTED] Unlisted Shares	[REDACTED]	[REDACTED]
		[REDACTED] H Shares	[REDACTED]	[REDACTED]
Tianjin Weizi Enterprise Management Partnership (Limited Partnership) (天津魏紫企業管理合夥企業 (有限合夥)) (“ Tianjin Weizi ”) ⁽⁵⁾	Beneficial owner	[REDACTED] Unlisted Shares	[REDACTED]	[REDACTED]
Taikang Life Insurance Co., Ltd. (泰康人壽保險有限責任公司) (“ Taikang Life ”) ⁽⁶⁾	Beneficial owner	[REDACTED] Unlisted Shares	[REDACTED]	[REDACTED]
Shenzhen Qianhai Yuxin Guochang Investment Partnership (Limited Partnership) (深圳前海羽信國昌投資合夥企業 (有限合夥)) (“ Yuxin Guochang ”) ⁽⁷⁾	Beneficial owner	[REDACTED] Unlisted Shares	[REDACTED]	[REDACTED]
Shenzhen Yuxin Renhui Investment Partnership (Limited Partnership) (深圳羽信仁輝投資合夥企業 (有限合夥)) (“ Yuxin Renhui ”) ⁽⁸⁾	Beneficial owner	[REDACTED] Unlisted Shares	[REDACTED]	[REDACTED]
Accel Asia Holdings II Pte. Ltd. (“ Accel Asia Holdings II ”) ⁽⁹⁾	Beneficial owner	[REDACTED] H Shares	[REDACTED]	[REDACTED]

Notes:

- (1) The calculation is based on the total number of [REDACTED] Unlisted Shares in issue and [REDACTED] H Shares in issue immediately after completion of the [REDACTED].
- (2) Zhuhai Enyuan was owned by Mr. Liu Chengxi and Zhuhai Hengcheng as to 99% and 1%, respectively; Zhuhai Fuqian was owned by Mr. Liu Chengxi and Zhuhai Hengcheng as to 99% and 1%, respectively; and Zhuhai Guwen was owned by its sole general partner Zhuhai Hengcheng as to 1% and 17 limited partners, including our former director Wang Wei (王偉) and other 16 Independent Third Parties, as to 99%. To the best of knowledge of the Company, none of the 17 limited partners of Zhuhai Guwen holds more than one-third of partnership interests therein. The general partner of Zhuhai Enyuan, Zhuhai Fuqian and Zhuhai Guwen is Zhuhai Hengcheng, which was in turn held as to 99.9% by Mr. Liu Chengxi and 0.1% by Mr. Geng Dawei. Therefore, each of Mr. Liu Chengxi and Zhuhai Hengcheng is deemed to be interested in the Shares of our Company held by Zhuhai Enyuan, Zhuhai Fuqian and Zhuhai Guwen.

SUBSTANTIAL SHAREHOLDERS

- (3) Guangxi Tencent is wholly-owned by Shenzhen Tencent Ruijian Investment Co., Ltd. (深圳市騰訊睿見投資有限公司), which is a subsidiary of Tencent Holdings Limited, a company listed on the Stock Exchange (HKEX: 00700 (HKD Counter) and 80700 (RMB Counter)) (“Tencent”). Therefore, Shenzhen Tencent Ruijian Investment Co., Ltd. and Tencent are deemed to be interested in the Unlisted Shares and H Shares held by Guangxi Tencent.
- (4) Hubei High Quality has four limited partners among which Wuhan Economic Development Investment Co., Ltd. (武漢經開投資有限公司) holds 41.96% of the partnership interest. Wuhan Economic Development Investment Co., Ltd. is wholly-owned by Wuhan Economic Development Industry Investment Group Co., Ltd. (武漢經開產業投資集團有限公司), a wholly state-owned enterprise. The general partner of Hubei High Quality is Hubei Hongtai Hansheng Investment Management Co., Ltd. (湖北洪泰漢盛投資管理有限公司), which is ultimately controlled by Sheng Xitai (盛希泰). Therefore, Hubei Hongtai Hansheng Investment Management Co., Ltd. (湖北洪泰漢盛投資管理有限公司), Sheng Xitai (盛希泰), Wuhan Economic Development Industry Investment Group Co., Ltd. (武漢經開產業投資集團有限公司) and Wuhan Economic Development Investment Co., Ltd. (武漢經開投資有限公司) are deemed to be interested in the Unlisted Shares and H Shares held by Hubei High Quality.
- (5) Tianjin Weizi is owned as to 99.34% by its limited partner Xiamen Yuanfeng Equity Investment Fund Partnership (Limited Partnership) (廈門源峰股權投資基金合夥企業 (有限合夥)) and 0.66% by its general partner Xiamen Yuanfeng Investment Co., Ltd. (廈門源峰投資有限公司). Xiamen Yuanfeng Investment Co., Ltd. is ultimately controlled by Tian Yu (田宇) and Nie Lei (聶磊). Therefore, Tian Yu (田宇), Nie Lei (聶磊), Xiamen Yuanfeng Investment Co., Ltd. (廈門源峰投資有限公司) and Xiamen Yuanfeng Equity Investment Fund Partnership (Limited Partnership) (廈門源峰股權投資基金合夥企業 (有限合夥)) are deemed to be interested in the Unlisted Shares held by Tianjin Weizi.
- (6) Taikang Life is wholly-owned by Taikang Insurance Group Inc. (泰康保險集團股份有限公司), which in turn is ultimately controlled by Chen Dongsheng (陳東升). Therefore, Chen Dongsheng (陳東升) and Taikang Insurance Group Inc. (泰康保險集團股份有限公司) are deemed to be interested in the Unlisted Shares held by Taikang Life.
- (7) Yuxin Guochang is held by six limited partners among which Shenzhen Guangliwei Investment Co., Ltd. (深圳市廣立威投資有限公司) holds 45.37% of the partnership interest. Shenzhen Guangliwei Investment Co., Ltd. (深圳市廣立威投資有限公司) is ultimately controlled by Zhu Guangping (朱廣平). The general partner of Yuxin Guochang is Shenzhen Qianhai Yuxin Equity Investment Co., Ltd. (深圳前海羽信股權投資有限公司), which is ultimately controlled by Wang Shuai (王帥). Therefore, Wang Shuai (王帥), Shenzhen Qianhai Yuxin Equity Investment Co., Ltd. (深圳前海羽信股權投資有限公司), Zhu Guangping (朱廣平), and Shenzhen Guangliwei Investment Co., Ltd. (深圳市廣立威投資有限公司) are deemed to be interested in the Unlisted Shares held by Yuxin Guochang.
- (8) Yuxin Renhui is held by four limited partners among which Shenzhen Guangliwei Investment Co., Ltd. (深圳市廣立威投資有限公司) holding 76.41% equity interest. Shenzhen Guangliwei Investment Co., Ltd. (深圳市廣立威投資有限公司) is ultimately controlled by Zhu Guangping (朱廣平). The general partner of Yuxin Renhui is Shenzhen Qianhai Yuxin Equity Investment Co., Ltd. (深圳前海羽信股權投資有限公司), which is ultimately controlled by Wang Shuai (王帥). Therefore, Wang Shuai (王帥), Shenzhen Qianhai Yuxin Equity Investment Co., Ltd. (深圳前海羽信股權投資有限公司), Zhu Guangping (朱廣平), and Shenzhen Guangliwei Investment Co., Ltd. (深圳市廣立威投資有限公司) are deemed to be interested in the Unlisted Shares held by Yuxin Renhui.
- (9) Accel Asia Holdings II is ultimately controlled by KKR & Co. Inc. Therefore, KKR & Co. Inc. is deemed to be interested in the H Shares held by Accel Asia Holdings II.

For details of the substantial shareholders who will be, directly or indirectly, interested in 10% or more of the value of any class of shares carrying rights to vote in all circumstances at general meetings of any member of our Group, see “Appendix IV – Statutory and General Information – Further Information about our Directors, Supervisors, Senior Management and Substantial Shareholders – 2. Interests of the Substantial Shareholders in the Shares.”

Save as disclosed herein, our Directors are not aware of any persons who will, immediately following completion of the [REDACTED] (assuming the [REDACTED] is not exercised), have interests and/or short positions in Shares or underlying Shares which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who is, directly or indirectly, interested in 10% or more of the nominal value of any class of our share capital carrying rights to vote in all circumstances at general meetings of our Company.

SHARE CAPITAL

This section presents certain information regarding our share capital before and upon completion of the [REDACTED].

BEFORE THE [REDACTED]

As of the Latest Practicable Date, the registered capital of our Company was RMB300,000,000, comprising 300,000,000 Unlisted Shares in issue of nominal value RMB1.00 each.

In the course of the [REDACTED], our Shareholders have applied to the CSRC, the Stock Exchange and other relevant regulatory authorities to convert the Unlisted Shares held by them into H Shares, details of which are set out below:

Name of Shareholders	Number of Unlisted Shares Held as of the Latest Practicable Date	Number of Shares Applied for Conversion into H Shares	% of Number of Shares Applied for Conversion into H Shares to Number of Shares Held by the Shareholder(s) as of the Latest Practicable Date
Zhuhai Enyuan	39,230,214	[REDACTED]	[REDACTED]
Zhuhai Fuqian	36,252,848	[REDACTED]	[REDACTED]
Zhuhai Guwen	11,088,779	[REDACTED]	[REDACTED]
Shenzhen Yuanzheng	2,612,738	[REDACTED]	[REDACTED]
Yunfeng Xincheng	11,285,050	[REDACTED]	[REDACTED]
Shenzhen Saidaren	2,453,281	[REDACTED]	[REDACTED]
Zhongnan Heduo	4,997,841	[REDACTED]	[REDACTED]
Xingluo Jingyou	3,925,206	[REDACTED]	[REDACTED]
Wuxi Haiyingjia	3,377,347	[REDACTED]	[REDACTED]
Zhongnan Hongyuan	3,696,260	[REDACTED]	[REDACTED]
Yunfeng Qitai	6,775,834	[REDACTED]	[REDACTED]
GS PSI	9,679,750	[REDACTED]	[REDACTED]
Madison Square	13,609,242	[REDACTED]	[REDACTED]
GBA Fund	13,578,462	[REDACTED]	[REDACTED]
Yuxin Renhui	3,818,691	[REDACTED]	[REDACTED]
Shenzhen Zhongtou	1,909,346	[REDACTED]	[REDACTED]
Shenzhen Tencent	127,290	[REDACTED]	[REDACTED]
Tianjin Weizi	13,516,906	[REDACTED]	[REDACTED]
Guangdong Yuecai	2,568,212	[REDACTED]	[REDACTED]
Chuangying Jianke	135,170	[REDACTED]	[REDACTED]
JSL Investment	2,261,297	[REDACTED]	[REDACTED]
Times Fortune	901,127	[REDACTED]	[REDACTED]
Shanghai Yiyun	1,802,255	[REDACTED]	[REDACTED]
Beijing Zhonguancun	901,127	[REDACTED]	[REDACTED]
Guangzhou Youshan	901,127	[REDACTED]	[REDACTED]
Hop Ka Hongsheng	901,127	[REDACTED]	[REDACTED]
Guangxi Tencent	22,528,175	[REDACTED]	[REDACTED]
Beijing Gehua	10,019,767	[REDACTED]	[REDACTED]
Tongrui Changying	174,819	[REDACTED]	[REDACTED]
Taikang Life	4,505,635	[REDACTED]	[REDACTED]
Yuxin Guoyuan	1,982,478	[REDACTED]	[REDACTED]
Shanghai Yukai	5,767,214	[REDACTED]	[REDACTED]
Accel Asia Holdings II	18,964,634	[REDACTED]	[REDACTED]
Tianjin Xihua	7,762,480	[REDACTED]	[REDACTED]
Hangzhou Broadway	4,179,798	[REDACTED]	[REDACTED]
Yuxin Guochang	3,284,126	[REDACTED]	[REDACTED]
CICC Pucheng	1,194,228	[REDACTED]	[REDACTED]
Jinke Zhuozhi	11,942,277	[REDACTED]	[REDACTED]
Hubei High Quality	15,387,842	[REDACTED]	[REDACTED]
Total	300,000,000	[REDACTED]	[REDACTED]

SHARE CAPITAL

UPON COMPLETION OF THE [REDACTED]

Immediately following completion of the [REDACTED] and conversion of certain Unlisted Shares into H Shares, assuming the [REDACTED] is not exercised, the share capital of our Company will be as follows:

Description of Shares	Number of Shares	Approximate percentage to total share capital (%)
Unlisted Shares in issue	[REDACTED]	[REDACTED]
H Shares to be converted from Unlisted Shares	[REDACTED]	[REDACTED]
H Shares to be issued under the [REDACTED]	[REDACTED]	[REDACTED]
Total	[REDACTED]	100.00

Immediately following completion of the [REDACTED] and conversion of certain Unlisted Shares into H Shares, assuming the the [REDACTED] is fully exercised, the share capital of our Company will be as follows:

Description of Shares	Number of Shares	Approximate percentage to total share capital (%)
Unlisted Shares in issue	[REDACTED]	[REDACTED]
H Shares to be converted from Unlisted Shares	[REDACTED]	[REDACTED]
H Shares to be issued under the [REDACTED]	[REDACTED]	[REDACTED]
Total	[REDACTED]	100.00

SHARE CAPITAL

OUR SHARES

The H Shares in issue following the completion of the [REDACTED] and the Unlisted Shares are ordinary Shares in the share capital of our Company, and are considered as one class of Shares. However, apart from certain qualified domestic institutional investors in the PRC, qualified PRC investors under the Shanghai-Hong Kong stock exchanges connectivity mechanism (Shanghai-Hong Kong Stock Connect) and the Shenzhen-Hong Kong stock exchanges connectivity mechanism (Shenzhen-Hong Kong Stock Connect) and other persons entitled to hold H Shares pursuant to the relevant PRC laws and regulations or upon approval by any competent authorities, H Shares generally may not be [REDACTED] by, or [REDACTED] between, legal or natural persons of the PRC.

RANKING

Unlisted Shares and H Shares are regarded as one class of Shares under our Articles of Association and will rank *pari passu* with each other in all respects and, in particular, will rank equally for all dividends or distributions declared, paid or made after the date of this Document. All dividends in respect of the H Shares are to be paid by us in Hong Kong dollars or in the form of H Shares.

CONVERSION OF OUR UNLISTED SHARES INTO H SHARES

Upon completion of the [REDACTED], our Unlisted Shares are not [REDACTED] or [REDACTED] on any stock exchange. The holders of our Unlisted Shares may convert their Unlisted Shares into H Shares provided such conversion shall have gone through any requisite internal approval process and complied with the regulations prescribed by the securities regulatory authorities of the State Council and the regulations, requirements and procedures prescribed by the overseas stock exchange(s) and have completed the required filing with the securities regulatory authorities of the State Council, including the CSRC. The [REDACTED] of such converted Shares on the Hong Kong Stock Exchange will also require the approval of the Hong Kong Stock Exchange.

The Company has filed for [REDACTED] for a “[REDACTED]” of the existing [REDACTED] Unlisted Shares, and submitted the application reports, authorization documents of the shareholders of Unlisted Shares for which an H-share “[REDACTED]” are applied, explanation about the compliance of share acquisition and other documents in accordance with the requirements of the CSRC. The relevant filings of the conversion of the existing [REDACTED] Unlisted Shares held by the existing Shareholders into H Shares on a one-for-one basis have been completed. Save as disclosed in this Document and to the best knowledge of our Directors, we are not aware of the intention of our existing Shareholders to convert their Unlisted Shares.

Based on the procedures for the conversion of our Unlisted Shares into H Shares as disclosed in this section, we can apply for the [REDACTED] of all or any portion of our Unlisted Shares on the Hong Kong Stock Exchange as H Shares in advance of any proposed conversion to ensure that the conversion process can be completed promptly upon notice to the Hong Kong Stock Exchange and delivery of H Shares for entry on the [REDACTED]. As any [REDACTED] of additional H Shares after our [REDACTED] on the Hong Kong Stock Exchange is ordinarily considered by the Hong Kong Stock Exchange to be a purely administrative matter, it will not require such prior [REDACTED] for [REDACTED] at the time of our [REDACTED] in Hong Kong.

SHARE CAPITAL

No class Shareholder voting is required for the [REDACTED] and [REDACTED] of the converted Shares on the Hong Kong Stock Exchange. Any [REDACTED] for [REDACTED] of the converted Shares on the Hong Kong Stock Exchange after our [REDACTED] is subject to prior notification by way of announcement to inform Shareholders and the public of such proposed conversion.

After all the requisite approvals have been obtained, the following procedures will need to be completed: the relevant Unlisted Shares will be withdrawn from the [REDACTED] and we will re-register such Shares on our [REDACTED] maintained in Hong Kong and instruct the [REDACTED] to issue H Share certificates. Registration on our [REDACTED] will be on the condition that (a) our [REDACTED] lodges with the Hong Kong Stock Exchange a letter confirming the proper entry of the relevant H Shares on the H Share register of members and the due dispatch of H Share certificates and (b) the admission of the H Shares to [REDACTED] on the Hong Kong Stock Exchange will comply with the Listing Rules and the General Rules of HKSCC and the HKSCC Operational Procedures in force from time to time. Until the converted Shares are re-registered on our [REDACTED], such Shares would not be [REDACTED] as H Shares.

Please refer to “Risk Factors – Risks Relating to the [REDACTED] – Future sales or perceived sales of substantial amounts of our H Shares in the [REDACTED] market could have a material and adverse effect on the [REDACTED] of our H Shares and our ability to raise additional capital in the future.”

TRANSFER OF SHARES ISSUED PRIOR TO THE [REDACTED]

Pursuant to the PRC Company Law, our Shares issued prior to the [REDACTED] shall not be transferred within one year from the [REDACTED].

Shares transferred by our Directors, Supervisors and members of the senior management each year during their term of office shall not exceed 25% of their total respective shareholdings in our Company unless otherwise permitted by applicable laws and regulations. The Shares that the aforementioned persons hold in our Company cannot be transferred within half a year after they leave their positions as Directors, Supervisors and members of the senior management in our Company.

GENERAL MANDATE TO ISSUE SHARES, SELL AND/OR TRANSFER TREASURY SHARES AND REPURCHASE MANDATE

Subject to the completion of the [REDACTED], pursuant to the Shareholders resolutions of the Company, our Directors have been granted general unconditional mandates to issue our Shares and sell and/or transfer our Shares out of treasury that are held as treasury shares and repurchase our Shares. See “Statutory and General Information—Further Information about Our Company—Resolutions of our Shareholders” in Appendix IV to this Document for further details.

REGISTRATION OF SHARES NOT LISTED ON AN OVERSEAS STOCK EXCHANGE

According to the Guidelines for the “Full Circulation” Program for Domestic Unlisted Shares of H-Share Listed Companies (《H股公司境內未上市股份申請“全流通”業務指引》) announced by the CSRC, the domestic shareholders of our Shares that are not [REDACTED] on the overseas stock exchange shall handle share transfer registration business in accordance with the relevant business rules of the China Securities

SHARE CAPITAL

Depository and Clearing Corporation Limited. Further, H-share companies should submit the relevant status reports to the CSRC within 15 days after the transfer registration with the China Securities Depository and Clearing Corporation Limited of such shares involved in the [REDACTED] is completed.

SHAREHOLDERS’ GENERAL MEETING

For details of circumstances under which our Shareholders’ general meeting is required, see “Appendix III – Summary of Articles of Association.”

FINANCIAL INFORMATION

You should read the following discussion and analysis in conjunction with our consolidated financial statements included in “Appendix I – Accountant’s Report” to this Document, together with the accompanying notes. Our consolidated financial information has been prepared in accordance with HKFRSs, which may differ in material aspects from generally accepted accounting principles in other jurisdictions. You should read the entire Accountant’s Report and not merely rely on the information contained in this section.

The following discussion and analysis contain forward-looking statements that reflect the current views with respect to future events and financial performance. These statements are based on assumptions and analysis made by us in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we believe are appropriate under the circumstances. However, whether the actual outcome and developments will meet our expectations and predictions depends on a number of risks and uncertainties over which we do not have control. For details, please refer to “Forward-looking Statements” and “Risk Factors” in this Document.

OVERVIEW

We are an established real-time data infrastructure and analytics solutions provider in China. We offer real-time information technology solutions encompassing both data infrastructure and data analytics to industry-wide enterprises, with a strategic focus on asset managers. Our solutions are enhanced by our system integration services, ensuring seamless deployment within our clients’ self-managed cloud environments or local computing systems.

Data infrastructure is classified into real-time and non-real-time categories based on the processing mechanism and efficiency. All of our offerings are real-time, and we ranked fourth in terms of revenue in China’s real-time data infrastructure and analytics market in 2024 with a market share of 3.4%. These classifications cater to distinct data processing needs and are not interchangeable. See “Industry Overview — Overview of Real-time Data Infrastructure and Analytics Market in China” for more details.

At the core of our offerings is a real-time data infrastructure, a cloud-native, unified data platform that collects, cleans, manages, analyzes and governs heterogeneous data from multiple sources within milliseconds to seconds. This means that the moment data is collected, it can almost instantaneously be processed and made available for decision-making, analysis, or further action. Built upon this foundation is our application layer of data analytics, which leverages the underlying infrastructure to produce insights, make predictions, or inform business decisions.

BASIS OF PREPARATION

The historical financial information has been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) (which include all HKFRS Accounting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). All HKFRSs effective for the accounting period commencing from January 1, 2025, together with the relevant transitional provisions, had been early adopted by the Group in the preparation of the historical financial information throughout the Track Record Period.

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The historical financial information has been prepared under the historical cost convention, except for financial assets at fair value through profit or loss, equity investments designated at fair value through other comprehensive income and financial liabilities at fair value through profit or loss which have been measured at fair value.

KEY FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our results of operations have been, and are expected to continue to be, affected by a number of factors, many of which may be beyond our control. A discussion of the key factors is set out below.

The ability to attract new clients, as well as retain and deepen relationships with existing ones

Our growth depends significantly on our ability to attract new clients and retain and expand our relationships with existing ones. Entrenched in the asset management industry, we facilitated data processing for asset managers spanning insurance companies, mutual funds, asset management department within banks, securities houses, corporate treasuries, family offices, high net worth individuals, etc., and we believe there are extensive opportunities for us to continue to expand our customer base. We have further proven scalability of our business by introducing our expertise and technology to adjacent industries. We have successfully expanded our solutions to diversified industries other than asset management mainly including financial services (other than asset management), city management and telecommunications, covering all of the top three state-owned telecommunications operators in China. With our deeply rooted client relationships with China onshore asset managers, we are also pursuing such offshore opportunities. We are currently supporting some of our domestic clients’ global investment strategies and data management needs for their offshore branches, and plan to introduce iterated solutions in the near future, broadening the business types and scope of our data models to establish a presence in the overseas market. In order to remain constantly attractive to existing and new clients, we will continue to identify and anticipate the needs of our clients and optimize the solutions we offer, which we believe is critical to our long-term business and revenue growth.

Continuous investment in technology and product innovation

We are a leading real-time data infrastructure and analytics solutions provider in China, empowered by next-generation technologies such as AI and cloud computing. Since our establishment in 2016, we have invested heavily in technological innovation and successfully developed our comprehensive suite of AI-empowered and cloud-native data infrastructure and analytics solutions, to improve business performance in terms of both upside reward and downside protection by enabling real-time insight-based decision making. With deep and well tested experience in the asset management industry, our solutions are highly efficient and reliable, and are able to effortlessly adapt to various needs in other verticals. We believe our technology capability is our differentiating advantage and also a key factor that affects our revenues and financial results in the long term. We will continue to make significant investment in technological research and development, attract more technology talent, and upgrade our solutions to keep pace with rapid technological and industry changes and cater to the evolving client needs across industries.

The ability to attract, motivate and retain high-quality talents

As an industry pioneer, we have attracted a highly qualified research and development team with approximately 320 experienced professionals as of June 30, 2025, representing approximately 67.0% of our

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total staff. Our research and development professionals are equipped with extensive knowhow and expertise over multiple years’ industry experience accumulated while serving highly complex asset management companies and other leading information technology companies. Our future success depends, in part, on our ability to continue to attract and retain highly skilled personnel. We believe that there is, and will continue to be, intense competition for highly skilled management, research and development, sales and other personnel with experience in the industries in which we operate. As we compete to acquire and retain qualified employees, we believe it is necessary and customary to prepare an attractive package, including compensation and benefits, clear career paths and diversified career opportunities, to enhance our ability to attract, motivate and retain them. Therefore, we may have to incur significant relevant expenses, which could adversely affect our results of operations.

The ability to manage our costs and improve operational efficiency to maintain a competitive profit margin

Our profit margin and results of operations are affected by our ability to manage and improve operational efficiency. We intend to optimize our costs of principal activities and operating expenses by increasing economies of scale and cost-efficiency as our business continues to grow. In particular, as we continue to accumulate technology know-how and grow as an established player in the real-time data infrastructure and analytics market in China, and apply our well tested solutions by the asset management industry to other industries, we expect our R&D expenses as a percentage to the revenue will continue to decrease. We also intend to optimize our administrative expenses by enhancing our level of centralized management, streamlining our internal workflows, and leveraging technology to drive cost-efficiency and productivity. In addition, we expect to continue to increasingly benefit from the network effect of our extensive and interconnected client base, as well as the strong word-of-mouth referrals that it generates, which would optimize our operating expenses in general, including but not limited to selling and distribution expenses. Our success will depend on our ability to further develop our solution offerings in a cost-efficient manner and maintain a competitive profit margin along with our business expansion.

Conditions and trends of the financial markets and the macroeconomic market environment

We are subject to the performance of the financial markets in general. Events affecting the global financial market could materially and adversely affect our business. As our clients cover a wide variety of asset managers in China, spanning insurance companies, mutual funds, asset management department within banks, securities houses, corporate treasuries, family offices, high net worth individuals, etc., our operations and financial performance are inherently linked to the overall health and stability of the financial sector. The global financial market is susceptible to a range of factors, such as economic downturns, changes in interest rates, regulatory policies, and geopolitical events, which can lead to market fluctuations, reduced investor confidence, and increased volatility. In the event of a financial crisis or significant downturn in the global financial market, our clients may be forced to reduce or delay their spending on our solutions. This could lead to a decline in demand for our offerings, impacting our financial performance. Moreover, clients facing distress may be more likely to default on their payments to us or negotiate more favorable payment terms, which could affect our cash flow and working capital. Additionally, the failure of one or more larger asset managers could have a ripple effect throughout the industry, potentially leading to further instability and negatively impacting our business prospects.

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We are also affected by a variety of microeconomic factors, including but not limited to the following:

- Overall economic growth in China and the development of real-time data infrastructure and analytics market and asset management industry;
- Development of advanced technologies, such as AI, big data and cloud, and the emergence of new ones, and their application in the real-time data infrastructure and analytics market in various industries in China; and
- Government regulations, policies and initiatives affecting real-time data infrastructure and analytics market in China, including favorable government policies intended to promote industry-wide digital transformation. A series of national-level initiatives have been introduced in recent years on enhancing data application across various industries to unleash the value of data and strengthen real-time data infrastructure in China, such as the policy to record data as assets on a statement of financial position (數據資產入表) and the “Data Element X” Three-Year Action Plan (2024-2026)) to fully leverage the multiplier effect of data as an economic factor.

MATERIAL ACCOUNTING POLICY INFORMATION

We have identified certain accounting policies that are significant to the preparation of our consolidated financial statements. Some of our accounting policies involve subjective assumptions and estimates, as well as complex judgments relating to accounting items. Estimates and judgments are continually re-evaluated and are based on historical experience and other factors, including industry practices and expectations of future events that we believe to be reasonable under the circumstances. We have not changed our assumptions or estimates in the past and have not noticed any material errors regarding our assumptions or estimates. Under current circumstances, we do not expect that our assumptions or estimates are likely to change significantly in the future. When reviewing our consolidated financial statements, you should consider (i) our material accounting policy information, (ii) the judgments and other uncertainties affecting the application of such policies, and (iii) the sensitivity of reported results to changes in conditions and assumptions.

We set forth below those accounting policies that we believe are of critical importance to us or involve the most significant estimates and judgments used in the preparation of our consolidated financial statements. Our material accounting policy information and estimates, which are important for an understanding of our financial condition and results of operations, are set forth in detail in Note 4 and Note 5 to the Accountant’s Report in Appendix I to this Document.

Material Accounting Policy Information

Revenue recognition

Revenue from contracts with customers

The Group provides real-time data infrastructure and analytics solutions to the customers. Revenue from contracts with customers is recognized when control of goods is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods.

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- (a) Provision of solutions under transaction-based model: The Group provides customized solutions to a customer and charge by an individual set-up fee. Revenue is recognized at the point in time when the customized software products and integrated software and hardware products are accepted by customers, generally on the signature of the acceptance report.
- (b) Provision of solutions under subscription-based model: The Group provides subscription-based solutions to a customer and charge subscription fee. Revenue from subscription-based solutions is recognized over time, using an average daily allocation method to measure progress towards complete satisfaction of the subscription, as the customer receives the benefits daily provided by the Group.

Other income

Interest income is recognized on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Government grants

Government grants are recognized at their fair value where there is reasonable assurance that the grant will be received, and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

Other employee benefits

Social pension plans

The Group has social pension plans for its employees arranged by local government labor and security authorities. The Group makes contributions on a monthly basis to the social pension plans. The contributions are charged to profit or loss as they become payable in accordance with the rules of the social pension plans. The Group's liability in respect of these funds was limited to the contributions payable in each year of the Track Record Period.

Housing fund and other social insurances

The Group has participated in defined social security contribution schemes for its employees pursuant to the relevant laws and regulations of the PRC. These include housing fund, basic medical insurance, unemployment insurance, injury insurance and maternity insurance. The Group makes monthly contributions to the housing fund and other social insurances. The contributions are charged to profit or loss on an accrual basis. The Group's liability in respect of these funds was limited to the contributions payable in each year of the Track Record Period.

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Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Software

Purchased software is stated at cost less any impairment losses and are amortized based on the straight-line basis over its estimated useful lives of two to 10 years.

Research and development costs

All research costs are charged to the consolidated statement of profit or loss and other comprehensive income as incurred.

Fair value measurement

The Group measures its equity investments, debt investments, wealth management products, and financial liabilities at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Group do not identify any impairment indication of its non-financial assets after assessment.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets for which fair value is measured or disclosed in the Historical Financial Information are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly

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Level 3 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

During the Track Record Period, our level 3 instruments included investments in unlisted investments, which represent debt and equity investments which none of the shareholdings exceeded 20% of the issue capital of the respective investees and the Group did not have significant influence on these invested entities.

In relation to the valuation of our level 3 financial assets, our Directors engaged an independent and competent third-party valuer to appraise the fair value of unlisted equity and debt securities, performed valuation assessments for wealth management products based on their expected returns, and reviewed the valuation working papers and results prepared by the valuers. Our senior management also considered and discussed the financial and operating data, as well as the development and the business plans of the investees. Based on the above procedures, our Directors are of the view that the valuation analysis performed by us is fair and reasonable, and the fair value measurements of level 3 financial assets in our financial statements are properly prepared.

In relation to the valuation of our level 3 financial assets, the Sole Sponsor has conducted relevant due diligence work, including but not limited to, (i) review of relevant notes in the Accountant’s Report set forth in Appendix I to this Document; (ii) discussed with us to understand (a) the procedures performed for such valuation, (b) the key factors, valuation methodologies, and key assumptions taken into account by us as advised by our external valuers, and (c) the internal control process undertaken by us for reviewing the relevant valuation; (iii) review of the professional qualification and previous experience of the external valuers engaged by us through desktop search; and (iv) discussed with the Reporting Accountant on its work performed in this regard. Having considered the work done by the Directors and Reporting Accountant and the relevant due diligence done as stated above, nothing has come to the attention of the Sole Sponsor that would reasonably cause it to disagree with the views of the Directors and the Reporting Accountant in respect of the valuation of level 3 financial instrument.

For assets and liabilities that are recognized in the Historical Financial Information on a recurring basis, the Group determined whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each year during the Track Record Period.

Impairment of financial assets

The Group recognizes an allowance for expected credit losses (“ECLs”) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sales of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which

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there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At the end of each year during the Track Record Period, the Group assessed whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial assets at amortized cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables which apply the simplified approach as detailed below.

Stage 1 — Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs

Stage 2 — Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs

Stage 3 — Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

Simplified approach

For trade receivables that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Impairment of non-financial assets

The Group has assessed at the end of each year during the Track Record Period whether there is any indication that the Groups’ non-financial assets may be impaired by considering all the external and internal sources of information:

- 1) The Group has assessed and did not notice any observable indications that its non-financial assets’ value has declined during the Track Record Period significantly more than would be expected as a result of the passage of time or normal use.

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- 2) The Group has assessed and did not notice any significant changes with an adverse effect that have taken place during the period in the technological, market, economic or legal environment in which The Group operates or in the market to which their non-financial assets are dedicated.
- 3) The Group has assessed and did not notice any significant changes on market interest rate that are likely to affect the discount rate used in calculating the value in use of its non-financial assets and decrease its recoverable amount materially.
- 4) The Group has assessed and did not notice any evidence from internal reporting indicate that the economic performance of its non-financial assets will be worse than expected.

Based on the above assessment and analysis, the Group did not identify any indication of impairment on its non-financial assets during the Track Record Period.

Investments in associates and joint ventures

An associate is an entity in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group's investments in associates and joint ventures are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses.

The Group's share of the post-acquisition results and other comprehensive income of associates and joint ventures are included in the consolidated statement of profit or loss and other comprehensive income, respectively. In addition, when there has been a change recognized directly in the equity of the associate or joint venture, the Group recognizes its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealized gains and losses resulting from transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's investments in the associates or joint ventures, except where unrealized losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of associates or joint ventures is included as part of the Group's investments in associates or joint ventures.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognized in profit or loss.

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Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree’s identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets includes an input and a substantive process that together significantly contribute to the ability to create outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognized in profit or loss.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognized for non-controlling interests and any fair value of the Group’s previously held equity interests in the acquiree over the identifiable assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognized in profit or loss as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually. The Group performs its annual impairment test of goodwill as at December 31. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group’s cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognized. An impairment loss recognized for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

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Material Accounting Estimates

The preparation of the Group’s historical financial information requires management to make judgments, estimates and assumptions that affect the reported amounts of expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each year during the Track Record Period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

In the process of applying the Group’s accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognized in the financial statements:

Deferred tax assets

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The amount of unrecognized tax losses as of December 31, 2022, 2023, 2024 and June 30, 2025 was RMB542.1 million, RMB734.2 million, RMB854.9 million and RMB946.5 million, respectively.

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill as of December 31, 2022, 2023, 2024 and June 30, 2025 was RMB388.5 million, RMB388.5 million, RMB388.5 million and RMB388.5 million, respectively.

Fair value of unlisted equity and debt investments

The unlisted equity and debt investments have been valued based on market-based valuation techniques. The valuation requires the Group to determine the comparable public companies (peers) and select the price multiple. In addition, the Group makes estimates about the discount for illiquidity and size differences. The Group classifies the fair value of these investments as Level 3. The fair value of the unlisted equity and debt investments as of December 31, 2022, 2023, 2024 and June 30, 2025 was RMB238.3 million, RMB379.6 million, RMB405.3 million and RMB412.9 million, respectively.

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DESCRIPTION OF SELECTED COMPONENTS OF CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

The following table sets forth our consolidated statements of profit or loss and other comprehensive income for the years/periods indicated:

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
	(Unaudited)				
	(RMB in thousands)				
Revenue	287,899	530,458	631,978	282,544	197,845
Cost of sales	(63,285)	(111,280)	(147,351)	(54,520)	(65,963)
Gross profit	224,614	419,178	484,627	228,024	131,882
Other income and gains or losses	32,184	33,057	21,682	791	29,836
Selling and distribution expenses	(24,142)	(36,522)	(41,043)	(22,111)	(15,167)
Research and development expenses	(258,778)	(379,137)	(450,441)	(248,234)	(168,099)
Administrative expenses	(67,926)	(81,991)	(91,173)	(47,825)	(34,380)
Impairment losses on financial assets, net	(268)	(14,910)	(18,049)	(5,958)	(49,666)
Other expenses	(482)	(974)	(668)	(526)	(1,194)
Finance costs	(940)	(1,359)	(2,189)	(1,242)	(999)
Share of profits and losses of:					
Associates	(49)	(8)	(327)	(357)	(215)
Joint ventures	(725)	(689)	(127)	(184)	4
Loss before tax	(96,512)	(63,355)	(97,708)	(97,622)	(107,998)
Income tax expense	—	(36)	(137)	(137)	—
Loss for the period	(96,512)	(63,391)	(97,845)	(97,759)	(107,998)
Attributable to					
Owners of the parent	(75,141)	(55,267)	(84,011)	(101,474)	(89,429)
Non-controlling interests	(21,371)	(8,124)	(13,834)	3,715	(18,569)
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation of foreign operations	5	(67)	(102)	14	257
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:					
Equity investments designated at fair value through other comprehensive income	(5,203)	528	(20,120)	(10,617)	1,864
Other comprehensive income for the period, net of tax	(5,198)	461	(20,222)	(10,603)	2,121
Total comprehensive income for the period	(101,710)	(62,930)	(118,067)	(108,362)	(105,877)
Total comprehensive income attributable to					
Owners of the parent	(80,339)	(54,806)	(104,233)	(112,077)	(87,308)
Non-controlling interests	(21,371)	(8,124)	(13,834)	3,715	(18,569)

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Non-HKFRS Measure

To supplement our consolidated statements of profit or loss and other comprehensive income which are presented in accordance with HKFRS Accounting Standards, we use adjusted net loss (Non-HKFRS measure) as additional financial measure, which is not required by, or presented in accordance with, HKFRS Accounting Standards.

We define adjusted net loss (Non-HKFRS measure) as loss for the year/period adjusted by adding back [REDACTED] expenses in connection with the [REDACTED], which were non-operating in nature. We believe that this Non-HKFRS measure facilitates the comparisons of operating performance and provide useful information to [REDACTED] and others in understanding and evaluating our operating performance in the same manner as they help our management.

However, our presentation of this Non-HKFRS measure may not be comparable to similarly titled measures presented by other companies. The use of this Non-HKFRS measure has limitations as an analytical tool, and [REDACTED] should not consider it in isolation from, or as a substitute for analysis of, our results of operations or financial condition as reported under HKFRS Accounting Standards. The following table sets forth a reconciliation of our adjusted net loss (Non-HKFRS measure) for 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025.

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
				(Unaudited)	
				(RMB in thousands)	
Loss for the period	(96,512)	(63,391)	(97,845)	(97,759)	(107,998)
Add back:					
[REDACTED] expense . . .	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Adjusted net loss (Non-					
HKFRS measure)	(96,512)	(58,309)	(82,366)	(87,086)	(104,978)

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Revenue

Revenue by Industry Application

Our solutions are well tested in the asset management industry, and applicable across various industries. The following table sets forth a breakdown of our revenue by industry application for the years/periods indicated. For avoidance of doubt, “industry application” refers to the industry in which our solutions are adopted, rather than the end industries where our customers operate in.

	Year ended December 31,						Six months ended June 30,			
	2022		2023		2024		2024		2025	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
<i>(Unaudited)</i>										
<i>(in thousands, except for percentages)</i>										
Asset management	214,056	74.4	349,741	65.9	244,441	38.7	134,710	47.7	93,506	47.3
Diversified industries (ex-										
asset management)	73,843	25.6	180,717	34.1	387,537	61.3	147,834	52.3	104,339	52.7
Financial services										
(other than asset										
management) ⁽¹⁾ . . .	17,141	6.0	23,239	4.4	71,349	11.3	55,830	19.8	10,630	5.4
City management	35,781	12.4	46,292	8.7	154,472	24.4	66,552	23.6	39,373	19.9
Manufacturing										
management	4,870	1.6	9,873	1.9	88,229	14.0	5,210	1.8	30,763	15.5
Telecommunications .	5,044	1.8	69,877	13.2	51,425	8.1	3,868	1.4	19,864	10.0
Others ⁽²⁾	11,007	3.8	31,436	5.9	22,062	3.5	16,374	5.7	3,709	1.9
Total	287,899	100.0	530,458	100.0	631,978	100.0	282,544	100.0	197,845	100.0

Notes:

- (1) Include a broad range of financial services such as banking or brokerage services, the key application scenarios therein include anti-fraud, credit profile assessment, loan origination or customer acquisition for financial products.
- (2) Industries including retail, renewable energy and agriculture, etc., none of which contributed to over 5% of our total revenue in any year during the Track Record Period.

Revenue by Geographical Locations

Building on our robust relationships with onshore clients, we are extending our expertise to the international markets. The following table sets forth a breakdown of our revenue by locations of the customers for the years/periods indicated:

	Year ended December 31,						Six months ended June 30,			
	2022		2023		2024		2024		2025	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
<i>(Unaudited)</i>										
<i>(in thousands, except for percentages)</i>										
Chinese mainland	286,990	99.7	478,088	90.1	594,241	94.1	251,987	89.2	194,589	98.4
Hong Kong	909	0.3	52,370	9.9	37,546	5.9	30,557	10.8	3,188	1.6
United Kingdom	—	—	—	—	191	0.0	—	—	68	0.0
Total	287,899	100.0	530,458	100.0	631,978	100.0	282,544	100.0	197,845	100.0

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Cost of Sales

The cost of sales primarily consists of the purchase of devices to deploy our solutions at the request of certain customers, payroll and welfare of our solution delivery team, technical services, tax and VAT surcharges, depreciation and amortization, and others. We primarily deploy our solutions onto our clients’ self-managed cloud or local systems. From time to time and upon clients’ request, we also pre-install our solutions on devices and deliver these fully-equipped devices to our clients. The following table sets forth a breakdown of our cost of sales in absolute amounts and as percentages of the total revenue by nature for the years/periods indicated:

	Year ended December 31,						Six months ended June 30,			
	2022		2023		2024		2024		2025	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
<i>(unaudited)</i>										
<i>(in thousands, except for percentages)</i>										
Devices	26,202	9.1	59,857	11.3	72,344	11.4	9,151	3.2	41,792	21.1
Payroll and welfare . .	24,923	8.7	22,805	4.3	17,043	2.7	8,118	2.9	9,532	4.8
Technical services . . .	5,236	1.8	20,254	3.8	51,047	8.1	33,977	12.0	11,731	5.9
Tax and VAT										
surcharges	1,718	0.6	2,679	0.5	2,066	0.3	830	0.3	441	0.2
Depreciation and										
amortization	4,665	1.6	4,679	0.9	4,695	0.7	2,363	0.9	2,302	1.2
Others	541	0.2	1,006	0.2	156	0.0	81	0.0	165	0.1
Total	63,285	22.0	111,280	21.0	147,351	23.3	54,520	19.3	65,963	33.3

Gross Profit and Gross Profit Margin

Our gross profit represents our revenue less our cost of sales. Our gross profit margin represents our gross profit as a percentage of our revenue. For the years ended December 31, 2022, 2023, 2024 and for the six months ended June 30, 2024 and 2025, our gross profit amounted to RMB224.6 million, RMB419.2 million, RMB484.6 million, RMB228.0 million and RMB131.9 million, respectively, while our gross profit margin reached 78.0%, 79.0%, 76.7%, 80.7% and 66.7%, respectively.

The following table sets forth a breakdown of our gross profit by industry application for the years/periods indicated.

	Year ended December 31,						Six months ended June 30,			
	2022		2023		2024		2024		2025	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
<i>(unaudited)</i>										
<i>(in thousands, except for percentages)</i>										
Asset management . . .	176,560	78.6	248,768	59.3	175,752	36.3	94,488	41.4	48,713	36.9
Diversified industries										
(ex-asset										
management)	48,054	21.4	170,410	40.7	308,875	63.7	133,536	58.6	83,169	63.1
Total	224,614	100.0	419,178	100.0	484,627	100.0	228,024	100.0	131,882	100.0

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The following table sets forth a breakdown of our gross profit margin by industry application for the years/periods indicated.

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
	%	%	%	%	%
				<i>(Unaudited)</i>	
Asset management	82.5	71.1	71.9	70.1	52.1
Diversified industries (ex-asset management)	65.1	94.3	79.7	90.3	79.7
Overall	78.0	79.0	76.7	80.7	66.7

Other Income and Gains or Losses

Our other income and gains or losses primarily consist of value-added tax refunds, bank interest income, government grants related to income, foreign exchange gains/(losses), net, fair value gains/(losses) on financial assets at fair value through profit or loss, gain on lease modification and others. The following table sets forth a breakdown of our other income and gains for the years/periods indicated:

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
				<i>(Unaudited)</i>	
				<i>(RMB in thousands)</i>	
Other income and gains or losses					
Other income					
Value-added tax refunds	9,447	6,256	86	67	–
Bank interest income	7,668	9,733	4,536	2,754	1,824
Gains or losses					
Fair value gains/(losses) on financial assets at fair value					
through profit or loss	6,697	12,200	2,032	(7,811)	21,598
Government grants	5,301	4,023	7,119	1,631	2,935
Foreign exchange gains/(losses), net	2,485	550	652	342	(443)
Investment income	–	4	6,832	3,422	2,298
Gain on lease modification	–	–	–	–	1,468
Others	586	291	425	386	156
Total	32,184	33,057	21,682	791	29,836

Selling and Distribution Expenses

Our selling and distribution expenses mainly consist of staff costs (including salaries, bonuses, welfare and pension for our sales and marketing employees), marketing and advertising expenses, travel expenses, office expenses and other expenses incurred for our sales and marketing activities. The following table sets

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forth a breakdown of our selling and distribution expenses by nature, in absolute amounts and as percentages of total revenue, for the years/periods indicated:

	Year ended December 31,						Six months ended June 30,				
	2022		2023		2024		2024		2025		
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%	
							(Unaudited)				
	(in thousands, except for percentages)										
Selling and distribution expenses											
Staff costs	18,683	6.5	24,200	4.6	17,297	2.7	8,157	2.9	7,620	3.9	
Marketing and advertising expenses	3,234	1.1	9,256	1.7	16,522	2.6	9,666	3.4	5,705	2.9	
Travel expenses	943	0.3	1,466	0.3	1,301	0.2	693	0.2	983	0.5	
Office expenses	1,025	0.4	1,219	0.2	5,823	0.9	3,563	1.3	809	0.4	
Others	257	0.1	381	0.1	100	0.0	32	0.0	50	0.0	
Total	24,142	8.4	36,522	6.9	41,043	6.4	22,111	7.8	15,167	7.7	

Administrative Expenses

Our administrative expenses mainly consist of staff costs (including salaries, bonuses, welfare and pension for our administrative employees), office expenses, professional service fees paid to third-party professionals (including [REDACTED] expenses related to the [REDACTED]), travel expenses, equipment leasing and maintenance expenses, employee recruitment and training expenses and other expenses associated with our administrative activities. The following table sets forth a breakdown of our administrative expenses by nature, in absolute amounts and as percentages of total revenue, for the years/periods indicated:

	Year ended December 31,						Six months ended June 30,			
	2022		2023		2024		2024		2025	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
							(Unaudited)			
	(in thousands, except for percentages)									
Administrative expenses										
Staff costs	23,085	8.0	27,562	5.2	22,328	3.5	10,406	3.7	11,649	5.9
Office expenses	5,982	2.1	11,886	2.2	11,226	1.8	3,852	1.4	5,086	2.6
Professional service fees	26,843	9.3	20,592	3.9	39,714	6.3	25,224	8.9	6,001	3.0
Travel expenses	1,376	0.5	5,338	1.0	5,920	0.9	3,444	1.2	3,621	1.8
Equipment leasing and maintenance expenses	2,000	0.7	5,310	1.0	4,188	0.7	1,209	0.4	3,008	1.5
Employee recruitment and training expenses	3,342	1.2	2,296	0.4	2,121	0.3	1,228	0.4	1,516	0.8
Others	5,298	1.8	9,007	1.7	5,676	0.9	2,462	0.9	3,499	1.8
Total	67,926	23.6	81,991	15.4	91,173	14.4	47,825	16.9	34,380	17.4

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Research and Development Expenses

Our research and development expenses mainly consist of technical service fees we paid to our third-party service providers for complementary services needed to enhance our R&D capabilities (including generic IT services such as data storage or backup, server management and maintenance services, as well as certain non-core and less sophisticated software development services), staff costs (including salaries, bonuses, welfare and pension for our research and development employees), office expenses, travel expenses, depreciation and amortization of our fixed assets for R&D purposes, server and software usage fees and other expenses associated with our research and development activities. The following table sets forth a breakdown of our research and development expenses by nature, in absolute amounts and as percentages of total revenue, for the years/periods indicated:

	Year ended December 31,						Six months ended June 30,			
	2022		2023		2024		2024		2025	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(unaudited)									
	(in thousands, except for percentages)									
Research and development expenses										
Staff costs	131,153	45.6	176,687	33.3	137,658	21.8	77,066	27.3	57,005	28.8
Technical service fees . . .	113,664	39.5	184,524	34.8	298,466	47.2	163,527	57.9	106,335	53.7
Office expenses	6,426	2.2	7,397	1.4	1,627	0.3	917	0.3	598	0.3
Travel expenses	2,441	0.8	5,477	1.0	2,184	0.3	1,224	0.4	676	0.3
Depreciation and amortization	2,116	0.7	2,366	0.4	8,765	1.4	4,557	1.8	3,187	1.6
Server and software usage fees	2,586	0.9	2,155	0.4	965	0.2	253	0.1	148	0.1
Others	392	0.1	531	0.1	776	0.1	690	0.2	150	0.1
Total	258,778	89.8	379,137	71.4	450,441	71.3	248,234	88.0	168,099	84.9

Finance Cost

Our finance cost primarily consists of interest on bank loans and interest on lease liabilities. The following table sets forth a breakdown of our finance cost for the years/periods indicated:

	Year ended December 31,						Six months ended June 30,			
	2022		2023		2024		2024		2025	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(unaudited)									
	(in thousands, except for percentages)									
Finance cost										
Interest on bank loans	383	40.7	774	57.0	1,121	51.2	741	59.7	488	48.8
Interest on lease liabilities	557	59.3	585	43.0	1,068	48.8	501	40.3	511	51.2
Total	940	100.0	1,359	100.0	2,189	100.0	1,242	100.0	999	100.0

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Impairment Losses on Financial Assets

Our impairment losses on financial assets primarily represents provisions of impairment of trade receivables and other receivables based on credit risk and expected credit loss rate. We recorded impairment losses on financial assets of RMB268 thousand, RMB14.9 million, RMB18.0 million, RMB6.0 million and RMB50.0 million in 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively.

Loss for the Period

As a result of the foregoing, we incurred loss for the period of RMB96.5 million, RMB63.4 million, RMB97.8 million, RMB97.8 million and RMB108.0 million in 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively.

Taxation

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

Chinese Mainland

The provision for Chinese mainland current income tax is based on the statutory rate of 25% of the assessable profit of the Chinese mainland subsidiaries of the Group as determined in accordance with the PRC Corporate Income Tax Law except for those recognized as New and High Technology Enterprise which are entitled to a preferential PRC income tax rate of 15%, according to the PRC Corporate Income Tax Law.

The Company, Shanghai Kaiyu, and Shanghai Kuanrui were qualified as High and New Technology Enterprises in 2020 and renewed in 2023 and were entitled to a preferential tax rate of 15% from 2020 to 2025. This qualification is subject to review by the relevant tax authority in the PRC for every three years. In 2023, the Company, Shanghai Kaiyu, and Shanghai Kuanrui renewed the qualification for three years. Huace Shuju were qualified as High and New Technology Enterprises in 2023 and entitled to a preferential tax rate of 15% from 2023 to 2025.

As of December 31, 2022, 2023, 2024 and June 30, 2025, our deferred tax assets had not been recognized in respect of these accumulated tax losses and deductible temporary differences as they had arisen in subsidiaries and structured entities in Chinese mainland that had been loss-making for some time. It is not considered probable that taxable profits will be available against which the tax losses can be utilized.

Hong Kong

Under the Hong Kong tax laws, the Company's subsidiaries in Hong Kong are subject to the two-tiered profits tax regime, under which the tax rate is 8.25% for assessable profits on the first HK\$2,000,000 and 16.5% for any assessable profits in excess of HK\$2,000,000.

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PERIOD-TO-PERIOD COMPARISON OF RESULTS OF OPERATIONS

Six Months Ended June 30, 2025 Compared To Six Months Ended June 30, 2024

Revenue

Our revenue decreased by 30.0% from RMB282.5 million in the six months ended June 30, 2024 to RMB197.8 million in the six months ended June 30, 2025, which was primarily due to the decrease in revenue derived from solutions applied in asset management industries. Our revenue from solutions applied in the asset management industry decreased from RMB134.7 million in the six months ended June 30, 2024 to RMB93.5 million in the six months ended June 30, 2025, mainly attributable to the decreased number of paying customers from 140 in the six months ended June 30, 2024 to 94 during the same period in 2025, as well as the adjusted procurement and budgeting cycles, which incentivized our customers to allocate and finalize their procurement towards the end of 2025 in order to maximize budget utilization, which was less the case in 2024, thereby reducing our revenue in the first half of 2025. On the other hand, our revenue from solutions applied in other industries decreased from RMB147.8 million in the six months ended June 30, 2024 to RMB104.3 million in the six months ended June 30, 2025, mainly attributable to the decrease in financial services and city management, as well as the decreased ARPU from RMB5,098 thousand in the six months ended June 30, 2024 to RMB3,864 thousand during the same period in 2025.

Cost of Sales

Our cost of sales increased by 21.0% from RMB54.5 million in the six months ended June 30, 2024 to RMB66.0 million in the six months ended June 30, 2025, which is mainly because our payments for purchasing devices increased from RMB9.2 million in the six months ended June 30, 2024 to RMB41.8 million during the same period in 2025, primarily attributable to the growing revenue from our transaction model, which requires increasing investments in both software and hardware to support our digital infrastructure and service capabilities.

Gross Profit and Gross Profit Margin

As a result of the foregoing, our gross profit decreased by 42.2% from RMB228.0 million in the six months ended June 30, 2024 to RMB131.9 million in the six months ended June 30, 2025. Our gross profit margin decreased from 80.7% in the six months ended June 30, 2024 to 66.7% in the six months ended June 30, 2025, primarily attributable to the one-off costs incurred for data initialization in connection with our expansion into new industries and new customer groups.

Other Income and Gains or Losses

Our other income and gains or losses of RMB0.8 million in the six months ended June 30, 2024 increased to other income and gains or losses of RMB29.8 million in the six months ended June 30, 2025, primarily due to our fair value loss on financial assets at fair value through profit or loss of RMB7.8 million in the six months ended June 30, 2024 transferred to fair value gains on financial assets at fair value through profit or loss of RMB21.6 million during the same period in 2025.

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Selling and Distribution Expenses

Our selling and distribution expenses decreased from RMB22.1 million in the six months ended June 30, 2024 to RMB15.2 million in the six months ended June 30, 2025, primarily due to (i) the decrease in marketing and advertising expenses from RMB9.7 million in the six months ended June 30, 2024 to RMB5.7 million in the six months ended June 30, 2025, and (ii) the decrease in office expenses from RMB3.6 million in the six months ended June 30, 2024 to RMB0.8 million in the six months ended June 30, 2025, which was in line with our revenue fluctuations.

Administrative Expenses

Our administrative expenses decreased by 28.1% from RMB47.8 million in the six months ended June 30, 2024 to RMB34.4 million in the six months ended June 30, 2025, primarily attributable to our higher [REDACTED] expenses in the first half of 2024, arising from our [REDACTED] preparation activities.

Research and Development Expenses

Our research and development expenses decreased by 32.3% from RMB248.2 million in the six months ended June 30, 2024 to RMB168.1 million in the six months ended June 30, 2025, primarily due to (i) the decrease in staff costs related to R&D from RMB77.1 million in the six months ended June 30, 2024 to RMB57.0 million in the six months ended June 30, 2025, mainly due to our optimization of staff structure, and (ii) the decrease in technical service fees from RMB163.5 million in the six months ended June 30, 2024 to RMB106.3 million in the six months ended June 30, 2025, as we outsourced less R&D services in the first half of 2025.

Impairment Losses on Financial Assets

Our impairment losses on financial assets increased from RMB6.0 million in the six months ended June 30, 2024 to RMB49.7 million in the six months ended June 30, 2025, primarily due to the increase in the balance of trade receivables and the corresponding expected credit loss provisions according to the aging of trade receivable balance.

Finance Costs

Our finance costs decreased from RMB1.2 million in the six months ended June 30, 2024 to RMB1.0 million in the six months ended June 30, 2025, primarily due to the lower interest rates on bank borrowings in the six months ended June 30, 2025 as compared to the same period in 2024.

Loss for the Period

As a result of the foregoing, our loss for the period increased from RMB97.8 million in the six months ended June 30, 2024 to RMB108.0 million in the six months ended June 30, 2025.

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Year Ended December 31, 2024 Compared To Year Ended December 31, 2023

Revenue

Our revenue increased by 19.1% from RMB530.5 million in 2023 to RMB632.0 million in 2024, which was driven by increase in revenue derived from solutions applied in other industries. Our revenue from solutions applied in other industries increased significantly from RMB180.7 million in 2023 to RMB387.5 million in 2024, mainly attributable to our continued strategic expansion beyond the asset management industry since 2022, whereby we capitalized on our accumulated technological expertise, particularly in data processing and modular solution development, to address the evolving demands of our clients, including, but not limited to the manufacturing management and telecommunications. Moreover, the increase in the number of modules we developed and offered, the continuous expansion of our customer base, and the growth in ARPU driven by our advanced solutions and brand awareness have also contributed to the significant revenue growth in 2024. In particular, the number of modules we successfully developed grew at an accelerated pace, rising from 285 in 2023 to 318 in 2024, which enhanced the overall functionality of our solutions. Additionally, driven by the credibility that our brand has established in the market, our existing customers spent additional amounts to purchase comprehensive solutions, which also helped attract new customers who are willing to pay premium prices.

Cost of Sales

Our cost of sales increased by 32.4% from RMB111.3 million in 2023 to RMB147.4 million in 2024, which is in line with our revenue growth and business expansion.

Gross Profit and Gross Profit Margin

As a result of the foregoing, our gross profit increased by 15.6% from RMB419.2 million in 2023 to RMB484.6 million in 2024. Our gross profit margin slightly decreased from 79.0% in 2023 to 76.7% in 2024.

Other Income and Gains or Losses

Our other income and gains or losses decreased from RMB33.1 million in 2023 to RMB21.7 million in 2024, primarily due to (i) the decrease in bank interest income, mainly as a result of declining bank interest rates and the maturity of certain time deposit arrangements, and (ii) the decrease in fair value gains on financial assets at fair value through profit or loss from RMB12.2 million in 2023 to RMB2.0 million in 2024.

Selling and Distribution Expenses

Our selling and distribution expenses increased by 12.4% from RMB36.5 million in 2023 to RMB41.0 million in 2024 primarily due to (i) the increase in marketing and advertising expenses from RMB9.3 million in 2023 to RMB16.5 million in 2024, mainly driven by our increased investments in business development and client engagement initiatives to support the expansion of our customer base and strengthen market awareness of our solutions, and (ii) the increase in office expenses from RMB1.2 million

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in 2023 to RMB5.8 million in 2024, which was consistent with our revenue growth and business expansion, partially offset by the decrease in staff costs from RMB24.2 million in 2023 to RMB17.3 million in 2024. Our selling and distribution expenses as a percentage to our revenue decreased from 6.9% in 2023 to 6.4% in 2024, reflecting the marginal efficiency of selling and distribution expenses has improved as the scale of revenue expands.

Administrative Expenses

Our administrative expenses increased by 11.2% from RMB82.0 million in 2023 to RMB91.2 million in 2024, primarily attributable to the increase in professional service fees from RMB20.6 million in 2023 to RMB39.7 million in 2024, resulting from the [REDACTED] expenses incurred in connection with our [REDACTED] activities in 2024, partially offset by the decrease of staff cost from RMB27.6 million in 2023 to RMB22.3 million, as a result of our adjustments in staffing and resource allocation structure, where we shifted to increasing outsourcing arrangements. Our administrative expenses as a percentage to our revenue decreased from 15.4% in 2023 to 14.4% in 2024, which shows that as the scale of revenue increases, the marginal utility of administrative expenses has improved.

Research and Development Expenses

Our research and development expenses increased by 18.8% from RMB379.1 million in 2023 to RMB450.4 million in 2024, primarily due to the increase in technical service fees we paid to our third-party service providers for certain non-core and time-consuming development activities from RMB184.5 million to RMB298.5 million during the corresponding periods, as we adjusted our operating model to improve cost efficiency by outsourcing such work instead of relying on higher internal staffing costs, and we continued to devote R&D efforts to driving our business growth across diversified industries, while upgrading and iterating our existing solutions, partially offset by the decrease in staff costs from RMB176.7 million in 2023 to RMB137.7 million in 2024. Our R&D expenses as a percentage to our revenue decreased from 71.4% in 2023 to 71.3% in 2024.

Impairment Losses on Financial Assets

Our impairment losses on financial assets increased from RMB14.9 million in 2023 to RMB18.0 million in 2024, primarily due to the increase in the balance of trade receivables, along with the corresponding provisions for expected credit losses according to aging of trade receivable balance.

Finance Costs

Our finance costs increased from RMB1.4 million in 2023 to RMB2.2 million in 2024, primarily due to the increase in interest expenses on lease liabilities from RMB0.6 million in 2023 to RMB1.1 million in 2024, resulting from the new lease arrangement for our innovation and technology center, which became our new headquarter from 2024.

Loss for the Year

As a result of the foregoing, we recorded loss of RMB63.4 million in 2023 and loss of RMB97.8 million in 2024.

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Year Ended December 31, 2023 Compared To Year Ended December 31, 2022

Revenue

Our revenue increased by 84.3% from RMB287.9 million in 2022 to RMB530.5 million in 2023, which was driven by increase in revenue derived from solutions applied in both asset management industry and other industries. Our revenue from solutions applied in the asset management industry increased from RMB214.1 million in 2022 to RMB349.7 million in 2023 and revenue from solutions applied in other industries increased from RMB73.8 million in 2022 to RMB180.7 million in 2023, mainly attributable to the increase in the number of modules we developed and offer, the expansion of our customer base and the increase in ARPU as a result of our advanced solutions and established brand awareness. In particular, the number of modules we successfully developed experienced an accelerated growth, increasing from 152 in 2022 to 285 in 2023, leading to more comprehensive functions of the solutions we offer. In addition, as we established brand awareness, our positive reputation makes existing customers more comfortable with spending more to purchase more comprehensive solutions, and can also attract new customers who are willing to pay higher prices due to our brand’s established credibility in the market. On the other hand, our revenue generated from Hong Kong increased significantly from RMB909 thousand to RMB52.4 million, primarily due to our success in offshore expansion efforts with the offshore branch or business of our domestic customer, based on the long-standing and robust client relationships.

Cost of Sales

Our cost of sales increased by 75.8% from RMB63.3 million in 2022 to RMB111.3 million in 2023, which is in line with our revenue growth and business expansion.

Gross Profit and Gross Profit Margin

As a result of the foregoing, our gross profit increased by 86.6% from RMB224.6 million in 2022 to RMB419.2 million in 2023. Our gross profit margin remained relatively stable and increased from 78.0% in 2022 to 79.0% in 2023, primarily due to our revenue expansion led by more matured solutions and penetration into larger customer base, and the decrease in payroll and welfare cost under larger business scale in 2023 which represents a improvement in human capital efficiency, partially offset by the costs of devices when deploying our solutions at the request of certain customers.

Other Income and Gains or Losses

Our other income and gains or losses remained relatively stable and slightly increased from RMB32.2 million in 2022 to RMB33.1 million in 2023, primarily due to (i) the increase of our bank interest income from RMB7.7 million in 2022 to RMB9.7 million in 2023, mainly because of our purchase of time deposits in 2023 with cash on hand, (ii) the increase of fair value gains on financial assets at fair value through profit or loss from RMB6.7 million in 2022 to RMB12.2 million in 2023, mainly because of our gains from investment in wealth management products in 2023, and was partially offset by (iii) the decrease of our value-added tax refunds from RMB9.4 million in 2022 to RMB6.3 million in 2023, (iv) the decrease of government grants related to income from RMB5.3 million in 2022 to RMB4.0 million in 2023, mainly because of the time gap of renewal of such government support policies between 2023 and 2024, and (v) the decrease in foreign exchange gains, net from RMB2.5 million in 2022 to RMB0.6 million in 2023, mainly because of the fluctuations of exchange rate.

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Selling and Distribution Expenses

Our selling and distribution expenses increased by 51.3% from RMB24.1 million in 2022 to RMB36.5 million in 2023, primarily due to (i) the increase of staff costs from RMB18.7 million in 2022 to RMB24.2 million in 2023, mainly because of an increase in the staff compensation of sales and marketing team based on our further expanded business and increased revenue, and (ii) the increase of marketing and advertising expenses from RMB3.2 million in 2022 to RMB9.3 million in 2023, following the growth of our business scale. Our selling and distribution expenses as a percentage to our revenue decreased from 8.4% in 2022 to 6.9% in 2023, which shows that as the scale of revenue increases, the marginal utility of selling and distribution expenses has improved.

Administrative Expenses

Our administrative expenses increased by 20.7% from RMB67.9 million in 2022 to RMB82.0 million in 2023, primarily attributable to our further expanded business and increased revenue, which led to the increase in staff compensation as well as office expenses. Our administrative expenses as a percentage to our revenue decreased from 23.6% in 2022 to 15.4% in 2023, which shows that as the scale of revenue increases, the marginal utility of administrative expenses has improved.

Research and Development Expenses

Our research and development expenses increased by 46.5% from RMB258.8 million in 2022 to RMB379.1 million in 2023, primarily due to (i) the increase of technical service fees we paid to our third-party service providers for complementary services needed to enhance our R&D capabilities from RMB113.7 million in 2022 to RMB184.5 million in 2023, mainly because of our continued R&D efforts to support our business growth and keep pace with rapid technological and industry changes, and (ii) the increase of staff costs from RMB131.2 million in 2022 to RMB176.7 million in 2023, mainly due to the increase in staff compensation based on our further expanded business and increased revenue. Our R&D expenses as a percentage to our revenue decreased from 89.8% in 2022 to 71.4% in 2023.

Impairment Losses on Financial Assets

Our impairment losses on financial assets increased from RMB268 thousand in 2022 to RMB14.9 million in 2023, primarily due to the increase in our trade receivables balance due from our customers due to our revenue growth in line with business expansion.

Finance Costs

Our finance costs increased from RMB940 thousand in 2022 to RMB1.4 million in 2023, primarily due to an increase of bank loan interest due to newly incurred bank loans in 2023 to support our business expansion.

Loss for the Year

As a result of the foregoing, we recorded loss of RMB96.5 million in 2022 and loss of RMB63.4 million in 2023.

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DISCUSSION OF CERTAIN SELECTED ITEMS FROM THE CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

The table below sets forth selected information from our consolidated statements of financial position as of the dates indicated:

	As of December 31,			As of
	2022	2023	2024	June 30,
				2025
	<i>(RMB in thousands)</i>			
Total non-current assets	794,951	888,277	925,067	937,239
Total current assets	1,069,565	1,160,616	907,295	823,940
Total assets	1,864,516	2,048,893	1,832,362	1,761,179
Total current liabilities	242,901	277,409	165,036	193,564
Net current assets	826,664	883,207	742,259	630,376
Total assets less current liabilities	1,621,615	1,771,484	1,667,326	1,567,615
Total non-current liabilities	5,153	4,055	17,964	24,130
Net assets	1,616,462	1,767,429	1,649,362	1,543,485
Equity attributable to owners of the parent				
Paid-in capital	129,182	300,000	300,000	300,000
Reserves	1,376,264	1,364,537	1,260,304	1,172,996
	1,505,446	1,664,537	1,560,304	1,472,996
Non-controlling interests	111,016	102,892	89,058	70,489
Total equity	1,616,462	1,767,429	1,649,362	1,543,485

We recorded net assets of RMB1,543.5 million as of June 30, 2025, as compared to net assets of RMB1,649.4 million as of December 31, 2024. Such changes was primarily due to loss for the period recognized at RMB108.0 million, partially offset by the changes in fair value of equity investments at fair value through other comprehensive income, net of tax of RMB1.9 million.

We recorded net assets of RMB1,649.4 million as of December 31, 2024, as compared to net assets of RMB1,767.4 million as of December 31, 2023. Such decrease was primarily due to the loss for the year recognized at RMB97.8 million, partially offset by the changes in fair value of equity investments at fair value through other comprehensive income, net of tax of RMB20.1 million.

We recorded net assets of RMB1,767.4 million as of December 31, 2023, as compared to net assets of RMB1,616.5 million as of December 31, 2022. Such change was primarily due to capital contributions by a shareholder of RMB213.4 million in the year ended December 31, 2023, partially offset by the total comprehensive loss for the year of RMB62.9 million.

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The following table sets forth our current assets and current liabilities as of the dates indicated:

	As of December 31,			As of June 30,	As of July 31,
	2022	2023	2024	2025	2025
					(Unaudited)
	(RMB in thousands)				
Current Assets					
Trade receivables	76,650	266,298	251,729	253,715	261,936
Prepayments, other receivables and other assets	96,586	71,951	91,671	117,276	139,423
Financial assets at fair value through profit or loss	147,760	170,968	187,486	150,407	115,197
Time deposits	–	54,431	32,591	80,209	80,000
Cash and cash equivalents . . .	748,569	596,968	343,818	222,333	226,031
Total current assets	1,069,565	1,160,616	907,295	823,940	822,593
Current Liabilities					
Trade payables	18,567	59,013	27,140	52,762	40,548
Other payables and accruals . . .	106,184	93,192	74,110	56,533	66,302
Interest-bearing bank borrowings	16,785	45,600	28,124	42,989	45,989
Contract liabilities	89,934	71,367	27,956	32,115	30,985
Financial liabilities at fair value through profit or loss	4,412	–	–	–	–
Income tax payable	–	36	35	35	–
Lease liabilities	7,019	8,201	7,671	9,130	9,421
Total current liabilities	242,901	277,409	165,036	193,564	193,245
Net Current Assets	826,664	883,207	742,259	630,376	629,348

We recorded net current assets of RMB629.3 million as of July 31, 2025, being the most recent date for the purpose of liquidity disclosure in this Document, remained relatively stable as compared to net current assets of RMB630.4 million as of June 30, 2025.

We recorded net current assets of RMB630.4 million as of June 30, 2025, as compared to net current assets of RMB742.3 million as of December 31, 2024. The decrease in net current assets was primarily due to the decrease in cash and cash equivalents, primarily due to our increased routine operating expenditures, which was in line with our business expansion, partially offset by the increase in prepayments, other receivables and other assets, mainly driven by our ongoing business development and increasing market recognition.

We recorded net current assets of RMB742.3 million as of December 31, 2024, as compared to net current assets of RMB883.2 million as of December 31, 2023. The decrease in net current assets was primarily due to the decrease in cash and cash equivalents primarily as a result of our cash outflows relating

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to operating outflows to support our continued business expansion, partially offset by the increase in prepayments, other receivables and other assets.

We recorded net current assets of RMB883.2 million as of December 31, 2023, as compared to net current assets of RMB826.7 million as of December 31, 2022. The increase in net current assets was primarily due to the increase in trade receivables due to business expansion and the increase in time deposits mainly because of more cash on hand as a result of the Series D financing in 2022, partially offset by the increase in trade payables and interest-bearing bank borrowings.

Assets

Trade Receivables

Our trade receivables primarily represent the amount of outstanding receivables from our clients.

The following table sets forth a breakdown of our trade receivables as of the dates indicated:

	As of December 31,			As of June 30,
	2022	2023	2024	2025
	(RMB in thousands)			
Trade Receivables				
Trade receivables	76,925	281,483	284,545	336,086
Impairment	(275)	(15,185)	(32,816)	(82,371)
Total	<u>76,650</u>	<u>266,298</u>	<u>251,729</u>	<u>253,715</u>

Our trade receivables increased from RMB76.7 million as of December 31, 2022 to RMB266.3 million as of December 31, 2023, primarily due to (i) our revenue growth in line with business expansion, and (ii) our expansion into new verticals and more variety in our customer base. Our trade receivables decreased from RMB266.3 million as of December 31, 2023 to RMB251.7 million as of December 31, 2024, primarily due to the increase in expected credit loss provisions, which were adjusted based on updated assessments of the recoverability of trade receivables and changes in the credit risk associated with outstanding balances. Our trade receivables subsequently increased to RMB253.7 million as of June 30, 2025, primarily due to the accumulation of receivables from existing customers and the expansion of new business with newly acquired customers, partially offset by the increase in impairment from RMB32.8 million as of December 31, 2024 to RMB82.4 million as of June 30, 2025, mainly due to the corresponding adjustment of expected credit loss provisions.

The following table sets forth our trade receivables turnover days for the years/periods indicated. Trade receivables turnover days for a period equals the arithmetic mean of the beginning and ending balances of trade receivables (excluding provision for impairment) for the relevant period divided by revenue for that period and multiplied by the number of days in that period.

	Year ended December 31,			Six months ended June 30,
	2022	2023	2024	2025
Trade receivables turnover days	63	123	163	286

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Our trade receivables turnover days increased from 63 days in 2022 to 123 days in 2023, and further to 163 days in 2024, primarily because (i) the balance of our trade receivables increased along with our revenue growth, (ii) we expanded into new verticals and have more variety in our customer base, (iii) our customer base includes an increasing number of state-owned entities (such as relevant group companies of the top three state-owned telecommunications operators in China, see “Business — Customers and Suppliers — Customers” for more details) and large institutional customers. According to Frost & Sullivan, state-owned enterprises and large institutions typically exhibit a complex and lengthy payment process, while with a relatively low risk of non-payment, and (iv) to a lesser extent, we may choose to accommodate customers in newly penetrated industries for more flexible payment schedule. Our trade receivables turnover days increased from 163 days in 2024 to 286 days in the six months ended June 30, 2025, primarily because of the more conservative procurement spending of certain institutional customers, especially subscription-based customers who were typically granted longer credit terms than transaction-based customers, in the second half of 2024. The procurement and budgeting cycles incentivized these customers to finalize their spending towards the end of the fiscal year to maximize their budget utilization, which is in line with the industry norm, according to Frost & Sullivan. As a result, a larger proportion of orders from our customers were received in the third and fourth fiscal quarters of 2024, which led to larger trade receivables balance as of year-end 2024 and early 2025, thus the trade receivables and turnover days we recorded in the six months ended June 30, 2025, on an annualized basis were relatively high. We seek to maintain strict control over our outstanding receivables and overdue balances are reviewed regularly by senior management. We endeavor to accelerate the collection of trade receivables through our credit management practices, including diligent credit assessments and continuous monitoring of receivable trends. In addition, we have dedicated internal teams responsible for continually monitoring the credit profiles, operating and financial conditions of our customers and proactively following up with our customers to ensure recoverability. These practices help identify and address any potential risks in a timely manner, which can reduce the chances of recovery issues occurring. We also engage in active communications with customers when their payments become due and enter into specific repayment plans with them as needed. We do not hold any collateral or other credit enhancements over our trade receivable balances. Trade receivables are non-interest-bearing. During the Track Record Period, we had not experienced material recoverability issues for our trade receivables, and our Directors are of the view that the increase in the trade receivables turnover days does not have material adverse impact on our liquidity and our business in general. Our Directors are of the view that the trade receivables of RMB253.7 million as of June 30, 2025 are recoverable, after the following steps were taken to evaluate the recoverability of our trade receivables: (i) we have already made sufficient provision for impairment of trade receivables in the amount of RMB49.6 million in the six months ended June 30, 2025 according to the expected credit loss model, (ii) we have reviewed customer contracts to ensure clear terms and conditions for payment collection, and monitored the trade receivable balances actively, and (iii) we have communicated with customers directly to closely monitor and follow up on their payment schedules for their outstanding payables, in order to identify any discrepancy timely and adopt appropriate payment collection methods accordingly.

The following table sets forth an aging analysis of the trade receivables based on the revenue recognition date and net of loss allowance as of the dates indicated, among which the portion aged more than six months increased from nil as of December 31, 2022 to RMB18.8 million as of December 31, 2023, primarily because (i) the balance of our trade receivables in 2023 increased along with our revenue growth, (ii) our customer base includes an increasing number of state-owned entities and large institutional customers, whose internal payment procedures are more lengthy and complex, and (iii) to a lesser extent, we may choose to accommodate customers in newly penetrated industries for more flexible payment schedule. The portion aged more than six months increased from RMB18.8 million as of December 31, 2023 to RMB44.6 million as of December 31, 2024,

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primarily due to (i) our strategic expansion into industries beyond asset management, under which we selectively granted more flexible payment terms to certain high-quality customers to deepen market penetration and capture greater market share. While this has temporarily slowed overall collections, it is intended to strengthen long-term customer relationships and support sustainable business growth; (ii) the refinement of our credit policy through a pilot program of a more granular customer credit assessment system, under which customers meeting our internal credit rating requirements were provided with preferential credit terms to stimulate sales. We expect to further optimize our credit policies based on the results to strike a balance between growth and risk management; and (iii) the adoption of a more prudent approach in the accounting recognition of receivables. Specifically, for receivables outstanding for more than one year, we applied an impairment provision ratio of over 60%. The portion aged more than six months subsequently increased from RMB44.6 million as of December 31, 2024 to RMB90.1 million as of June 30, 2025, primarily because of the same reasons. According to Frost & Sullivan, trade receivables aged between six months and two years are within industry norm.

	As of December 31, 2022			As at
	2022	2023	2024	June 30,
				2025
	<i>(RMB in thousands)</i>			
1-6 months	76,650	247,542	207,129	163,598
7-12 months	—	17,880	33,320	75,743
1-2 years	—	876	11,280	11,318
Over 2 years	—	—	—	3,056
	76,650	266,298	251,729	253,715

As of July 31, 2025, RMB45.5 million, representing approximately 17.9% of our trade receivables outstanding as of June 30, 2025 had subsequently been settled. The following table sets forth an aging analysis of the subsequent settlement as of July 31, 2025 of the trade receivables outstanding as of June 30, 2025.

	Outstanding Trade Receivable (Net of Provisions) as of June 30, 2025	Subsequent Settlement as of July 31, 2025	Percentages of Settlement
	<i>(RMB in thousands, except for percentages)</i>		
1-6 months	163,598	43,606	26.7%
7-12 months	75,743	1,855	2.4%
1-2 years	11,318	40	0.4%
Over 2 years	3,056	—	0.0%
Total	253,715	45,501	17.9%

The occurrence of relatively low subsequent settlements in trade receivables as of July 31, 2025 is closely tied to the seasonal nature of our business operations. Historically, we have received a higher volume of orders from new and existing clients in the third and fourth fiscal quarters of each year due to the procurement and budgeting cycles of the clients, who tend to finalize their spending towards the end of the fiscal year to maximize their budget usage. According to Frost & Sullivan, a number of large institutions in the PRC operate on a “use it or lose it” budget policy, where unspent budgets by year-end may lead to reduced financial allocations in the following year. Therefore, some clients are incentivized to place orders closer to the conclusion of the fiscal year. See “Risk Factors — Risks Relating to Our Business and Industry — Our business operations are subject to seasonality.” According to Frost & Sullivan, such seasonal

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fluctuations are in line with industry norm. In addition, our relatively low subsequent settlements in trade receivables as of June 30, 2025 is also related to the increasing number of state-owned entities (such as relevant group companies of the top three state-owned telecommunications operators in China, see “Business — Customers and Suppliers — Customers” for more details) and large institutional customers in our customer base. According to Frost & Sullivan, state-owned enterprises and large institutions typically exhibit a complex and lengthy payment process, while with a relatively low risk of non-payment, and to a lesser extent, we may choose to accommodate customers in newly penetrated industries for more flexible payment schedule. We have made sufficient provision for impairment of these overdue trade receivables as of June 30, 2025 according to the expected credit loss model. We are in the opinion that we are not expected to be subject to any material risk exposure to credit impairment and there is no recoverability issue for our trade receivables.

Throughout the Track Record Period, we had not experienced material recoverability issues with respect to our trade receivables. Our credit management practices include diligent credit assessments and continuous monitoring of receivable trends. Before extending payment terms to any customer, we perform extensive analysis into their creditworthiness, business conditions and financial profiles to ensure that they have the ability to pay as per agreed-upon schedules. In addition, we have dedicated internal teams responsible for continually monitoring the credit profiles, operating and financial conditions of our customers and proactively following up with our customers to ensure recoverability. These practices ensure that any potential risks are identified and addressed promptly, further reducing the likelihood of irrecoverability. When payments are due, we take appropriate follow-up measures including continuous communication with customers, periodic payment demands, and, if necessary, initiating legal actions. Our financial team consistently monitors bank accounts and compiles trade receivables data, while our sales team maintains frequent contact with customers regarding outstanding payments and provides weekly progress reports to the management team. Additionally, our sales team may visit customers on-site to collect payments, issue demand letters, and enter into repayment plans with specific payment schedules. The vast majority of the clients with whom we had trade receivables outstanding as of June 30, 2025 have agreed to pay us by the agreed-upon due date, and none of such trade receivables are currently in dispute. Given our diligent credit assessments, continuous monitoring, proactive follow-ups as mentioned above, we do not expect to experience any material issue in recoverability of accounts receivable in the foreseeable future.

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Prepayments, Other Receivables and Other Assets

Our prepayments, other receivables and other assets primarily consist of prepayments for purchase of services and products, deposits and other receivables, value-added-tax recoverable and loans to directors, prepaid [REDACTED] expenses, prepayments for investments, and prepayments for leasehold improvements. The following table sets forth a breakdown of our prepayments, other receivables and other assets as of the dates indicated:

	As of December 31,			As of June 30,
	2022	2023	2024	2025
	(RMB in thousands)			
Current				
Prepayments for purchase of services and products	48,989	31,069	58,233	74,893
Deposits and other receivables	27,202	19,482	9,008	17,760
Value-added-tax recoverable	11,248	9,451	15,008	12,839
Loans to directors	6,723	7,549	7,549	7,549
Prepaid [REDACTED] expenses	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Others	2,424	1,494	657	3,393
	96,586	71,951	92,089	117,805
Impairment	—	—	(418)	(529)
	96,586	71,951	91,671	117,276
Non-Current				
Prepayments for investment	4,800	10,000	10,000	10,000
Deposits	—	—	3,068	2,831
Total	101,386	81,951	104,739	130,107

Our prepayments, other receivables and other assets decreased from RMB101.4 million as of December 31, 2022 to RMB82.0 million as of December 31, 2023, and increased to RMB104.7 million as of December 31, 2024, primarily due to higher prepayments related to outsourced R&D services in 2022 and 2024. Our prepayments, other receivables and other assets subsequently increased to RMB130.1 million as of June 30, 2025, primarily due to the continuous increase in prepayments for R&D outsourcing to support our business.

Financial Assets at Fair Value through Profit or Loss

Financial assets measured at fair value through profit or loss, or FVTPL, represent wealth management products and other unlisted equity investments. Our financial assets of fair value through profit or loss were RMB270.7 million, RMB344.3 million, RMB356.6 million and RMB326.5 million as of December 31, 2022, 2023, 2024 and June 30, 2025, respectively. Such overall growth was primarily attributable to our increased investments in wealth management products and other unlisted equity investments. The wealth management products we purchased include (i) relatively low-risk wealth-management products which were deposited in or managed by state-owned banks or other high-quality reputable banks in China and (ii) investments in certain selected private equity funds, which were issued by

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licensed financial institutions with unguaranteed return of principal and can be redeemed each month on demand after one-year holding period. Our wealth management products are all denominated in RMB and typically feature a maturity period of one year or less. The principal and returns on all these wealth management products are not guaranteed, in compliance with relevant PRC laws. The average yield rate of our wealth management products as a whole was 0.5%, 3.6%, 3.6% and 1.3% in 2022, 2023, 2024 and the six months ended June 30, 2025, respectively, calculated by dividing the returns from these wealth management products by the average of the investment amounts at the beginning and the end of each period.

Our unlisted equity securities primarily include long-term investments in selected unlisted companies, where our equity ownership is not material and we do not participate in such companies’ day-to-day operations, and selected investments in funds that focus on equity investment in unlisted companies. We have been in the past, and expect to continue, prudently evaluating and considering a wide array of potential investments in emerging businesses that are complementary to our business to implement our long-term growth strategy, enhance our solutions and expand and penetrate the industry verticals we cover. We select our investment target companies based on the industry in which the target operates, the target’s strength of data technologies, the target’s business and financial performance and the synergy between the target and us. Following this investment strategy, we are also limited partners of certain private equity funds where the general partners are mostly affiliated with the State-owned Assets Supervision and Administration Commission or its municipal branches. These funds generally focus on targets with strength in data technologies and targets within synergistic verticals with us, helping us gain more visibility about the industry trends and ecosystem. For details, see Note 26 to the Accountant’s Report in Appendix I to this Document. See “— Our Investment Policies” for details on our investment policies and internal control measures. See “— Material Accounting Policy Information — Fair value measurement” for valuation of our level 3 financial assets. See also “Risk Factors — Risks Relating to our Business and Industry — The fair value measurements of certain financial assets require the use of estimates that are based on unobservable inputs, which inherently involves a certain degree of uncertainty.”

Our Investment Policies

To monitor and control the investment risks associated with our wealth management product portfolio, we have established a set of internal risk management policies and guidelines. Led by Mr. Zhijian Liu, our chief executive officer, our senior management is responsible for overseeing our investment portfolio. Mr. Liu has extensive investment experience and has worked in multiple prestigious international and Chinese banks. Other members of the senior management team also have profound working experience and most of them hold or are pursuing an EMBA or MBA degree. For relevant experience, qualifications and expertise of our senior management team, see “Director, Supervisors and Senior Management — Board of Directors.”

Our investment strategy aims to optimize the efficiency of idle funds, generate investment returns for our Shareholders, and manage investment and financial risks. Guided by this strategy, we invest in low-risk wealth management products with high liquidity and security, offered by reputable commercial banks in China, to minimize our risk exposure. At the same time, recognizing the potential for higher returns, we selectively invest in certain private equity funds, complementing our conservative investment focus. We make investment decisions related to our wealth management products on a case-by-case basis after

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thoroughly considering a number of factors, including but not limited to macro-economic environment, general market conditions, risk control and credit of issuing banks, our own working capital conditions, and the expected profit or potential loss of the investment. Our investments in wealth management products after the [REDACTED] will be subject to the compliance with relevant laws, regulations and rules, including Chapter 14 and other applicable rules under the Listing Rules.

We also make strategic investment decisions in private companies on a case-by-case basis based on the consideration of a number of factors, including the investee’s operating history, the growth potential of the investee and the industries in which it operates, the quality of the investee’s management team, as well as the investee’s potential to generate synergies with our existing operations. We closely monitor the operational and financial performance of our investee companies. From time to time, we may also decide to dispose of certain or all of our equity interests in our investee companies to achieve financial returns or to align with our business focus. Our internal procedures for exit decisions are substantially similar to the procedures for investment decisions.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash and bank balances. In 2022, 2023, 2024 and the six months ended June 30, 2025, our cash and cash equivalents were denominated in RMB. Our cash and cash equivalents amounted to RMB748.6 million, RMB597.0 million, RMB343.8 million, RMB222.3 million as of December 31, 2022, 2023, 2024 and June 30, 2025, respectively. Our cash and cash equivalents decreased from RMB748.6 million as of December 31, 2022 to RMB597.0 million as of December 31, 2023, primarily due to increased investments in wealth management products and other unlisted equity investments. Our cash and cash equivalents decreased from RMB597.0 million as of December 31, 2023 to RMB343.8 million as of December 31, 2024, primarily due to cash outflows from operating outflows to support our continued business expansion. Our cash and cash equivalents decreased from RMB343.8 million as of December 31, 2024 to RMB222.3 million as of June 30, 2025, primarily due to the continued operating cash outflow to support our business operations. See “— Liquidity and Capital Resources” for details.

Time deposits

Our time deposits remained relatively stable from RMB83.4 million as of December 31, 2022 to RMB86.0 million as of December 31, 2023. Our time deposits decreased from RMB86.0 million as of December 31, 2023 to RMB52.9 million as of December 31, 2024, primarily resulting from the maturity and redemption of certain deposits in 2024, as well as the lower interest rate environment during the year. Our time deposits subsequently increased from RMB52.9 million as of December 31, 2024 to RMB100.7 million as of June 30, 2025, mainly due to our more efficient utilization of working capital.

Goodwill

Our goodwill is acquired through business combinations from the acquisition of Shanghai Kaiyu cash-generating unit and Shanghai Kuanrui cash-generating unit. According to the third-party valuer engaged by the Company, during the Track Record Period, the nature of the industry and asset groups of these two companies did not undergo significant changes, nor did the industry development trends experience major

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transformations, therefore, the pre-tax discount rates remained unchanged. The growth rate for both companies was set to zero, mainly considering the pressures of the domestic and international economic environment. Facing economic uncertainties and potential risks, a zero growth rate was chosen out of prudence to estimate the terminal value of future cash flows. As of December 31, 2022, 2023, 2024 and June 30, 2025, we recorded goodwill of RMB388.5 million, RMB388.5 million, RMB388.5 million and RMB388.5 million, respectively. The recoverable amount of the Shanghai Kaiyu exceeds its carrying amount by RMB35.9 million, RMB98.7 million, RMB75.6 million and RMB69.1 million for the years ended December 31, 2022, 2023, 2024 and for the six months ended June 30, 2025, respectively. The recoverable amount of Shanghai Kuanrui exceeds its carrying amount by RMB27.4 million, RMB48.0 million, RMB51.0 million and RMB47.8 million for the years ended December 31, 2022, 2023, 2024 and for the six months ended June 30, 2025, respectively. For more details, see note 16 to the Accountant’s Report in Appendix I to this Document.

Liabilities

Trade Payables

Our trade payables represent our obligation to pay for goods or services that have been purchased from suppliers in the ordinary course of business, such as software and technical services. In 2022, 2023, 2024 and the six months ended June 30, 2025, our trade payables are non-interest-bearing and are normally settled on terms of 90 days. Our trade payables increased from RMB18.6 million as of December 31, 2022 to RMB59.0 million as of December 31, 2023, mainly because we incurred more cost in product development due to our business growth and penetration into diversified industries. Our trade payables decreased from RMB59.0 million as of December 31, 2023 to RMB27.1 million as of December 31, 2024, primarily due to the settlement in 2024 of technical consulting, R&D outsourcing and other service fees accrued in 2023. Our trade payables increased from RMB27.1 million as of December 31, 2024 to RMB52.8 million as of June 30, 2025, primarily due to the customary year-end settlement cycle as well as our higher purchase amount in the first half of 2025.

The following table sets forth our trade payables turnover days for the years/periods indicated. Trade payables turnover days for a period equals the arithmetic mean of the beginning and ending balances for trade payables for the relevant period divided by cost of sales for that period and multiplied by the number of days in that period:

	Year ended December 31,			Six months ended June 30,
	2022	2023	2024	2025
Trade payables turnover days	166	127	107	111

Our trade payables turnover days decreased from 166 days in 2022 to 127 days in 2023. Such decreases in our trade payables turnover days during the Track Record Period were mainly because of our business growth and sufficient liquidity, and consequently we adopted an accelerated payment pattern that expedites the progress of our operations and strengthens our commercial relationship with the suppliers. Our trade payables turnover days further decreased to 107 days in 2024, primarily due to our strong cash flow position and efficient management of trade payables. Our trade payables turnover days remained relatively stable at 111 days in the six months ended June 30, 2025.

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The following table sets forth an aging analysis of our trade payables as of the dates indicated:

	As of December 31,			As of
	2022	2023	2024	June 30,
	(RMB in thousands)			2025
0-3 months	12,938	57,242	4,331	29,264
4-6 months	5,217	—	15,039	714
7-12 months	—	1,087	6,411	15,040
Over 12 months	412	684	1,359	7,744
Total	18,567	59,013	27,140	52,762

As of July 31, 2025 we had settled trade payables of RMB14.3 million, representing approximately 27.1% of our trade payables outstanding as of June 30, 2025.

Other Payables and Accruals

Our other payables and accruals primarily consist of payroll and welfare payables, other tax payables, investment funds and other payable.

The following table sets forth a breakdown of our other payables and accruals as of the dates indicated:

	As of December 31,			As of
	2022	2023	2024	June 30,
	(RMB in thousands)			2025
Other payables and accruals				
Payroll and welfare payables	57,431	43,314	30,323	25,800
Financing expense payables	—	13,100	7,440	2,345
Other tax payables	6,960	9,047	3,492	1,659
[REDACTED] expense payables ...	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Investment payables	37,500	17,500	17,500	17,500
Other payables	4,293	8,152	14,295	6,954
Total	106,184	93,192	74,110	56,533

Our other payables and accruals decreased from RMB106.2 million as of December 31, 2022 to RMB93.2 million as of December 31, 2023, mainly due to (i) the decrease in payroll and welfare payables as a result of improved human capital efficiency, and (ii) the decrease in investment payables as a result of our fulfilling certain payment commitments to a private equity investment fund, partially offset by the increase in financing expense payables attributable to the fees due to financial advisors engaged for pre-[REDACTED] financing activities. See “— Discussion of Certain Selected Items from the Consolidated Statements of Financial Position — Financial Assets at Fair Value through Profit or Loss” for details of our investments in private equity funds. Our other payables and accruals decreased from RMB93.2 million as of December 31,

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2023 to RMB74.1 million as of December 31, 2024, and subsequently decreased to RMB56.5 million as of June 30, 2025, mainly due to (i) the decrease in payroll and welfare payables, resulting from our continued efforts in cost control and efficiency enhancement, and (ii) the decrease in financing expense payables, primarily due to our timely settlement of outstanding obligations.

Contract Liabilities

Our contract liabilities represent the performance obligations to customers for which we have received consideration. Contract liabilities include short-term advances received to deliver solutions.

Our contract liabilities decreased from RMB90.6 million as of December 31, 2022 to RMB71.4 million as of December 31, 2023, mainly because we recognized more revenue as we fulfill our contract obligations, in line with our revenue growth. Our contract liabilities decreased from RMB71.4 million as of December 31, 2023 to RMB28.0 million as of December 31, 2024, primarily due to the recognition of revenue for payments previously received in advance with large state-owned and central enterprise customers. Our contract liabilities increased from RMB28.0 million as of December 31, 2024 to RMB32.1 million as of June 30, 2025, mainly driven by new contracts signed during the first half of 2025, where advance payments were received but the related performance obligations had not yet been fulfilled.

As of July 31, 2025, RMB5.0 million, or 15.5% of our outstanding contract liabilities as of June 30, 2025 has been subsequently recognized as revenue.

Interest-bearing Bank Borrowings

Please see “— Indebtedness — Interest-bearing Bank Borrowings.”

Lease Liabilities

Please see “— Indebtedness — Lease Liabilities.”

KEY FINANCIAL RATIO

The table below sets forth our key financial ratio for the years/periods/as of the dates indicated:

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
				<i>(Unaudited)</i>	
Revenue growth	N/A	84.3%	19.1%	N/A	(30.0)%
Gross profit margin . . .	78.0%	79.0%	76.7%	80.7%	66.7%
Net loss margin ⁽¹⁾	33.5%	12.0%	15.5%	34.6%	54.6%
				As of December 31,	
				2022	2023
				2024	As of June 30, 2025
Current ratio ⁽²⁾		4.4	4.2	5.5	4.3
Gearing ratio ⁽³⁾		1.8%	3.3%	3.3%	4.9%

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- (1) *Net loss margin is calculated by dividing loss for the period by revenue for the period indicated. The increase in net loss margin for the six months ended June 30, 2025 as compared to June 30, 2024 was primarily due to the significant decrease in the revenue generated from the provision of transaction-based specialist technology products in the six months ended June 30, 2025, primarily attributable to changes in our customers’ budget allocation schedules in 2025, as certain customers tended to defer the purchase to the second half of the year.*
- (2) *Current ratio is calculated by dividing current assets by current liabilities as of the date indicated.*
- (3) *Gearing ratio is calculated by dividing the sum of interest-bearing loans and lease liabilities by total equity as of the date indicated.*

LIQUIDITY AND CAPITAL RESOURCES

The following table sets forth our cash flows for the years/periods indicated:

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
	(unaudited)				
	(RMB in thousands)				
Cash outflow from operating activities					
before movements in working capital . . .	(96,427)	(50,191)	(60,299)	(74,227)	(69,774)
Cash used in operations	(191,137)	(200,603)	(174,138)	(109,932)	(129,938)
Interest received	6,199	7,062	4,053	2,754	1,824
Income tax paid	(27)	(439)	(138)	(138)	–
Net cash flows used in operating activities	(184,965)	(193,980)	(170,223)	(107,316)	(128,114)
Net cash flows (used in)/generated from investing activities	(143,454)	(189,717)	(46,364)	(45,103)	2,548
Net cash flows generated from/(used in) financing activities	784,725	231,613	(36,461)	(12,656)	3,824
Net increase/(decrease) in cash and cash equivalents	456,306	(152,084)	(253,048)	(165,075)	(121,742)
Net foreign exchange differences	2,490	483	(102)	14	257
Cash and cash equivalents at beginning of the period	289,773	748,569	596,968	596,968	343,818
Cash and cash equivalents at end of the year/period	748,569	596,968	343,818	431,907	222,333

During the Track Record Period and as of the Latest Practicable Date, our principal sources of liquidity had been capital contribution from shareholders and proceeds from our business operations. With respect to cash management, our objective is to optimize liquidity to gain a better return for shareholders in a risk-averse manner. We monitor and maintain a level of cash and cash equivalents deemed adequate to finance our operations and mitigate the effects of fluctuations in cash flows.

Net Cash Flows Generated from/(Used in) Operating Activities

In the six months ended June 30, 2025, our net cash used in operating activities was RMB128.1 million, which was primarily attributable to our loss before taxation of RMB108.0 million, as adjusted by (i) adding back non-cash and non-operating items, which primarily comprised provision for

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impairment loss recognized on trade and other receivables of RMB49.7 million, and fair value gains on financial assets at fair value through profit or loss of RMB21.6 million, partially offset by changes in working capital, which primarily resulted from increase in trade receivables of RMB51.5 million, increase in trade payables of RMB25.6 million, and increase in prepayments, other receivables and other assets of RMB25.9 million.

In 2024, our net cash used in operating activities was RMB170.2 million, which was primarily attributable to our loss before taxation of RMB97.8 million, as adjusted by (i) non-cash and non-operating items, which primarily comprised fair value gain on financial assets at fair value through profit or loss of RMB2.0 million, depreciation of right-of-use assets of RMB12.6 million, and provision for impairment loss recognized on trade and other receivables of RMB18.0 million; and (ii) changes in working capital, which primarily resulted from decrease in contract liabilities of RMB43.4 million and decrease in trade payables of RMB31.9 million.

In 2023, our net cash used in operating activities was RMB194.0 million, which was primarily attributable to our loss before taxation of RMB63.4 million, as adjusted by (i) non-cash and non-operating items, which primarily comprised provision for trade receivables of RMB14.9 million, depreciation of right-of-use assets of RMB10.4 million, amortization of intangible assets of RMB6.1 million, and fair value gains on financial assets at fair value through profit or loss of RMB12.2 million, partially offset by interest income of RMB9.7 million and exchange loss, net of RMB0.6 million; and (ii) changes in working capital, which primarily resulted from increase in trade receivables of RMB204.6 million, increase in trade payables of RMB40.4 million and decrease in contract liabilities of RMB19.2 million.

In 2022, our net cash used in operating activities was RMB185.0 million, which was primarily attributable to our loss before taxation of RMB96.5 million, as adjusted by (i) adding back non-cash and non-operating items, which primarily comprised interest income of RMB7.7 million, fair value gains on financial assets at fair value through profit or loss of RMB6.7 million, depreciation of right-of-use assets of RMB7.6 million and amortization of intangible assets of RMB5.0 million; and (ii) changes in working capital, which primarily resulted from increase in trade receivables of RMB53.7 million, increase in contract liabilities of RMB30.7 million and decrease in other payables and accruals of RMB21.0 million.

To improve our cash position, we plan to implement the following strategies: (i) accelerating the collection of trade receivables through our credit management practices, including diligent credit assessments and continuous monitoring of receivable trends. Before extending payment terms to any customer, we perform extensive analysis into their creditworthiness, business conditions and financial profiles to ensure that they have the ability to pay as per agreed-upon schedules. In addition, we have dedicated internal teams responsible for continually monitoring the credit profiles, operating and financial conditions of our customers and proactively following up with our customers to ensure recoverability. These practices ensure that any potential risks are identified and addressed promptly, further reducing the likelihood of irrecoverability. We also engage in active communications with customers when their payments become due and enter into specific repayment plans with them; and (ii) improving our operational efficiency and achieving greater economies of scale. In particular, as we continue to accumulate technology knowhow and grow as an established player in more industries, we expect our R&D expenses as a percentage to the revenue will continue to decrease. We also intend to optimize our administrative expenses by enhancing our level of centralized management, streamlining our internal workflows, and leveraging

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technology to drive cost-efficiency and productivity. In addition, we expect to continue to increasingly benefit from the network effect of our extensive and interconnected client base, as well as the strong word-of-mouth referrals that it generates, which would optimize our operating expenses in general, including but not limited to selling and distribution expenses. By focusing on these measures, we expect to further strengthen our cash position, ensuring better liquidity management to support our continued growth.

Net Cash Flows Used in Investing Activities

In the six months ended June 30, 2025, our net cash generated from investing activities was RMB2.5 million, mainly attributable to proceeds from disposal of financial assets at fair value through profit or loss of RMB63.8 million and maturity of time deposits of RMB32.6 million, partially offset by placement of time deposits of RMB80.5 million.

In 2024, our net cash used in investing activities was RMB46.4 million, mainly attributable to purchases of equity investments designated at fair value through other comprehensive income of RMB49.5 million.

In 2023, our net cash used in investing activities was RMB189.7 million, mainly attributable to purchases of financial assets at fair value through profit or loss of RMB249.4 million, purchases of equity investments designated at fair value through other comprehensive income of RMB96.0 million and purchases of interest in joint ventures of RMB3.0 million, partially offset by proceeds from disposal of financial assets at fair value through profit or loss of RMB163.5 million.

In 2022, our net cash used in investing activities was RMB143.5 million, mainly attributable to purchases of financial assets at fair value through profit or loss of RMB327.2 million, placement of time deposits of RMB71.6 million and purchases of equity investments designated at fair value through other comprehensive income of RMB34.8 million, partially offset by proceeds from disposal of financial assets at fair value through profit or loss of RMB249.4 million.

Net Cash Flows Generated from/(Used in) Financing Activities

In the six months ended June 30, 2025, our net cash generated from financing activities was RMB3.8 million, primarily from new bank borrowings of RMB28.8 million, partially offset by repayment of bank borrowings of RMB14.0 million, and principal portion of lease payments of RMB4.9 million.

In 2024, our net cash used in financing activities was RMB36.5 million, primarily from repayment of bank borrowings of RMB47.4 million and repayment of principal portion of lease payments of RMB11.1 million, partially offset by new bank borrowings of RMB29.9 million.

In 2023, our net cash generated from financing activities was RMB231.6 million, primarily from capital contribution from shareholders of RMB220.0 million and new bank borrowing of RMB48.0 million, partially offset by repayment of bank borrowings of RMB19.1 million and capital contribution expenses of RMB6.6 million.

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In 2022, our net cash generated from financing activities was RMB784.7 million, primarily from capital contribution by shareholders of RMB763.0 million and proceeds from contributions from non-controlling shareholders of RMB30.0 million, partially offset by capital contribution expenses of RMB10.0 million and principal portion of lease payments of RMB8.5 million.

INDEBTEDNESS

The following table sets forth the components of our indebtedness as of the dates indicated:

	As of December 31,			As of June 30,	As of July 31,
	2022	2023	2024	2025	2025
					(unaudited)
	(RMB in thousands)				
Current					
Interest-bearing bank borrowings	16,785	45,600	28,124	42,989	45,989
Lease liabilities	7,019	8,201	7,671	9,130	9,421
Non-current					
Lease liabilities	4,512	4,055	17,964	24,130	23,598
Total	28,316	57,856	53,759	76,249	79,008

Interest-Bearing Bank Borrowings

Our interest-bearing bank borrowings amounted to RMB16.8 million, RMB45.6 million, RMB28.1 million, RMB43.0 million and RMB46.0 million as of December 31, 2022, 2023, 2024, June 30, 2025 and July 31, 2025, respectively. For interest rate profile of our interest-bearing bank borrowings during the Track Record Period, see Note 30 to the Accountant’s Report in Appendix I to this Document.

As of July 31, 2025, we had RMB134.0 million of unutilized banking facilities.

Lease Liabilities

Our lease liabilities represent lease arrangements for properties. Our lease liabilities increased slightly from RMB11.5 million as of December 31, 2022 to RMB12.3 million as of December 31, 2023. Our lease liabilities increased from RMB12.3 million as of December 31, 2023 to RMB25.6 million as of December 31, 2024, primarily due to our newly-entered long-term office lease agreements with higher total amount of non-current lease liabilities. Our lease liabilities increased from RMB25.6 million as of December 31, 2024 to RMB33.3 million as of June 30, 2025, mainly driven by the addition of new office leases in Shanghai. Our lease liabilities remained relatively stable at RMB33.3 million as of June 30, 2025 and RMB33.0 million as of July 31, 2025.

Contingent Liabilities

As of December 31, 2022, 2023, 2024, June 30 and July 31, 2025, we did not have any material contingent liabilities. We did not have any outstanding loan, capital issued or agreed to be issued, debt

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securities, mortgages, charges, debentures, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptance credits, hire purchase commitment or other contingent liabilities as of July 31, 2025 being the latest practicable date for our indebtedness statement. Our Directors confirm that, as of the Latest Practicable Date, there had no material change in our indebtedness since July 31, 2025.

As of the Latest Practicable Date, there was no material restrictive covenant in our indebtedness which could significantly limit our ability to obtain future financing, nor was there any material default on our indebtedness or breach of covenant during the Track Record Period and as of the Latest Practicable Date.

CAPITAL EXPENDITURES

We regularly incur capital expenditures to develop and further expand our business operations. Our capital expenditures primarily consist of the purchase of property, plant and equipment and the purchase of intangible assets. The following table sets forth our capital expenditures for the years/periods indicated:

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
				<i>(Unaudited)</i>	
				<i>(RMB in thousands)</i>	
Property, plant and equipment	2,147	3,867	19,548	16,048	1,168
Intangible assets	5,199	116	314	101	118
Total	7,346	3,983	19,862	16,149	1,286

We expect to incur additional capital expenditures in 2025 primarily for purchase of property, plant and equipment and purchase of intangible assets. We expect to finance such capital expenditures through operating cash flows. We may adjust our capital expenditures for any given period according to our development plans or in light of market conditions and other factors we believe to be appropriate.

CONTRACTUAL OBLIGATIONS

Capital Commitments

Details of our capital commitments have been sets forth in Note 38 to the Accountant’s Report in Appendix I of this Document.

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

As of the Latest Practicable Date, we had not entered into any off-balance sheet commitment or arrangements.

RELATED PARTY TRANSACTIONS

See “Appendix I — notes to the historical financial information — related party transactions.”

RISK DISCLOSURES

Our principal financial instruments comprise trade receivables, and other receivables which arise directly from its operations, and cash. The main purpose of these financial instruments is to support our operations.

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The main risks arising from our financial instruments are foreign currency risk, credit risk and liquidity risk. Generally, the senior management of our Company meets regularly to analyze and formulate measures to manage our exposure to these risks. In addition, the board of directors of our Company holds meetings regularly to analyze and approve the proposals made by the senior management of our Company. Generally, we introduce conservative strategies on its risk management. The board of directors reviews and agrees policies for managing each of these risks and they are summarized below.

Interest rate risk

Our exposure to the risk of changes in interest rates is limited as our interest-bearing bank borrowings bear a fixed interest rate.

Foreign currency risk

We have transactional currency exposures. Such exposures arise from purchases by operating units in currencies other than the units' functional currencies.

Credit risk

We trade only with recognized and creditworthy third parties. It is our policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis.

Liquidity risk

We monitor our risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets (e.g., trade receivables) and projected cash flows from operations.

The liquidity of us is primarily dependent on our ability to maintain adequate cash inflows from operations to meet our debt obligations as they fall due, and our ability to obtain external financing.

DIVIDEND

No dividend has been declared or paid by entities comprising our Group. We currently expect to retain all future earnings for use in operation and expansion of our business, and do not have any dividend policy to declare or pay any dividends in the foreseeable future. The declaration and payment of any dividends in the future will be determined by our board of directors and subject to our Articles of Association and the PRC Company Law, and will depend on a number of factors, including the successful commercialization of our products as well as our earnings, capital requirements, overall financial condition and contractual restrictions. No dividend shall be declared or payable except out of our profits and reserves lawfully available for distribution.

As confirmed by our PRC Legal Advisor, according to the PRC law, any future net profit that we make will have to be first applied to make up for our historically accumulated losses, after which we will be

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obliged to allocate 10% of our net profit to our statutory common reserve fund until such fund has reached more than 50% of our registered capital. We will therefore only be able to declare dividends after (i) all our historically accumulated losses have been made up for; and (ii) we have allocated sufficient net profit to our statutory common reserve fund as described above.

WORKING CAPITAL

Taking into account the financial resources available to us, including anticipated cash flow from our operating activities, existing cash and cash equivalents, available banking facilities and the estimated net [REDACTED] from the [REDACTED], our Directors believe that we have sufficient working capital for our present requirements and for the next 12 months from the date of this Document.

We intend to finance our future working capital requirements and capital expenditures primarily from cash expected to be generated from operating activities and funds raised from financing activities, including the net [REDACTED] we will receive from the [REDACTED]. We may not be able to obtain additional financing on terms favorable to us, if at all. If we are unable to obtain adequate financing or financing on terms satisfactory to us when we require it, our ability to continue to support our business growth and to respond to business challenges could be significantly impaired, and our business, financial condition, results of operations and prospects may be adversely affected. See “Risk Factors — Risks Relating to Our Business and Industry — We may be unable to obtain any additional capital required in a timely manner or on acceptable terms, or at all. Moreover, our future capital needs may require us to sell additional equity or debt securities that may dilute our shareholders’ shareholdings or subject us to covenants that may restrict our operations or our ability to pay dividends.”

DISTRIBUTABLE RESERVES

As of June 30, 2025, we did not have any distributable reserves.

[REDACTED]-RELATED EXPENSES INCURRED AND TO BE INCURRED

The total [REDACTED] expenses payable by our Company are estimated to be approximately HK\$[REDACTED] (or approximately RMB[REDACTED]), accounting for [REDACTED]% of our gross [REDACTED], assuming the [REDACTED] is not exercised and based on an [REDACTED] of HK\$[REDACTED] (being the mid-point of our [REDACTED] range of HK\$[REDACTED] to HK\$[REDACTED] per [REDACTED]). These [REDACTED] expenses mainly include legal and other professional fees paid and payable to the professional parties, [REDACTED] payable to the [REDACTED], and printing and other expenses for their services rendered in relation to the [REDACTED] and the [REDACTED], comprising of (i) HK\$[REDACTED] of [REDACTED]-related expenses (including but not limited to [REDACTED] and fees); and (ii) HK\$[REDACTED] of non-[REDACTED]-related expenses, including HK\$[REDACTED] of fees and expenses of legal advisors and accountants and HK\$[REDACTED] of other fees and expenses.

During the Track Record Period, the [REDACTED] expenses (excluding [REDACTED]) incurred by our Company in relation to the [REDACTED] and the [REDACTED] were HK\$[REDACTED]. We estimate that additional [REDACTED] expenses of approximately HK\$[REDACTED] (including [REDACTED] and other expenses, assuming the [REDACTED] is not exercised and based on the mid-point of our

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[REDACTED] range of HK\$[REDACTED] to HK\$[REDACTED] per [REDACTED]) will be incurred by our Company, approximately HK\$[REDACTED] of which is expected to be charged to our consolidated statements of profit or loss, and approximately HK\$[REDACTED] of which is expected to be charged against equity upon the [REDACTED].

[REDACTED]

NO MATERIAL ADVERSE CHANGE

Our Directors confirm that, up to the date of this document, there had been no material adverse change in our financial, operational or prospects since June 30, 2025, being the latest balance sheet date of our consolidated financial statements in the Accountant’s Report in Appendix I to this Document.

DISCLOSURE UNDER RULES 13.13 TO 13.19 OF THE LISTING RULES

Our Directors confirm that, as of the Latest Practicable Date, there was no circumstance that would give rise to a disclosure requirement under Rules 13.13 to 13.19 of the Listing Rules.

FUTURE PLANS AND USE OF [REDACTED]

FUTURE PLANS

Please see “Business — Our Strategies” for a detailed description of our future plans.

USE OF [REDACTED]

We estimate that we will receive net [REDACTED] from the [REDACTED] of approximately HK\$[REDACTED], after deducting [REDACTED], fees and estimated expenses payable by us in connection with the [REDACTED], assuming the [REDACTED] is not exercised and assuming an [REDACTED] of HK\$[REDACTED] per Share, being the mid-point of the indicative [REDACTED] range stated in this Document.

In line with our strategies, we intend to use the net [REDACTED] for the following purposes, subject to changes in light of our evolving business needs and changing market conditions:

- Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used for our ongoing and future research and development of our solutions, with the detailed breakdown of such [REDACTED] to be allocated as follows:

i. Investments in advancing our current solutions and developing new solutions:

Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used to further advance our current solutions, develop new solutions, and enhance our technology capabilities.

- (a) Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used to enhance and upgrade the key capabilities and functionalities of our existing solutions. Our primary growth objective is to increase the breadth and depth of our solutions along the asset management vertical. To achieve this, we plan to (i) refine our data collection and aggregation modules to cover more asset classes and address more customer pain points, (ii) enhance the agility of our modules to equip our solutions with faster iteration capabilities, and (iii) continue to enhance our user experience design. For example, we are currently developing POne 2.0 and COne 2.0, and have purpose-built a research and development team of around 40 experts to iterate POne utilizing a DevOps agile development model, which involves continuous development and testing, with a focus on rapid iteration.
 - (b) Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used to develop new solutions based on new functional modules. The number of modules we successfully developed experienced an accelerated growth, increasing from 152 in 2022 to 285 in 2023, to 318 in 2024, and further to 332 in the six months ended June 30, 2025. In 2025, we expect to further develop approximately 8 new modules to deliver more comprehensive functionalities, enhancing our ability to meet evolving client needs.
- Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used to develop new modules in the asset management industry. For example, we plan to

FUTURE PLANS AND USE OF [REDACTED]

develop new modules that can integrate additional asset classes, and analyze additional factors such as the latest policy and market influences. Moreover, we plan to enter new markets by initially targeting large asset management institutions, leveraging our proven track record in the asset management industry. We intend to commence business discussions with several major institutional asset managers in Singapore and Japan, and expand our coverage to industry-wide clients in these markets by offering scalable and adaptable solutions. To support our international expansion, we are developing new product modules that address foreign exchange, international fund operations, and customized risk and compliance requirements for Qualified Domestic Institutional Investors (QDIIs) and the overseas branches of domestic fund managers. We have successfully developed new modules targeting HKD and equity performance of HK listed companies, and are currently supporting some of our domestic clients’ global investment strategies and data management needs for their Hong Kong branch business. We plan to devote R&D resources to developing additional modules in the second half of 2025 to cover a broader array of business types and scopes.

- Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used to develop new modules in other diversified industries. While data infrastructure modules are generally applicable to all industries, we plan to develop data analytics modules on the application level to introduce data analytics solutions specified in other diversified industries. For example, we plan to develop data analytics module combination for the city management sector with functions including real-time traffic management and public safety monitoring, for the manufacturing management sector with functions including real-time manufacturing process management, for renewable energy sector with functions including real-time resource allocation optimization, for agriculture sector with functions including yield prediction, for retail sector with functions including real-time supply chain management, and for logistics sector with functions including dynamic routing based on real-time traffic conditions. We expect to devote R&D resources to developing these modules in the second half of 2025.
- (c) Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used to enhance our technology capabilities:
 - Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used to optimize our key technologies capabilities applied in our solutions to enhance our operation efficiency and user experience. In particular, (i) with respect to our AI technology, we will continue to improve our AI algorithm-powered programming capabilities, such as machine learning, OCR and NLP, to achieve faster processing speed while maintaining industry-leading level of accuracy; and (ii) with respect to our cloud capabilities, we plan to further develop our cloud computing and virtual machine technologies to integrate data sources, handle data aggregation, and automatically put data into analysis-ready models more easily over the internet.
 - Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used to further strengthen the functionality and adaptability of our solutions for deployment

FUTURE PLANS AND USE OF [REDACTED]

in the PRC and overseas markets. To this end, we plan to work closely with domestic asset managers to refine product features that support their cross-border operations. Additionally, we intend to host regular webinars and workshops to keep clients informed of product updates and gather feedback to support continuous product optimization.

- Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used to build and develop our fundamental technology capabilities, such as our modularized capabilities and programming platforms, allowing us to quickly respond to customer needs and lower our operational costs;
- Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used to enhance our technology infrastructure, including purchase of hardware, software copyrights or licenses to expand storage and computing capabilities, as well as IT operation management and maintenance to ensure the efficiency of our R&D activities.

ii Additional investments in extending our solutions to other industries:

Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used to deepen our penetration in an array of other industries, including financial services (other than asset management), city management, telecommunications, retail, renewable energy, manufacturing management, agriculture and logistics.

- Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used to recruit talents with specialized experience and expertise in other verticals. Our success in the asset management industry is built by our R&D team equipped with extensive knowhow accumulated while serving sophisticated asset management companies and other leading information technology companies. We anticipate to better penetrate into other verticals following this tested path. We plan to hire approximately 200 additional R&D staff in the next five years to support our business growth.
- Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used in strategic partnerships with cross-industry veterans to develop more comprehensive data capabilities to enhance our solutions’ application in diversified industries. For more details, see “Business — Research and Development — Strategic Collaborations — Collaborations with Cross-Industry Veteran Partners.”
- Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used to recruit and retain talents in various industries to strengthen our sales and marketing team, thereby leveraging their industry-specific sales experiences to expand our user base. We plan to hire approximately 50 additional sales and marketing staff in the next five years to support our business growth.

We believe the above investment are crucial to extend our solutions to other industries. In the past couple of years, we have further proven scalability of our clientele by introducing our expertise and

FUTURE PLANS AND USE OF [REDACTED]

technology to an array of industries. The number of our customers in these diversified industries grew from 40 in 2022 to 55 in 2024, and the revenue contribution of these diversified industries accounted for 61.3% of our total revenues in 2024, growing from 25.6% and 34.1% in 2022 and 2023, respectively. During the Track Record Period, our R&D team decreased from around 446 members in 2022 to 320 members in 2024, reflecting our ability to scale operations efficiently while supporting our continuous success in the asset management industry and rapid growth in other diversified industries. We expect to leverage this proven approach to further expand into additional verticals.

We believe the aforementioned investments are crucial to extend our solutions to offshore clients. We are currently supporting some of our domestic clients’ global investment strategies and management needs for their Hong Kong branch business. The tangible growth in revenue from the Hong Kong market, escalating from 0.3% in 2022 to 5.9% in 2024, showcases our feasibility and capabilities in navigating complex global landscapes, regulatory challenges, and competitive environments.

As confirmed by Frost & Sullivan, both Japan and Singapore boast robust legal and regulatory frameworks, effective mechanisms for industry self-regulation, and policy environments that foster technological innovation. They also exhibit strong societal recognition of the value of data and digital transformation and are open to international cooperation. These factors combine to create promising market opportunities for the expansion of our data solutions. As the economies of the Asia Pacific grow, the market size of the asset management market in Hong Kong, Singapore and Japan, in terms of AUM, has increased from US\$22.8 trillion in 2020 to US\$29.1 trillion in 2024, representing a CAGR of 6.3% from 2020 to 2024, and is expected to reach US\$45.9 trillion in 2029, representing a CAGR of 9.5% from 2024 to 2029. The total number of players in the real-time data infrastructure and analytics market in Hong Kong, Singapore and Japan was around 10, over 20 and over 30, respectively, in 2024. As the real-time data infrastructure and analytics industry in Hong Kong, Singapore and Japan is an emerging market in a rapid development phase, the competitive landscape is fragmented and currently no leading players have been identified in the market, proving great opportunities for market players with mature products like us to penetrate into. See “Industry Overview — Overview of Real-Time Data Infrastructure and Analytics Market in Overseas Asset Management Industry.”

- Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used to improve our marketing capabilities, with the detailed breakdown of such [REDACTED] to be allocated as follows:
 - Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used to promote our brand awareness among users and potential users through marketing strategies such as hosting professional forum or seminars.
 - Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used to provide more professional trainings to our in-house sales team and solution delivery team to increase their capabilities to serve our customers, which also helps us enhance customer loyalty.
- The remaining [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be allocated for working capital and other general business purposes.

FUTURE PLANS AND USE OF [REDACTED]

IMPLEMENTATION TIMELINE

The table below sets forth the expected implementation timetable of our planned use of [REDACTED]. Any discrepancies between totals and sums of amounts are due to rounding.

	For the Year ended December 31,					Total
	2026	2027	2028	2029	2030	
	(HK\$ in millions)					
Our ongoing and future research and development of our solutions	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
(a) refine data collection, agility and aggregation of modules	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
(b) develop new functional modules	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
- new modules for asset management	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
- new modules for diversified industries	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
(c) enhance technology capability	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
- enhance AI tech and cloud capability	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
- enhance functionality and capability to deploy in PRC and overseas market	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
- modularise capability and programming platforms	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
- enhance technology infrastructure	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Subtotal	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
(a) talent recruitment with specialised experience and expertise	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
(b) strategic partnerships	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
(c) talent recruitment for marketing and promotion	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Subtotal	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Improve our marketing capabilities	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
(a) professional forum or seminars	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
(b) training to sales team	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Subtotal	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Working capital and other general business purposes	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Total	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

If the [REDACTED] is set at HK\$[REDACTED] per H Share, being the high end of the indicative [REDACTED] range, the net [REDACTED] from the [REDACTED] will increase by approximately HK\$[REDACTED]. If the [REDACTED] is set at HK\$[REDACTED] per H Share, being the low end of the indicative [REDACTED] range, the net [REDACTED] from the [REDACTED] will decrease by approximately HK\$[REDACTED]. The above allocation of the net [REDACTED] will be adjusted on a pro rata basis in the event that the [REDACTED] is fixed at a higher or lower level compared to the mid-point of the indicative [REDACTED] range stated in this Document.

If the [REDACTED] is exercised in full, the net [REDACTED] that we will receive will be approximately HK\$[REDACTED], assuming an [REDACTED] of HK\$[REDACTED] per Share (being the mid-point of the indicative [REDACTED] range). In the event that the [REDACTED] is exercised in full, we intend to apply the additional net [REDACTED] to the above purpose in the proportions stated above.

To the extent that our net [REDACTED] are not sufficient to fund the purposes set out above, we intend to fund the balance through a variety of means, including cash generated from operations, bank loans and other borrowings. To the extent that the net [REDACTED] from the [REDACTED] are not immediately used for the purposes described above and to the extent permitted by the relevant laws and regulations, they will only be placed in short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions (as defined under the Securities and Futures Ordinance or applicable laws and regulations in other jurisdictions) so long as it is deemed to be in the best interests of our Company. We will issue an appropriate announcement if there is any material change to the above proposed use of [REDACTED].

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

STRUCTURE OF THE [REDACTED]

[REDACTED]

STRUCTURE OF THE [REDACTED]

[REDACTED]

STRUCTURE OF THE [REDACTED]

[REDACTED]

STRUCTURE OF THE [REDACTED]

[REDACTED]

STRUCTURE OF THE [REDACTED]

[REDACTED]

STRUCTURE OF THE [REDACTED]

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STRUCTURE OF THE [REDACTED]

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STRUCTURE OF THE [REDACTED]

[REDACTED]

STRUCTURE OF THE [REDACTED]

[REDACTED]

STRUCTURE OF THE [REDACTED]

[REDACTED]

STRUCTURE OF THE [REDACTED]

[REDACTED]

STRUCTURE OF THE [REDACTED]

[REDACTED]

STRUCTURE OF THE [REDACTED]

[REDACTED]

HOW TO APPLY FOR [REDACTED]

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HOW TO APPLY FOR [REDACTED]

[REDACTED]

HOW TO APPLY FOR [REDACTED]

[REDACTED]

APPENDIX I

ACCOUNTANTS’ REPORT

The following is the text of a report set out on pages [I-1] to [I-3], received from the Company’s reporting accountants, BDO Limited, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this [document]. It is prepared and addressed to the directors of the Company and to the Guotai Junan Capital Limited pursuant to the requirements of Hong Kong Standard on Investment Circular Reporting Engagements 200, “Accountants’ Reports on Historical Financial Information in Investment Circulars” issued by the Hong Kong Institute of Certified Public Accountants.

[Letterhead of BDO Limited]

ACCOUNTANTS’ REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF SHENZHEN XUNCE TECHNOLOGY CO., LTD. AND GUOTAI JUNAN CAPITAL LIMITED

Introduction

We report on the historical financial information of Shenzhen Xunce Technology Co., Ltd. (the “Company”) and its subsidiaries (together the “Group”) set out on pages I-4 to I-[115], which comprises the consolidated statements of financial position as at December 31, 2022, 2023, 2024 and June 30, 2025, and the statements of the financial position of the Company as at December 31, 2022, 2023, 2024 and June 30, 2025, and the consolidated statements of profit or loss and other comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows for each of the years ended December 31, 2022, 2023, 2024 and for the six months ended June 30, 2025 (the “Track Record Period”) and material accounting policy information and other explanatory information (together the “Historical Financial Information”). The Historical Financial Information set out on pages I-4 to I-[115] forms an integral part of this report, which has been prepared for inclusion in the [document] of the Company dated [date] (the “Document”) in connection with the [REDACTED] of shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

Directors’ responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information and for such internal control as the directors determine is necessary to enable the preparation of Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountants’ responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 “Accountants’ Reports on Historical Financial Information in Investment Circulars” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

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Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants’ judgment, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity’s preparation of Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Historical Financial Information gives, for the purposes of the accountants’ report, a true and fair view of the Company’s financial position as at December 31, 2022, 2023, 2024 and June 30, 2025, the Group’s financial position as at December 31, 2022, 2023, 2024 and June 30, 2025, and of the Group’s financial performance and cash flows for the Track Record Period in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information.

Review of stub period comparative historical financial information

We have reviewed the stub period comparative historical financial information of the Group which comprises the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the six months ended June 30, 2024 and other explanatory information (the “Stub Period Comparative Historical Financial Information”). The directors of the Company are responsible for the preparation of the Stub Period Comparative Historical Financial Information in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information. Our responsibility is to express a conclusion on the Stub Period Comparative Historical Financial Information based on our review. We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the HKICPA. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit.

Accordingly, we do not express an audit opinion. Based on our review, nothing has come to our attention that causes us to believe that the Stub Period Comparative Historical Financial Information, for the purposes of the accountants’ report, is not prepared, in all material respects, in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information.

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Report on matters under the Rules Governing the Listing of Securities on The Stock Exchange and the Companies (Winding Up and Miscellaneous Provisions) Ordinance

Adjustments

In preparing the Historical Financial Information and the Stub Period Comparative Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page I-4 have been made.

Dividends

We refer to Note 13 to the Historical Financial Information which states that no dividends have been paid by the Company in respect of the Track Record Period.

[BDO Limited]

Certified Public Accountants

[●]

Practising Certificate Number [●]

Hong Kong

[Date]

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HISTORICAL FINANCIAL INFORMATION OF THE GROUP

Preparation of Historical Financial Information

Set out below is the Historical Financial Information which forms an integral part of this accountants’ report.

The consolidated financial statements of the Group for the Track Record Period, on which the Historical Financial Information is based, were audited by BDO Limited in accordance with Hong Kong Standards on Auditing issued by HKICPA (“Underlying Financial Statements”).

The Historical Financial Information is presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand (RMB’000) except when otherwise indicated.

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I. HISTORICAL FINANCIAL INFORMATION OF THE GROUP

1. CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Year ended December 31,			Six months ended June 30,	
		2022 RMB'000	2023 RMB'000	2024 RMB'000	2024 RMB'000 (Unaudited)	2025 RMB'000
Revenue	7	287,899	530,458	631,978	282,544	197,845
Cost of sales		(63,285)	(111,280)	(147,351)	(54,520)	(65,963)
Gross profit		224,614	419,178	484,627	228,024	131,882
Other income and gains or losses	7	32,184	33,057	21,682	791	29,836
Selling and distribution expenses		(24,142)	(36,522)	(41,043)	(22,111)	(15,167)
Research and development expenses		(258,778)	(379,137)	(450,441)	(248,234)	(168,099)
Administrative expenses		(67,926)	(81,991)	(91,173)	(47,825)	(34,380)
Impairment losses on financial assets, net		(268)	(14,910)	(18,049)	(5,958)	(49,666)
Other expenses		(482)	(974)	(668)	(526)	(1,194)
Finance costs	9	(940)	(1,359)	(2,189)	(1,242)	(999)
Share of profits and losses of:						
Associates		(49)	(8)	(327)	(357)	(215)
Joint ventures		(725)	(689)	(127)	(184)	4
LOSS BEFORE TAX	8	(96,512)	(63,355)	(97,708)	(97,622)	(107,998)
Income tax expense	12	–	(36)	(137)	(137)	–
LOSS FOR THE YEAR/PERIOD		<u>(96,512)</u>	<u>(63,391)</u>	<u>(97,845)</u>	<u>(97,759)</u>	<u>(107,998)</u>
Attributable to						
Owners of the parent		(75,141)	(55,267)	(84,011)	(101,474)	(89,429)
Non-controlling interests		(21,371)	(8,124)	(13,834)	3,715	(18,569)
		<u>(96,512)</u>	<u>(63,391)</u>	<u>(97,845)</u>	<u>(97,759)</u>	<u>(107,998)</u>
OTHER COMPREHENSIVE INCOME						
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:						
Exchange differences on translation of foreign operations		5	(67)	(102)	14	257
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:						
Equity investments designated at fair value through other comprehensive income		(5,203)	528	(20,120)	(10,617)	1,864
OTHER COMPREHENSIVE INCOME FOR THE YEAR/ PERIOD, NET OF TAX		<u>(5,198)</u>	<u>461</u>	<u>(20,222)</u>	<u>(10,603)</u>	<u>2,121</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR/PERIOD		<u>(101,710)</u>	<u>(62,930)</u>	<u>(118,067)</u>	<u>(108,362)</u>	<u>(105,877)</u>

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ACCOUNTANTS’ REPORT

	<i>Note</i>	Year ended December 31,			Six months ended June 30,	
		2022 <i>RMB’000</i>	2023 <i>RMB’000</i>	2024 <i>RMB’000</i>	2024 <i>RMB’000</i> <i>(Unaudited)</i>	2025 <i>RMB’000</i>
Attributable to						
Owners of the parent		(80,339)	(54,806)	(104,233)	(112,077)	(87,308)
Non-controlling interests		(21,371)	(8,124)	(13,834)	3,715	(18,569)
		<u>(101,710)</u>	<u>(62,930)</u>	<u>(117,067)</u>	<u>(106,362)</u>	<u>(105,877)</u>
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT						
Basic and diluted						
– For loss for the year/period (RMB)	14	<u>(0.28)</u>	<u>(0.19)</u>	<u>(0.28)</u>	<u>(0.34)</u>	<u>(0.30)</u>

APPENDIX I

ACCOUNTANTS’ REPORT

2. CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

		As at December 31,			As at June 30,
	Notes	2022	2023	2024	2025
		RMB'000	RMB'000	RMB'000	RMB'000
NON-CURRENT ASSETS					
Property, plant and equipment	15	3,215	4,922	19,292	16,459
Goodwill	16	388,526	388,526	388,526	388,526
Right-of-use assets	17	12,687	12,244	24,127	33,450
Intangible assets	18	34,465	28,471	22,658	19,699
Investments in joint ventures	19	9,515	12,323	12,196	12,200
Investments in associates	20	10,654	10,646	10,319	10,104
Prepayments, other receivables and other assets	23	4,800	10,000	13,068	12,831
Equity investments designated at fair value through other comprehensive income	21	124,797	216,160	245,497	247,361
Financial assets at fair value through profit or loss	26	122,918	173,372	169,116	176,083
Time deposits	27	83,373	31,613	20,268	20,526
Total non-current assets		794,951	888,277	925,067	937,239
CURRENT ASSETS					
Trade receivables	22	76,650	266,298	251,729	253,715
Prepayments, other receivables and other assets	23	96,586	71,951	91,671	117,276
Financial assets at fair value through profit or loss	26	147,760	170,968	187,486	150,407
Time deposits	27	–	54,431	32,591	80,209
Cash and cash equivalents	27	748,569	596,968	343,818	222,333
Total current assets		1,069,565	1,160,616	907,295	823,940
Total assets		1,864,516	2,048,893	1,832,362	1,761,179
CURRENT LIABILITIES					
Trade payables	28	18,567	59,013	27,140	52,762
Other payables and accruals	29	106,184	93,192	74,110	56,533
Interest-bearing bank borrowings	30	16,785	45,600	28,124	42,989
Contract liabilities	31	89,934	71,367	27,956	32,115
Financial liabilities at fair value through profit or loss	25	4,412	–	–	–
Income tax payable		–	36	35	35
Lease liabilities	17	7,019	8,201	7,671	9,130
Total current liabilities		242,901	277,409	165,036	193,564

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ACCOUNTANTS’ REPORT

	<i>Notes</i>	As at December 31,			As at June 30,
		2022 <i>RMB’000</i>	2023 <i>RMB’000</i>	2024 <i>RMB’000</i>	2025 <i>RMB’000</i>
NET CURRENT ASSETS		<u>826,664</u>	<u>883,207</u>	<u>742,259</u>	<u>630,376</u>
TOTAL ASSETS LESS					
CURRENT LIABILITIES		<u>1,621,615</u>	<u>1,771,484</u>	<u>1,667,326</u>	<u>1,567,615</u>
NON-CURRENT LIABILITIES					
Contract liabilities	31	641	–	–	–
Lease liabilities	17	<u>4,512</u>	<u>4,055</u>	<u>17,964</u>	<u>24,130</u>
Total non-current liabilities		<u>5,153</u>	<u>4,055</u>	<u>17,964</u>	<u>24,130</u>
NET ASSETS		<u><u>1,616,462</u></u>	<u><u>1,767,429</u></u>	<u><u>1,649,362</u></u>	<u><u>1,543,485</u></u>
EQUITY					
EQUITY ATTRIBUTABLE TO					
OWNERS OF THE PARENT					
Paid-in capital/share capital	33	129,182	300,000	300,000	300,000
Reserves	34	<u>1,376,264</u>	<u>1,364,537</u>	<u>1,260,304</u>	<u>1,172,996</u>
		1,505,446	1,664,537	1,560,304	1,472,996
Non-controlling interests		<u>111,016</u>	<u>102,892</u>	<u>89,058</u>	<u>70,489</u>
Total equity		<u><u>1,616,462</u></u>	<u><u>1,767,429</u></u>	<u><u>1,649,362</u></u>	<u><u>1,543,485</u></u>

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ACCOUNTANTS’ REPORT

3. CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Year ended December 31, 2022									
	Attributable to owners of the parent									
	Paid-in capital	Capital reserve	Other reserve	Exchange fluctuation reserve	Fair value reserve of financial assets at fair value through other comprehensive income	Accumulated loss	Total	Non-controlling interests	Total equity	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Notes										
As at January 1, 2022	102,312	1,034,782	2,983	—	—	(320,022)	820,055	116,024	936,079	
Loss for the year	—	—	—	—	—	(75,141)	(75,141)	(21,371)	(96,512)	
Other comprehensive income for the year:										
Changes in fair value of equity investments at fair value through other comprehensive income, net of tax	—	—	—	—	(5,203)	—	(5,203)	—	(5,203)	
Exchange differences related to foreign operations	—	—	—	5	—	—	5	—	5	
Total comprehensive income for the year	—	—	—	5	(5,203)	(75,141)	(80,339)	(21,371)	(101,710)	
Capital contribution by shareholders	20,543	729,950	—	—	—	—	750,493	—	750,493	
Paid-in capital transferred from the capital reserve	6,327	(6,327)	—	—	—	—	—	—	—	

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ACCOUNTANTS’ REPORT

Year ended December 31, 2022										
Attributable to owners of the parent										
	Paid-in capital	Capital reserve	Other reserve	Exchange fluctuation reserve	Fair value reserve of financial assets at fair value through other comprehensive income	Accumulated loss	Total	Non-controlling interests	Total equity	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Notes										
Equity transactions with non-controlling interests	–	–	997	–	–	–	997	3	1,000	
Capital contribution from non-controlling interests	–	–	13,640	–	–	–	13,640	16,360	30,000	
Others	–	–	600	–	–	–	600	–	600	
As at December 31, 2022	129,182	1,758,405	18,220	5	(5,203)	(395,163)	1,505,446	111,016	1,616,462	

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Year ended December 31, 2023									
	Attributable to owners of the parent					Attributable to non-controlling interests			
	Paid-in capital/Share Capital	Capital reserve	Other reserve	Exchange fluctuation reserve	Fair value reserve of financial assets at fair value through other comprehensive income	Accumulated loss	Total	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Notes									
As at January 1, 2023	129,182	1,758,405	18,220	5	(5,203)	(395,163)	1,505,446	111,016	1,616,462
Loss for the year	–	–	–	–	–	(55,267)	(55,267)	(8,124)	(63,391)
Other comprehensive income for the year:									
Changes in fair value of equity investments at fair value through other comprehensive income, net of tax	–	–	–	–	528	–	528	–	528
Exchange differences related to foreign operations	–	–	–	(67)	–	–	(67)	–	(67)
Total comprehensive income for the year	–	–	–	(67)	528	(55,267)	(54,806)	(8,124)	(62,930)
Capital contribution by a shareholder	4,785	208,615	–	–	–	–	213,400	–	213,400
Paid-in capital transferred from the capital reserve	1,305	(1,305)	–	–	–	–	–	–	–
Conversion into a joint stock company	164,728	(579,322)	–	–	–	414,594	–	–	–
Others	–	–	497	–	–	–	497	–	497
As at December 31, 2023	300,000	1,386,393	18,717	(62)	(4,675)	(35,836)	1,664,537	102,892	1,767,429

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ACCOUNTANTS’ REPORT

	Year ended December 31, 2024									
	Attributable to owners of the parent									
						Fair value reserve of financial assets at fair value through other comprehensive income	Accumulated loss	Total	Non-controlling interests	Total equity
	Share Capital	Capital reserve	Other reserve	Exchange fluctuation reserve		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at January 1, 2024	300,000	1,386,393	18,717	(62)		(4,675)	(35,836)	1,664,537	102,892	1,767,429
Loss for the year	-	-	-	-		-	(84,011)	(84,011)	(13,834)	(97,845)
Other comprehensive income for the year:										
Changes in fair value of equity investments at fair value through other comprehensive income, net of tax	-	-	-	-		(20,120)	-	(20,120)	-	(20,120)
Exchange differences related to foreign operations	-	-	-	(102)		-	-	(102)	-	(102)
Total comprehensive income for the year	-	-	-	(102)		(20,120)	(84,011)	(104,233)	(13,834)	(118,067)
As at December 31, 2024	300,000	1,386,393	18,717	(164)		(24,795)	(119,847)	1,560,304	89,058	1,649,362

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ACCOUNTANTS’ REPORT

Six months ended June 30, 2024 (Unaudited)									
	Attributable to owners of the parent								
	Share Capital	Capital reserve	Other reserve	Exchange fluctuation reserve	Fair value reserve of financial assets at fair value through other comprehensive income	Accumulated loss	Total	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at January 1, 2024	300,000	1,386,393	18,717	(62)	(4,675)	(35,836)	1,664,537	102,892	1,767,429
Loss for the period	–	–	–	–	–	(101,474)	(101,474)	3,715	(97,759)
Other comprehensive income for the period:									
Changes in fair value of equity investments at fair value through other comprehensive income,									
net of tax	–	–	–	–	(10,617)	–	(10,617)	–	(10,617)
Exchange differences related to foreign operations	–	–	–	14	–	–	14	–	14
Total comprehensive income for the period	–	–	–	14	(10,617)	(101,474)	(112,077)	3,715	(108,362)
As at June 30, 2024 (unaudited)	300,000	1,386,393	18,717	(48)	(15,292)	(137,310)	1,552,460	106,607	1,659,067

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ACCOUNTANTS' REPORT

Six months ended June 30, 2025										
Attributable to owners of the parent										
	Share Capital	Capital reserve	Other reserve	Exchange fluctuation reserve	Fair value reserve of financial assets at fair value through other comprehensive income	Accumulated loss	Total	Non-controlling interests	Total equity	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at January 1, 2025	300,000	1,386,393	18,717	(164)	(24,795)	(119,847)	1,560,304	89,058	1,649,362	
Loss for the period	-	-	-	-	-	(89,429)	(89,429)	(18,569)	(107,998)	
Other comprehensive income for the period:										
Changes in fair value of equity investments at fair value through other comprehensive income, net of tax	-	-	-	-	1,864	-	1,864	-	1,864	
Exchange differences related to foreign operations	-	-	-	257	-	-	257	-	257	
Total comprehensive income for the period	-	-	-	257	1,864	(89,429)	(87,308)	(18,569)	(105,877)	
As at June 30, 2025	300,000	1,386,393	18,717	93	(22,931)	(209,276)	1,472,996	70,489	1,543,485	

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4. CONSOLIDATED STATEMENTS OF CASH FLOWS

		Year ended December 31,			Six months ended June 30,	
		2022	2023	2024	2024	2025
	Notes	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
CASH FLOWS FROM						
OPERATING						
ACTIVITIES						
Loss before tax		(96,512)	(63,355)	(97,708)	(97,622)	(107,998)
Adjustments for:						
Finance costs	9	940	1,359	2,189	1,242	999
Share of losses of associates		49	8	327	357	215
Share of losses/(profits) of joint ventures		725	689	127	184	(4)
Interest income	7(c)	(7,668)	(9,733)	(4,536)	(2,754)	(1,824)
Loss on disposal of property, plant and equipment	8	360	361	114	110	122
Impairment losses on financial assets, net		268	14,910	18,049	5,958	49,666
Depreciation of property, plant and equipment	8	1,967	1,799	5,064	1,232	3,879
Depreciation of right-of-use assets	8	7,587	10,411	12,581	6,498	4,717
Amortization of intangible assets	8	5,039	6,110	6,127	3,059	3,077
Loss on early termination of lease	8	—	—	51	40	—
Gain on lease modification	7(c)	—	—	—	—	(1,468)
Fair value (gains)/losses on financial assets at fair value through profit or loss	7(c)	(6,697)	(12,200)	(2,032)	7,811	(21,598)
Exchange differences, net		(2,485)	(550)	(652)	(342)	443
Operating losses before working capital changes		(96,427)	(50,191)	(60,299)	(74,227)	(69,774)
(Increase)/decrease in trade receivables		(53,686)	(204,558)	(3,062)	569	(51,541)
(Increase)/decrease in prepayments, other receivables and other assets		(30,432)	25,900	(22,071)	12,793	(25,922)
(Decrease)/increase in trade payables		(20,324)	40,446	(31,873)	(6,328)	25,622
Increase/(decrease) in contract liabilities		30,743	(19,208)	(43,411)	(27,000)	4,159
(Decrease)/increase in other payables and accruals		(21,011)	7,008	(13,422)	(15,739)	(12,482)

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	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				(Unaudited)	
Cash used in operating activities	(191,137)	(200,603)	(174,138)	(109,932)	(129,938)
Interest received	6,199	7,062	4,053	2,754	1,824
Income tax paid	(27)	(439)	(138)	(138)	–
Net cash used in operating activities	(184,965)	(193,980)	(170,223)	(107,316)	(128,114)
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchases of property, plant and equipment	(2,147)	(3,867)	(19,548)	(16,048)	(1,168)
Purchases of intangible assets	(5,199)	(116)	(314)	(101)	(118)
Purchases of financial assets at fair value through profit or loss	(327,211)	(249,408)	(111,544)	(61,950)	(12,130)
Purchases of equity investments designated at fair value through other comprehensive income	(34,800)	(96,035)	(49,457)	(49,457)	–
Purchases of interest in associates	(4,101)	–	–	–	–
Purchases of interest in joint ventures	–	(3,000)	–	–	–
Advances of loans to directors	(4,973)	(1,886)	–	–	–
Repayment of loans from directors	1,800	1,060	–	–	–
Advances of loans to a shareholder	–	(7,950)	(106,876)	(56,100)	(30,170)
Repayment of loans from a shareholder	–	7,950	106,876	56,100	30,170
Proceeds from disposal of interests in subsidiaries	1,000	–	–	–	–
Proceeds from disposal of financial assets at fair value through profit or loss	249,356	163,535	101,314	48,515	63,840
Proceeds from disposal of financial assets held under resale agreements	54,463	–	–	–	–
Placement of time deposits	(71,642)	–	(21,246)	(20,493)	(80,467)
Maturity of time deposits	–	–	54,431	54,431	32,591
Net cash flows (used in)/generated from investing activities	(143,454)	(189,717)	(46,364)	(45,103)	2,548

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		Year ended December 31,			Six months ended June 30,	
	Notes	2022 RMB'000	2023 RMB'000	2024 RMB'000	2024 RMB'000 (Unaudited)	2025 RMB'000
CASH FLOWS FROM FINANCING ACTIVITIES						
New bank borrowings	36(b)	18,000	48,000	29,910	1,787	28,822
Repayment of bank borrowings	36(b)	(6,880)	(19,120)	(47,386)	(8,541)	(13,955)
Capital contribution from shareholders	33	762,999	220,000	–	–	–
Capital contribution expenses	33	(10,026)	(6,600)	(5,660)	–	(5,095)
Proceeds from contributions from non-controlling interests	34	30,000	–	–	–	–
Repayment of principal portion of lease payments	36(b)	(8,493)	(9,243)	(11,136)	(5,401)	(4,947)
Interest paid	36(b)	(875)	(1,424)	(2,189)	(501)	(1,001)
Net cash flows generated from/ (used in) financing activities		<u>784,725</u>	<u>231,613</u>	<u>(36,461)</u>	<u>(12,656)</u>	<u>3,824</u>
Net increase/ (decrease) in cash and cash equivalents		456,306	(152,084)	(253,048)	(165,075)	(121,742)
Cash and cash equivalents at beginning of year/period		289,773	748,569	596,968	596,968	343,818
Effect of net foreign exchange rate changes on cash and cash equivalents		<u>2,490</u>	<u>483</u>	<u>(102)</u>	<u>14</u>	<u>257</u>
Cash and cash equivalents at end of year/period		<u>748,569</u>	<u>596,968</u>	<u>343,818</u>	<u>431,907</u>	<u>222,333</u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS						
Cash and bank balances	27	<u>748,569</u>	<u>596,968</u>	<u>343,818</u>	<u>431,907</u>	<u>222,333</u>

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5. STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

		As at December 31,			As at June 30,
	Notes	2022 RMB’000	2023 RMB’000	2024 RMB’000	2025 RMB’000
NON-CURRENT ASSETS					
Property, plant and equipment		1,908	2,461	17,208	14,489
Right-of-use assets	17	3,603	3,111	20,304	20,398
Intangible assets		1,162	1,064	1,147	1,136
Investments in subsidiaries	1	625,392	639,008	643,573	648,164
Prepayments, other receivables and other assets	23	–	–	2,040	2,040
Time deposits	27	83,373	31,613	20,268	20,526
Total non-current assets		715,438	677,257	704,540	706,753
CURRENT ASSETS					
Trade receivables	22	33,527	159,984	180,288	184,954
Prepayments, other receivables and other assets	23	64,747	33,440	74,655	86,377
Financial assets at fair value through profit or loss	26	15,650	15,426	58,348	35,836
Amounts due from subsidiaries	38	217,689	382,890	439,558	521,255
Time deposits	27	–	54,431	32,591	–
Cash and cash equivalents	27	652,637	526,980	302,121	196,946
Total current assets		984,250	1,173,151	1,087,561	1,025,368
CURRENT LIABILITIES					
Trade payables	28	943	20	17,753	31,379
Other payables and accruals	29	31,428	43,238	34,067	16,870
Interest-bearing bank borrowings	30	6,720	27,600	10,000	30,000
Contract liabilities	31	48,992	26,980	16,419	14,494
Lease liabilities	17	2,234	2,183	4,561	3,889
Amounts due to subsidiaries	38	78,199	41,346	44,888	44,698
Total current liabilities		168,516	141,367	127,688	141,330
NET CURRENT ASSETS		815,734	1,031,784	959,873	884,038
TOTAL ASSETS LESS CURRENT LIABILITIES		1,531,172	1,709,041	1,664,413	1,590,791
NON-CURRENT LIABILITIES					
Contract liabilities	31	641	–	–	–
Lease liabilities	17	1,074	791	17,224	16,553
Total non-current liabilities		1,715	791	17,224	16,553
NET ASSETS		1,529,457	1,708,250	1,647,189	1,574,238
EQUITY					
Paid-in capital/share capital	33	129,182	300,000	300,000	300,000
Reserves	34	1,400,275	1,408,250	1,347,189	1,274,238
Total equity		1,529,457	1,708,250	1,647,189	1,574,238

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II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. CORPORATE AND GROUP INFORMATION

Shenzhen Xunce Technology Co., Ltd. (the “Company”), was a limited liability company incorporated in the People’s Republic of China (the “PRC”) on June 1, 2016. The registered office address of the Company is 66/F, Tower A, Building 2, Shenzhen Bay Innovation Technology Center, No. 3156 Keyuan South Road, Gaoxin Community, Yuehai Street, Nanshan District, Shenzhen, the PRC. In December 2023, the Company was converted into a joint stock company.

During the Track Record Period, the Company and its subsidiaries (together, the “Group”), are principally engaged in the provision of real-time data infrastructure and data analytics services in the PRC’s asset management and other diversified industries.

As at the date of this report, the Company had direct and indirect interests in its subsidiaries, which are private limited liability companies, limited partnership and structured entities. The particulars of its main subsidiaries are set out below:

Entity name	Notes	Place and date of incorporation/ establishment and form of business structure	Registered paid-in capital/ Share Capital	Percentage of equity attributable to the Company		Principal activities and principal place of business
				Direct	Indirect	
Xunce Technology HK Limited (“Xunce HK”)	(a)	Hong Kong November 9, 2018	HKD100,000	100%	—	Software research and development and sales and provision of technology services
Hangzhou Xunhang Technology Co., Ltd.* (“Hangzhou Xunhang”) 杭州迅杭科技有限公司	(b)	Zhejiang September 18, 2020	RMB10,000,000	100%	—	Software research and development and sales and provision of technology services
Beijing Xunjing Technology Co., Ltd.* (“Beijing Xunjing”) 北京迅京科技有限公司	(c)	Beijing May 8, 2020	RMB50,000,000	100%	—	Technology research and development and provision of technology services
Shanghai Kaiyu Information Technology Co., Ltd. * (“Shanghai Kaiyu”) 上海愷域信息科技有限公司	(d)	Shanghai January 10, 2011	RMB20,000,000	52.81%	—	Software research and development and integrated software and hardware sales and provision of technology services
Shanghai Kuanrui Information Technology Co., Ltd.* (“Shanghai Kuanrui”) 上海寬睿信息科技有限責任公司	(e)	Shanghai October 20, 2015	RMB14,729,412	51.05%	—	Software research and development and sales and provision of technology services
Beijing Huayin Entropy Data Technology Co., Ltd.* (“Huace Shuju”) 北京華隱熵策數據科技有限公司	(f)	Beijing August 30, 2021	RMB27,450,954	30.70%	17.35%	Software research and development and sales and provision of technology services

- (a) Xunce HK is registered as a limited liability company under Hong Kong law. The financial statements for the years ended December 31, 2022, 2023 and 2024 prepared under Small and Medium-sized Entity Financial Reporting Standard (“SME-FRS”) were audited by OCG CPA Limited, certified public accountants registered in Hong Kong.

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- (b) Hangzhou Xunhang is registered as a limited liability company under the PRC law. The statutory financial statements for the year ended December 31, 2022 prepared under the PRC Generally Accepted Accounting Principles (the “PRC GAAP”) were audited by Shenzhen PuTian Certified Public Accountants Co., Ltd., certified public accountants registered in the PRC. The statutory financial statements for the year ended December 31, 2023 prepared under PRC GAAP were audited by Shenzhen Jinxinda Accounts (General Partnership), certified public accountants registered in the PRC.
- (c) Beijing Xunjing is registered as a limited liability company under the PRC law. The statutory financial statements for the year ended December 31, 2022 prepared under PRC GAAP were audited by Shenzhen PuTian Certified Public Accountants Co., Ltd., certified public accountants registered in the PRC. The statutory financial statements for the year ended December 31, 2023 prepared under the PRC GAAP were audited by Hua Jian Accounts (Shenzhen) Co., Ltd., certified public accountants registered in the PRC.
- (d) Shanghai Kaiyu is registered as a limited liability company under the PRC law, and was acquired by the Company in 2021. The statutory financial statements for the year ended December 31, 2022 prepared under the PRC GAAP were audited by Guangdong YuHeng Certified Public Accountants (General Partnership), certified public accountants registered in the PRC. The statutory financial statements for the years ended December 31, 2023 prepared under the PRC GAAP were audited by Shenzhen Zhongqi Accounts (General Partnership), certified public accountants registered in the PRC. The statutory financial statements for the year ended December 31, 2024 prepared under the PRC GAAP were audited by Beijing Xinyi Accounts (General Partnership), certified public accountants registered in the PRC.
- (e) Shanghai Kuanrui is registered as a limited liability company under the PRC law, and was acquired by the Company in 2021. The statutory financial statements for the year ended December 31, 2022 prepared under the PRC GAAP were audited by Shanghai Abexin Certified Public Accountants Co., Ltd., certified public accountants registered in the PRC. The statutory financial statements for the years ended December 31, 2023 prepared under the PRC GAAP were audited by Shanghai Xusheng Certified Public Accountants (General Partnership), certified public accountants registered in the PRC. The statutory financial statements for the year ended December 31, 2024 prepared under the PRC GAAP were audited by Beijing Xinghua Certified Public Accountants (General Partnership), certified public accountants registered in the PRC.
- (f) Huace Shuju is registered as a limited liability company under the PRC law. The statutory financial statements for the years ended December 31, 2022 and 2023 prepared under the PRC GAAP were audited by Shenzhen PuTian Certified Public Accountants Co., Ltd., certified public accountants registered in the PRC. The Group holds 61.15% of the voting rights in Huace Shuju through two limited partnerships consolidated by the Group.

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The following table illustrates the details of investments in subsidiaries of the Company:

	As at December 31,			As at June 30,
	2022	2023	2024	2025
	RMB’000	RMB’000	RMB’000	RMB’000
Shanghai Kuanrui	322,524	322,524	322,524	322,524
Shanghai Kaiyu	200,689	200,689	200,689	200,689
Beijing Xunjing	50,000	50,000	50,000	50,000
Huace Shuju	22,140	22,140	22,140	22,140
Xunce HK	–	12,616	17,181	21,772
Hangzhou Xunhang	10,000	10,000	10,000	10,000
Structured entities	20,000	20,000	20,000	20,000
Others	39	1,039	1,039	1,039
	<u>625,392</u>	<u>639,008</u>	<u>643,573</u>	<u>648,164</u>

As at December 31, 2022, 2023, 2024 and June 30, 2025, the Group consolidated certain structured entities. These structured entities are the wealth management products issued by fund institutions. For those structured entities where the Group is involved as investor, the Group has significant variable interests in them and the Group is able to exercise control over their operations.

* The English names of these entities represent the best effort made by the management of the Company to directly translate the Chinese names as they do not register any official English names.

2. BASIS OF PREPARATION

The Historical Financial Information set out in this report has been prepared in accordance with the accounting policies set out in note 4 below, which conform with all applicable HKFRS Accounting Standards, Hong Kong Accounting Standards and Interpretations issued by the HKICPA, the disclosure requirements of the Hong Kong Companies Ordinance and the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange (the “Listing Rules”). All HKFRS Accounting Standards effective for the accounting period commencing from January 1, 2025, together with the relevant transitional provisions, have been early adopted by the Group in the preparation of the Historical Financial Information throughout the Track Record Period.

The Historical Financial Information has been prepared under the historical cost convention, except for financial assets at fair value through profit or loss, equity investments designated at fair value through other comprehensive income and financial liabilities at fair value through profit or loss which have been measured at fair value.

Basis of consolidation

The Historical Financial Information includes the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries (collectively referred to as the

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“Group”) for the Track Record Period. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group’s voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, any non-controlling interest and the exchange fluctuation reserve; and recognizes the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group’s share of components previously recognized in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

3. ISSUED BUT NOT YET EFFECTIVE HKFRS ACCOUNTING STANDARDS

The Group has not applied the following new and revised HKFRS Accounting Standards, that have been issued but are not yet effective, in the Historical Financial Information. The Group intends to apply these new and revised HKFRS Accounting Standards, if applicable, when they become effective.

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Amendments to HKFRS 9 and HKFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments¹</i>
Amendments to HKFRS 9 and HKFRS 7	<i>Contracts Referencing Nature-dependent Electricity¹</i>
Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	<i>Annual Improvements to HKFRS Accounting Standards – Volume 11¹</i>
HKFRS 18	<i>Presentation and Disclosure in Financial Statements²</i>
HKFRS 19	<i>Subsidiaries without Public Accountability: Disclosures²</i>
Amendments to HK Interpretation 5	<i>Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause²</i>
Amendments to HKFRS 10 and HKAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture³</i>

¹ Effective for annual periods beginning on or after January 1, 2026

² Effective for annual periods beginning on or after January 1, 2027

³ Effective date to be determined

The directors of the Company do not anticipate that the application of the amendments and new standards disclosed above will have an impact on the consolidated financial statements, except for Amendments to HKFRS 9 and HKFRS 7, and HKFRS 18.

Amendments to HKFRS 9 and HKFRS 7

The Amendments to HKFR 9 and HKFRS 7 clarify the requirements related to the date of recognition and derecognition of financial assets and financial liabilities, with an exception for derecognition of financial liabilities settled via an electronic transfer, the requirements for assessing contractual cash flow characteristics of financial assets, with additional guidance on assessment of contingent features, characteristics of non-recourse loans and contractually linked instruments. The Amendments also introduce additional disclosure requirements for equity instruments classified as fair value through other comprehensive income and for financial instruments with contingent features.

The amendments are not expected to have any significant impact on the Group’s financial information.

HKFRS 18

HKFRS 18 will have a significant effect on how entities present their financial statements with emphasis on reporting of financial performance. The areas that will be significantly affected include categorisation and subtotals in the statement of profit or loss, aggregation/ disaggregation and labeling of information, and disclosure of management-defined performance measures.

HKFRS 18 is not expected to have any significant impact on the Group’s financial position and performance and the Group will continue to analyze the new requirements and assess the impact of HKFRS 18 on the presentation and disclosure of the Group’s financial information.

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4. MATERIAL ACCOUNTING POLICY INFORMATION

(a) Investments in associates and joint ventures

An associate is an entity in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group’s investments in associates and joint ventures are stated in the consolidated statements of financial position at the Group’s share of net assets under the equity method of accounting, less any impairment losses.

The Group’s share of the post-acquisition results and other comprehensive income of associates and joint ventures are included in the consolidated statements of profit or loss and other comprehensive income, respectively. In addition, when there has been a change recognized directly in the equity of the associate or joint venture, the Group recognizes its share of any changes, when applicable, in the consolidated statements of changes in equity. Unrealized gains and losses resulting from transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group’s investments in the associates or joint ventures, except where unrealized losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of associates or joint ventures is included as part of the Group’s investments in associates or joint ventures.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognized in profit or loss.

(b) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree’s identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets includes an input and a substantive process that together significantly contribute to the ability to create outputs.

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When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognized in profit or loss.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognized for non-controlling interests and any fair value of the Group’s previously held equity interests in the acquiree over the identifiable assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognized in profit or loss as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually. The Group performs its annual impairment test of goodwill as at the end of each reporting period. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group’s cash-generating units, or groups of cash generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognized. An impairment loss recognized for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

(c) Fair value measurement

The Group measures its equity investments, debt instruments, wealth management products, and financial liabilities at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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A fair value measurement of a non-financial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Historical Financial Information are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly

Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the Historical Financial Information on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(d) Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for non-financial asset is required, the asset’s recoverable amount is estimated. An asset’s recoverable amount is the higher of the asset’s or cash-generating unit’s value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs. In testing a cash-generating unit for impairment, a portion of the carrying amount of a corporate asset (e.g., a headquarters building) is allocated to an individual cash-generating unit if it can be allocated on a reasonable and consistent basis or, otherwise, to the smallest group of cash-generating units.

An impairment loss is recognized only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the consolidated statements of profit or loss and other comprehensive income in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognized impairment losses may no longer exist or may have decreased. If such an indication

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exists, the recoverable amount is estimated. A previously recognized impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortization) had no impairment loss been recognized for the asset in prior years/ periods. A reversal of such an impairment loss is credited to the consolidated statements of profit or loss and other comprehensive income in the period in which it arises.

(e) Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person’s family and that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group; or
- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group; and the sponsoring employers of the postemployment benefit plan;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
 - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

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(f) Property, plant and equipment

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the consolidated statements of profit or loss and other comprehensive income in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalized in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognizes such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Electronic equipment	19% to 31.67%
Office equipment and fixtures	19% to 31.67%
Motor vehicles	23.75%
Leasehold improvements	33.33%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year/period end.

An item of property, plant and equipment including any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognized in the consolidated statements of profit or loss and other comprehensive income in the years/periods the asset is derecognized is the difference between the net sales proceeds and the carrying amount of the relevant asset.

(g) Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Separate software

Purchased software is stated at cost less any impairment losses and are amortized on the straight-line basis over its estimated useful lives of 2 to 10 years.

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Software copyright as part of business combination

Software copyright is stated at cost less any impairment losses and are amortized on the straight-line basis over its estimated useful lives of 8 years.

Research and development costs

All research costs are charged to consolidated statements of profit or loss and other comprehensive income as incurred.

Expenditure incurred to develop new products is capitalized and deferred only when the Group demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expenses when incurred.

(h) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as lessee

All leases are required to be capitalized in the consolidated statements of financial position as right-of-use assets and lease liabilities, but accounting policy choices exist for an entity to choose not to capitalize (i) leases which are short-term leases and/or (ii) leases for which the underlying asset is of low-value. The Group has elected not to recognize right-of-use assets and lease liabilities for low-value assets and leases for which at the commencement date have a lease term of 12 months or less and do not contain purchase option. The lease payments associated with those leases have been expensed on straight-line basis over the lease term.

(a) Right-of-use asset

Right-of-use assets are recognized at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Office premises	2 to 5 years
Motor vehicles	2 years

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

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(b) Lease liabilities

Lease liabilities are recognized at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognized as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

(c) Short-term leases

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognized as an expense on a straight-line basis over the lease term.

(i) Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset’s contractual cash flow characteristics and the Group’s business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under HKFRS 15 in accordance with the policies set out for “Revenue recognition” below.

In order for a financial asset to be classified and measured at amortized cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest (“SPPI”) on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

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The Group’s business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace are recognized on the trade date, that is, the date that the Group commits to purchase or sell the asset.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortized cost (debt instruments)

Financial assets at amortized cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognized in the consolidated statements of profit or loss and other comprehensive income when the asset is derecognized, modified or impaired.

Financial assets designated at fair value through other comprehensive income (equity investments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity investments designated at fair value through other comprehensive income when they meet the definition of equity under HKAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to the consolidated statements of profit or loss and other comprehensive income. Dividends are recognized as other income in the consolidated statements of profit or loss and other comprehensive income when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the consolidated statements of financial position at fair value with net changes in fair value recognized in the consolidated statements of profit or loss and other comprehensive income.

This category includes debt investments, and equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on these investments are also recognized as other income in the consolidated statements of profit or loss and other comprehensive income when the right of payment has been established.

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(j) Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Group’s consolidated statements of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass-through” arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group’s continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

(k) Impairment of financial assets

The Group recognizes an allowance for expected credit losses (“ECLs”) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sales of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At the end of each reporting period, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group

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compares the risk of a default occurring on the financial instrument as at each reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward looking information.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial assets at amortized cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables which apply the simplified approach as detailed below.

Stage 1 – Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs

Stage 2 – Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs

Stage 3 – Financial assets that are credit-impaired at each reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

Simplified approach

For trade receivables that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

(I) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables, as appropriate. A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

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All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group’s financial liabilities include trade payables, certain other payables and accruals, interest-bearing bank borrowings and financial liabilities at fair value through profit or loss.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by HKFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the consolidated statements of profit or loss and other comprehensive income. The net fair value gain or loss recognized in the consolidated statements of profit or loss and other comprehensive income does not include any interest charged on these financial liabilities.

Financial liabilities designated upon initial recognition as at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in HKFRS 9 are satisfied. Gains or losses on liabilities designated at fair value through profit or loss are recognized in the consolidated statements of profit or loss and other comprehensive income, except for the gains or losses arising from the Group’s own credit risk which are presented in other comprehensive income with no subsequent reclassification to the consolidated statements of profit or loss and other comprehensive income. The net fair value gain or loss recognized in the consolidated statements of profit or loss and other comprehensive income does not include any interest charged on these financial liabilities.

Financial liabilities at amortized cost (loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognized in the consolidated statements of profit or loss and other comprehensive income when the liabilities are derecognized as well as through the effective interest rate amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortization is included in finance costs in the consolidated statements of profit or loss and other comprehensive income.

(m) Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or canceled, or expires.

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When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognized in the consolidated statements of profit or loss and other comprehensive income. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in consolidated statements of profit or loss and other comprehensive income in the period in which they become receivable and are recognized as other revenue, rather than reducing the related expense.

(n) Inventories

Inventories are initially recognized at cost, and subsequently at the lower of cost and net realizable value. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is calculated using the first-in first-out method. Net realizable value represents the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

(o) Cash and cash equivalents

Cash and cash equivalents in the consolidated statements of financial position comprise cash on hand and at banks, and short-term highly liquid deposits with a maturity of generally within three months that are readily convertible into known amounts of cash, subject to an insignificant risk of changes in value and held for the purpose of meeting short-term cash commitments.

For the purpose of the consolidated statements of cash flows, cash and cash equivalents comprise cash on hand and at banks, and short-term deposits as defined above, less bank overdrafts which are repayable on demand and form an integral part of the Group’s cash management.

(p) Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognized outside profit or loss is recognized outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of each reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

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Deferred tax liabilities are recognized for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, and the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognized to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at the end of each reporting period and are recognized to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each reporting period.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

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(q) Revenue recognition*Revenue from contracts with customers*

The Group provides real-time data infrastructure and analytics solutions to the customers. Revenue from contracts with customers is recognized when control of goods is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods.

(a) Provision of transaction-based specialist technology products

The Group provides specialist technology products to customers and charges by an individual set-up fee. Revenue is recognized at the point in time when the specialist software products, integrated software and hardware products are accepted by customers, generally on the signature of the acceptance report.

(b) Provision of subscription-based specialist technology products

The Group provides subscription-based specialist technology product to customers and charges subscription fee. Revenue from subscription-based product is recognized over time, using an average daily allocation method to measure progress towards complete satisfaction of the subscription, as the customer receives the benefits daily provided by the Group.

Other income

Interest income is recognized on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

(r) Contract liabilities

A contract liability is recognized when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognized as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

(s) Government grants

Government grants are recognized at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

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(t) Other employee benefits

Social pension plans

The Group has social pension plans for its employees arranged by local government labor and security authorities. The Group makes contributions on a monthly basis to the social pension plans. The contributions are charged to profit or loss as they become payable in accordance with the rules of the social pension plans. The Group’s liability in respect of these funds is limited to the contributions payable in each of the reporting periods.

Housing fund and other social insurances

The Group has participated in defined social security contribution schemes for its employees pursuant to the relevant laws and regulations of the PRC. These include housing fund, basic medical insurance, unemployment insurance, injury insurance and maternity insurance. The Group makes monthly contributions to the housing fund and other social insurances. The contributions are charged to profit or loss on an accrual basis. The Group’s liability in respect of these funds is limited to the contributions payable in each of the Track Record Period.

(u) Foreign currencies

These financial statements are presented in RMB, which is the Company’s functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of each reporting period. Differences arising on settlement or translation of monetary items are recognized in the consolidated statements of profit or loss and other comprehensive income.

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Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognized in other comprehensive income or profit or loss is also recognized in other comprehensive income or profit or loss, respectively).

The functional currencies of certain overseas subsidiaries, joint ventures and associates are currencies other than the RMB. As at the end of each reporting period, the assets and liabilities of these entities are translated into RMB at the exchange rates prevailing at the end of each reporting period and their statements of profit or loss are translated into RMB at the exchange rates that approximate to those prevailing at the dates of the transactions.

The resulting exchange differences are recognized in other comprehensive income and accumulated in the exchange fluctuation reserve, except to the extent that the differences are attributable to non-controlling interests. On disposal of a foreign operation, the cumulative amount in the reserve relating to that particular foreign operation is recognized in the consolidated statements of profit or loss and other comprehensive income.

5. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the Group’s Historical Financial Information requires management to make judgments, estimates and assumptions that affect the reported amounts of expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

(a) Judgments

In the process of applying the Group’s accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognized in the Historical Financial Information:

Deferred tax assets

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The amount of unrecognized tax losses at December 31, 2022, 2023, 2024 and June 30, 2025 was RMB542,129,000, RMB734,240,000, RMB854,919,000 and RMB946,515,000, respectively. Further details are contained in note 32 to the Historical Financial Information.

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(b) Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next twelve months period, are described below.

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The net carrying amount of goodwill at December 31, 2022, 2023, 2024 and June 30, 2025 was RMB388,526,000, RMB388,526,000, RMB388,526,000 and RMB388,526,000. Further details are given in note 16 to the Historical Financial Information.

Fair value of unlisted equity and debt investments

The unlisted equity and debt investments have been valued based on market-based valuation techniques as detailed in note 40 to the Historical Financial Information. The valuation requires the Group to determine the comparable public companies (peers) and select the price multiple. In addition, the Group makes estimates about the discount for illiquidity and size differences. The Group classifies the fair value of these investments as Level 3. The fair value of the unlisted equity and debt investments at December 31, 2022, 2023 and 2024 and June 30, 2025 was RMB238,274,000, RMB379,645,000, RMB405,336,000 and RMB412,908,000, respectively. Further details are included in note 21 and note 26 to the Historical Financial Information.

Provision for expected credit losses on trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group’s historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next twelve-months which can lead to an increased number of defaults, the historical default rates are adjusted. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group’s historical credit loss experience and forecast of economic conditions may also not be representative of a customer’s actual default in the future. The information about the ECLs on the Group’s trade receivables and is disclosed in note 22 to the Historical Financial Information.

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6. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organized into one single business unit that is the provision of transaction-based specialist technology products and subscription-based specialist technology products. Management reviews the overall results and financial position of the Group as a whole based on the same accounting policies set out in note 4. Accordingly, the Group has only one single operating segment and no further analysis of the single segment is presented.

Information about major customers

Revenue from a single customer which accounted for 10% or more of the Group’s revenue in each reporting period during the Track Record Period are set out below:

	Year ended December 31,			Six months ended June 30,	
	2022 RMB’000	2023 RMB’000	2024 RMB’000	2024 RMB’000 (Unaudited)	2025 RMB’000
Customer A*	N/A	65,294	N/A	N/A	27,113
Customer B*	35,513	N/A	N/A	N/A	N/A
Customer C*	N/A	N/A	N/A	40,902	N/A
Customer D*	N/A	N/A	N/A	30,429	N/A
	<u>35,513</u>	<u>65,294</u>	<u>N/A</u>	<u>71,331</u>	<u>27,113</u>

* Revenue from Customer A, amounted to less than 10% of the total revenue of the Group for the years ended December 31, 2022, 2024 and the six months ended June 30, 2024.

* Revenue from Customer B, amounted to less than 10% of the total revenue of the Group for the years ended December 31, 2023, 2024 and the six months ended June 30, 2024 and 2025.

* Revenue from Customer C & D, amounted to less than 10% of the total revenue of the Group for the years ended December 31, 2022, 2023, 2024 and the six months ended June 30, 2025.

Geographic information

(a) Revenue from external customers

	Year ended December 31,			Six months ended June 30,	
	2022 RMB’000	2023 RMB’000	2024 RMB’000	2024 RMB’000 (Unaudited)	2025 RMB’000
Chinese Mainland	286,990	478,088	594,241	251,987	194,589
Hong Kong	909	52,370	37,546	30,557	3,188
United Kingdom	—	—	191	—	68
	<u>287,899</u>	<u>530,458</u>	<u>631,978</u>	<u>282,544</u>	<u>197,845</u>

The revenue information above is based on the locations of the customers.

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(b) Non-current assets

The principal non-current assets owned by the Group are located in the PRC. Therefore, no segment information based on the geographical location of non-current assets is presented.

7. REVENUE, OTHER INCOME AND GAINS OR LOSSES

(a) Disaggregated revenue information

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				(Unaudited)	
Types of goods or services					
Provision of transaction-based specialist technology products	133,992	327,229	509,652	205,689	151,276
Provision of subscription-based specialist technology products	153,907	203,229	122,326	76,855	46,569
	<u>287,899</u>	<u>530,458</u>	<u>631,978</u>	<u>282,544</u>	<u>197,845</u>
Timing of revenue recognition					
<u>At a point in time</u>					
Transaction-based specialist technology products	133,992	327,229	509,652	205,689	151,276
<u>Over time</u>					
Subscription-based specialist technology products	153,907	203,229	122,326	76,855	46,569
Total revenue from contracts with customers	<u>287,899</u>	<u>530,458</u>	<u>631,978</u>	<u>282,544</u>	<u>197,845</u>

The following table shows the revenue recognized in each of the Track Record Period that were included in the contract liabilities at the beginning of the respective periods.

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				(Unaudited)	
Transaction-based specialist technology products	41,148	34,008	29,249	10,986	3,380
Subscription-based specialist technology products	17,791	55,926	42,118	24,635	5,421
Revenue recognized that was included in the contract liabilities balance at the beginning of the Track Record Period	<u>58,939</u>	<u>89,934</u>	<u>71,367</u>	<u>35,621</u>	<u>8,801</u>

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(b) Performance obligations

Information about the Group’s performance obligations is summarized below:

(1) Provision of transaction-based specialist technology products:

The performance obligation is satisfied upon the acceptance by the customers and the payment is generally due within 3 months from acceptance.

(2) Provision of subscription-based specialist technology products:

The performance obligation is satisfied over time as subscription services are rendered and payment is generally due within 12 months from the commencement of the contracts.

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at the end of each reporting period during the Track Record Period are as follows:

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000
				(Unaudited)	
Within one year	120,400	78,867	31,169	46,695	35,159
Over one year	61,320	28,116	17,220	30,175	5,999
	<u>181,720</u>	<u>106,983</u>	<u>48,389</u>	<u>76,870</u>	<u>41,158</u>

The amounts of transaction prices allocated to the remaining performance obligations which are expected to be recognized as revenue after one year relate to provision of subscription-based specialist technology products, of which the performance obligations are to be satisfied within six years. All the other amounts of transaction prices allocated to the remaining performance obligations are expected to be recognized as revenue within one year.

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(c) An analysis of other income and gains or losses is as follows:

	Year ended December 31,			Six months ended June 30,	
	2022 RMB'000	2023 RMB'000	2024 RMB'000	2024 RMB'000 (Unaudited)	2025 RMB'000
Value-added tax refunds	9,447	6,256	86	67	–
Bank interest income	7,668	9,733	4,536	2,754	1,824
Fair value gains/(loss) on financial assets at fair value through profit or loss	6,697	12,200	2,032	(7,811)	21,598
Government grants*	5,301	4,023	7,119	1,631	2,935
Foreign exchange gains/ (losses), net	2,485	550	652	342	(443)
Investment income	–	4	6,832	3,422	2,298
Gain on lease modification	–	–	–	–	1,468
Others	586	291	425	386	156
Total	<u>32,184</u>	<u>33,057</u>	<u>21,682</u>	<u>791</u>	<u>29,836</u>

* The government grants mainly represented incentives awarded to support the Group’s operation which were applicable to certain subsidiaries of the Group. There are no unfulfilled conditions or contingencies relating to these grants.

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8. LOSS BEFORE TAX

The Group’s loss before tax is arrived at after charging/(crediting):

	Notes	Year ended December 31,			Six months ended June 30,	
		2022 RMB’000	2023 RMB’000	2024 RMB’000	2024 RMB’000 (Unaudited)	2025 RMB’000
Cost of inventories sold and cost of service*		33,224	82,381	125,613	44,039	54,129
Depreciation of property, plant and equipment	15	1,967	1,799	5,064	1,232	3,879
Depreciation of right-of-use assets	17	7,587	10,411	12,581	6,498	4,717
Amortization of intangible assets	18	5,039	6,110	6,127	3,059	3,077
Research and development expenses*		121,422	194,568	304,018	166,611	107,908
[REDACTED] expenses		[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Auditor’s remuneration		47	82	388	255	20
Loss on disposal of property, plant and equipment	15	360	361	114	110	122
Loss on early termination of lease	17	–	–	51	40	–
Gain on lease modification	17	–	–	–	–	(1,468)
Lease payments not included in the measurement of lease liabilities	17	3,542	4,579	5,298	2,469	4,984
Employee benefit expenses (excluding directors’ and chief executive’s remuneration in note 10)						
– Wages, salaries and allowances		143,852	186,401	143,798	74,342	63,858
– Pension scheme contributions		13,191	15,618	11,913	7,266	4,110
– Other social security costs, housing benefits and other employee benefits		31,373	43,812	34,134	19,997	15,747
		188,416	245,831	189,845	101,605	83,715
Foreign exchange (gains)/ losses, net	7	(2,485)	(550)	(652)	(342)	443
Fair value (gains)/ losses on financial assets at fair value through profit or loss	7	(6,697)	(12,200)	(2,032)	7,811	(21,598)
Bank interest income	7	(7,668)	(9,733)	(4,536)	(2,754)	(1,824)

* The amount does not include depreciation of property, plant and equipment, depreciation of right-of-use assets, amortization of intangible assets and employee benefit expenses disclosed in Note 8.

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9. FINANCE COSTS

An analysis of finance costs is as follows:

	Note	Year ended December 31,			Six months ended June 30,	
		2022 RMB’000	2023 RMB’000	2024 RMB’000	2024 RMB’000 (Unaudited)	2025 RMB’000
Interest on bank loans		383	774	1,121	741	488
Interest on lease liabilities	17	557	585	1,068	501	511
		940	1,359	2,189	1,242	999

10. DIRECTORS’ AND SUPERVISORS’ REMUNERATION

Directors’ and supervisors’ remuneration for the Track Record Period, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

	Year ended December 31,			Six months ended June 30,	
	2022 RMB’000	2023 RMB’000	2024 RMB’000	2024 RMB’000 (Unaudited)	2025 RMB’000
Fees	—	—	—	—	—
Other emoluments:					
Salaries, allowances and benefits in kind	4,337	5,117	3,972	1,983	1,920
Performance related bonuses	4,779	—	185	—	—
Pension scheme contributions	313	306	324	159	171
	9,429	5,423	4,481	2,142	2,091

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(a) Directors’ and supervisors’ remuneration

	Year ended December 31, 2022			
	Salaries, allowances and benefits in kind <i>RMB’000</i>	Performance related bonuses <i>RMB’000</i>	Pension scheme contributions <i>RMB’000</i>	Total <i>RMB’000</i>
Executive directors:				
Mr. Liu Zhijian (i)	586	–	4	590
Mr. Geng Dawei (ii)	730	1,200	54	1,984
Mr. Yang Yang (iii)	532	1,200	45	1,777
Mr. Xuan Ran (iv)	840	1,200	56	2,096
Mr. Jiang Chunfei (v)	419	592	42	1,053
Mr. Sun Zhengzhang (vi)	720	444	56	1,220
	3,827	4,636	257	8,720
Supervisor:				
Mr. Guo Kexin (vii)	510	143	56	709
	4,337	4,779	313	9,429

	Year ended December 31, 2023			
	Salaries, allowances and benefits in kind <i>RMB’000</i>	Performance related bonuses <i>RMB’000</i>	Pension scheme contributions <i>RMB’000</i>	Total <i>RMB’000</i>
Executive directors:				
Mr. Liu Zhijian (i)	804	–	4	808
Mr. Geng Dawei (ii)	624	–	47	671
Mr. Yang Yang (iii)	742	–	46	788
Mr. Xuan Ran (iv)	842	–	49	891
Mr. Jiang Chunfei (v)	485	–	41	526
	3,497	–	187	3,684
Supervisors:				
Mr. Guo Kexin (vii)	512	–	56	568
Mr. Sun Zhengzhang (vi)	614	–	56	670
Mr. Zheng Shenglei (viii)	494	–	7	501
	1,620	–	119	1,739
	5,117	–	306	5,423

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	Year ended December 31, 2024			
	Salaries, allowances and benefits in kind <i>RMB’000</i>	Performance related bonuses <i>RMB’000</i>	Pension scheme contributions <i>RMB’000</i>	Total <i>RMB’000</i>
Executive directors:				
Mr. Liu Zhijian (i)	842	–	24	866
Mr. Geng Dawei (ii)	359	185	30	574
Mr. Yang Yang (iii)	531	–	55	586
Mr. Xuan Ran (iv)	588	–	50	638
Mr. Jiang Chunfei (v)	296	–	45	341
	<u>2,616</u>	<u>185</u>	<u>204</u>	<u>3,005</u>
Non-executive director:				
Mr. Cai Xiang (xii)	–	–	–	–
Independent non-executive directors:				
Mr. Jiang Changjian (ix)	–	–	–	–
Ms. Tian Jiangchuan (x)	–	–	–	–
Mr. Wong Ti (xi)	–	–	–	–
	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
Supervisors:				
Mr. Guo Kexin (vii)	510	–	56	566
Mr. Sun Zhengzhang (vi)	353	–	56	409
Mr. Zheng Shenglei (viii)	493	–	8	501
	<u>1,356</u>	<u>–</u>	<u>120</u>	<u>1,476</u>
	<u>3,972</u>	<u>185</u>	<u>324</u>	<u>4,481</u>

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	Six months ended June 30, 2024 (Unaudited)			
	Salaries, allowances and benefits in kind <i>RMB’000</i>	Performance related bonuses <i>RMB’000</i>	Pension scheme contributions <i>RMB’000</i>	Total <i>RMB’000</i>
Executive directors:				
Mr. Liu Zhijian (i)	420	–	11	431
Mr. Geng Dawei (ii)	179	–	15	194
Mr. Yang Yang (iii)	265	–	27	292
Mr. Xuan Ran (iv)	294	–	24	318
Mr. Jiang Chunfei (v)	147	–	22	169
	<u>1,305</u>	<u>–</u>	<u>99</u>	<u>1,404</u>
Non-executive director:				
Mr. Cai Xiang (xii)	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
Independent non-executive directors:				
Mr. Jiang Changjian (ix)	–	–	–	–
Ms. Tian Jiangchuan (x)	–	–	–	–
Mr. Wong Ti (xi)	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
Supervisors:				
Mr. Guo Kexin (vii)	255	–	28	283
Mr. Sun Zhengzhang (vi)	177	–	28	205
Mr. Zheng Shenglei (viii)	246	–	4	250
	<u>678</u>	<u>–</u>	<u>60</u>	<u>738</u>
	<u>1,983</u>	<u>–</u>	<u>159</u>	<u>2,142</u>

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	Six months ended June 30, 2025			
	Salaries, allowances and benefits in kind <i>RMB’000</i>	Performance related bonuses <i>RMB’000</i>	Pension scheme contributions <i>RMB’000</i>	Total <i>RMB’000</i>
Executive directors:				
Mr. Liu Zhijian (i)	420	–	13	433
Mr. Geng Dawei (ii)	179	–	15	194
Mr. Yang Yang (iii)	265	–	30	295
Mr. Xuan Ran (iv)	294	–	28	322
Mr. Jiang Chunfei (v)	119	–	24	143
	<u>1,277</u>	<u>–</u>	<u>110</u>	<u>1,387</u>
Non-executive director:				
Mr. Cai Xiang (xii)	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
Independent non-executive directors:				
Mr. Jiang Changjian (ix)	–	–	–	–
Ms. Tian Jiangchuan (x)	–	–	–	–
Mr. Wong Ti (xi)	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
Supervisors:				
Mr. Guo Kexin (vii)	255	–	28	283
Mr. Sun Zhengzhang (vi)	246	–	28	274
Mr. Zheng Shenglei (viii)	142	–	5	147
	<u>643</u>	<u>–</u>	<u>61</u>	<u>704</u>
	<u>1,920</u>	<u>–</u>	<u>171</u>	<u>2,091</u>

- (i) Mr. Liu Zhijian has been serving as the chief executive officer and a director of the Company since December 2016 and as the chairman of the Board since December 2023. He was re-designated as executive director in February 2024.
- (ii) Mr. Geng Dawei has been a director and the general manager of the Company since January 2019. He also served as the chairman of the Board from June 2019 to December 2023. He was re-designated as executive director in February 2024.
- (iii) Mr. Yang Yang joined as the chief technology officer of the Company in April 2016 and has been a director of the Company since September 2017. He was re-designated as executive director in February 2024.
- (iv) Mr. Xuan Ran joined as the president of the Company in April 2018 and has been a director of the Company since January 2019. He was re-designated as executive director in February 2024.

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- (v) Mr. Jiang Chunfei joined as the senior vice president of the Company in April 2020 and has been a director of the Company since June 2020. He was re-designated as executive director in February 2024.
- (vi) Mr. Sun Zhengzhang was a director of the Company from March 2021 to December 2023. He was selected as a supervisor of the Company in December 2023.
- (vii) Mr. Guo Kexin was appointed as the supervisor of the Company in June 2019.
- (viii) Mr. Zheng Shenglei was selected as a supervisor of the Company in December 2023.
- (ix) Mr. Jiang Changjian was appointed as an independent non-executive director in March 2024.
- (x) Ms. Tian Jiangchuan was appointed as an independent non-executive director in March 2024.
- (xi) Mr. Wong Ti was appointed as an independent non-executive director in March 2024.
- (xii) Mr. Cai Xiang was appointed as a non-executive director in March 2024.

There was no arrangement under which a director waived or agreed to waive any remuneration during the Track Record Period.

11. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the years ended December 31, 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025 included four, three, one, one (unaudited) and one directors, respectively, details of whose remuneration are set out in note 10 above.

Details of the remuneration for the remaining one, two, four, four (unaudited) and four highest paid employees who are neither directors, supervisors nor the chief executive of the Company during the Track Record Period are as follows:

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				(Unaudited)	
Salaries, allowances and benefits in kind	727	1,449	3,140	1,758	1,434
Performance related bonuses	667	—	—	—	—
Pension scheme contributions	7	14	118	13	42
	<u>1,401</u>	<u>1,463</u>	<u>3,258</u>	<u>1,771</u>	<u>1,476</u>

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The number of non-director, non-supervisor and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

	Year ended December 31,			Six months ended June 30,	
	2022 RMB'000	2023 RMB'000	2024 RMB'000	2024 RMB'000 (Unaudited)	2025 RMB'000
Nil to HK\$1,000,000	–	2	3	4	4
HK\$1,000,001 to HK\$1,500,000	–	–	1	–	–
HK\$1,500,001 to HK\$2,000,000	1	–	–	–	–
	<u>1</u>	<u>2</u>	<u>4</u>	<u>4</u>	<u>4</u>

12. INCOME TAX EXPENSE

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operated.

Hong Kong

Under the two-tiered profits tax rates regime in Hong Kong, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of corporations not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

Chinese Mainland

The provision for Chinese Mainland current income tax is based on the statutory rate of 25% of the assessable profit of the Chinese Mainland subsidiaries of the Group as determined in accordance with the PRC Corporate Income Tax Law except for those recognized as New and High Technology Enterprise which are entitled to a preferential PRC income tax rate of 15%, according to the PRC Corporate Income Tax Law.

The Company, Shanghai Kaiyu, and Shanghai Kuanrui were qualified as High and New Technology Enterprises in 2020 and renewed in 2023 and are entitled to a preferential tax rate of 15% from 2020 to 2025. Huace Shuju were qualified as High and New Technology Enterprises in 2023 and are entitled to a preferential tax rate of 15% from 2023 to 2025.

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The income tax expense of the Group during the Track Record Period is analyzed as follows:

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				(Unaudited)	
Current – Chinese Mainland	–	1	–	–	–
Current – Hong Kong	–	35	137	137	–
Total tax charge for the year/period	–	36	137	137	–

A reconciliation of the tax expense applicable to loss before tax at the statutory rates for the jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rates is as follows:

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				(Unaudited)	
Loss before tax	(96,512)	(63,355)	(97,708)	(97,622)	(107,998)
Tax at PRC statutory tax rate	(24,128)	(15,839)	(24,427)	(24,406)	(27,000)
Effect of different tax rates	7,444	7,141	9,722	9,663	10,541
Expenses not deductible for tax purpose	1,136	2,554	1,001	574	1,041
Additional deductible allowance for research and development expenses	(24,635)	(34,838)	(14,213)	(7,554)	(5,613)
Utilization of tax losses previously not recognized	–	–	(1,799)	(2,793)	(185)
Tax losses and temporary differences not recognized	40,183	41,018	29,853	24,653	21,216
Tax charge at the Group’s effective tax rate	–	36	137	137	–

As at December 31, 2022, 2023, 2024 and June 30, 2025, the Group’s deferred tax assets had not been recognized in respect of these accumulated tax losses and deductible temporary differences as they had arisen from the Company and its subsidiaries in Chinese Mainland that had been loss-making for some time. It is not considered probable that taxable profits will be available against which the tax losses can be utilized.

According to the tax incentive policies promulgated by the State Tax Bureau of the PRC in March 2021 and September 2022, an additional 75% of qualified research and development expenses incurred during the period from January 1, 2022 to September 30, 2022 is allowed to be deducted from taxable income of the Company and an additional 100% of qualified research and development expenses incurred during the period from October 1, 2022 to June 30, 2025 is allowed to be deducted from taxable income.

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13. DIVIDENDS

The board of directors did not recommend the payment of any dividend during the Track Record Period.

14. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

	For the year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				(Unaudited)	
<u>Loss</u>					
Loss attributable to					
ordinary equity holders					
of the parent, used in					
the basic and diluted					
loss per share					
calculation	(75,141)	(55,267)	(84,011)	(101,474)	(89,429)
<u>Shares</u>					
Weighted average					
number of ordinary					
shares in issue during					
the year/period used in					
the basic and diluted					
loss per share					
calculation	270,009,292	290,290,270	300,000,000	300,000,000	300,000,000

The weighted average number of ordinary shares in issue before the conversion into a joint stock company was determined assuming that the paid-in capital had been fully converted into share capital at the same conversion ratio of 1:1 as upon transformation into a joint stock company in December 2023.

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15. PROPERTY, PLANT AND EQUIPMENT

	Electronic equipment <i>RMB’000</i>	Office equipment and fixtures <i>RMB’000</i>	Motor vehicles <i>RMB’000</i>	Leasehold improvements <i>RMB’000</i>	Total <i>RMB’000</i>
<u>December 31, 2022</u>					
At January 1, 2022:					
Cost	2,446	940	410	3,445	7,241
Accumulated depreciation	(1,259)	(404)	(41)	(2,142)	(3,846)
Net carrying amount	<u>1,187</u>	<u>536</u>	<u>369</u>	<u>1,303</u>	<u>3,395</u>
At January 1, 2022, net of accumulated depreciation	1,187	536	369	1,303	3,395
Additions	1,012	330	480	325	2,147
Disposals	(6)	(2)	–	(352)	(360)
Depreciation provided during the year	(788)	(200)	(107)	(872)	(1,967)
At December 31, 2022, net of accumulated depreciation	<u>1,405</u>	<u>664</u>	<u>742</u>	<u>404</u>	<u>3,215</u>
At December 31, 2022:					
Cost	3,452	1,268	890	3,418	9,028
Accumulated depreciation	(2,047)	(604)	(148)	(3,014)	(5,813)
Net carrying amount	<u>1,405</u>	<u>664</u>	<u>742</u>	<u>404</u>	<u>3,215</u>
<u>December 31, 2023</u>					
At January 1, 2023:					
Cost	3,452	1,268	890	3,418	9,028
Accumulated depreciation	(2,047)	(604)	(148)	(3,014)	(5,813)
Net carrying amount	<u>1,405</u>	<u>664</u>	<u>742</u>	<u>404</u>	<u>3,215</u>
At January 1, 2023, net of accumulated depreciation	1,405	664	742	404	3,215
Additions	1,313	373	1,075	1,106	3,867
Disposals	(40)	(15)	–	(306)	(361)
Depreciation provided during the year	(799)	(219)	(424)	(357)	(1,799)
At December 31, 2023, net of accumulated depreciation	<u>1,879</u>	<u>803</u>	<u>1,393</u>	<u>847</u>	<u>4,922</u>
At December 31, 2023:					
Cost	4,725	1,626	1,965	4,218	12,534
Accumulated depreciation	(2,846)	(823)	(572)	(3,371)	(7,612)
Net carrying amount	<u>1,879</u>	<u>803</u>	<u>1,393</u>	<u>847</u>	<u>4,922</u>

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	Electronic equipment	Office equipment and fixtures	Motor vehicles	Leasehold improvements	Total
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
<u>December 31, 2024</u>					
At January 1, 2024:					
Cost	4,725	1,626	1,965	4,218	12,534
Accumulated depreciation	(2,846)	(823)	(572)	(3,371)	(7,612)
Net carrying amount	<u>1,879</u>	<u>803</u>	<u>1,393</u>	<u>847</u>	<u>4,922</u>
At January 1, 2024, net of accumulated depreciation	1,879	803	1,393	847	4,922
Additions	584	2,027	1,824	15,113	19,548
Disposals	(12)	(102)	–	–	(114)
Depreciation provided during the year	(935)	(276)	(774)	(3,079)	(5,064)
At December 31, 2024, net of accumulated depreciation	<u>1,516</u>	<u>2,452</u>	<u>2,443</u>	<u>12,881</u>	<u>19,292</u>
At December 31, 2024:					
Cost	5,297	3,551	3,789	19,332	31,969
Accumulated depreciation	(3,781)	(1,099)	(1,346)	(6,451)	(12,677)
Net carrying amount	<u>1,516</u>	<u>2,452</u>	<u>2,443</u>	<u>12,881</u>	<u>19,292</u>
<u>June 30, 2025</u>					
At January 1, 2025:					
Cost	5,297	3,551	3,789	19,332	31,969
Accumulated depreciation	(3,781)	(1,099)	(1,346)	(6,451)	(12,677)
Net carrying amount	<u>1,516</u>	<u>2,452</u>	<u>2,443</u>	<u>12,881</u>	<u>19,292</u>
At January 1, 2025, net of accumulated depreciation	1,516	2,452	2,443	12,881	19,292
Additions	669	7	–	492	1,168
Disposals	(7)	(115)	–	–	(122)
Depreciation provided during the period	(448)	(270)	(451)	(2,710)	(3,879)
At June 30, 2025, net of accumulated depreciation	<u>1,730</u>	<u>2,074</u>	<u>1,992</u>	<u>10,663</u>	<u>16,459</u>
At June 30, 2025:					
Cost	5,959	3,443	3,789	19,824	33,015
Accumulated depreciation	(4,229)	(1,369)	(1,797)	(9,161)	(16,556)
Net carrying amount	<u>1,730</u>	<u>2,074</u>	<u>1,992</u>	<u>10,663</u>	<u>16,459</u>

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16. GOODWILL

	Shanghai Kaiyu RMB’000	Shanghai Kuanrui RMB’000	Total RMB’000
Cost and net carrying amount as at January 1, 2022,			
December 31, 2022, 2023 and 2024 and June 30, 2025	<u>150,568</u>	<u>237,958</u>	<u>388,526</u>

Impairment testing of goodwill

Goodwill acquired through business combinations is allocated to the following cash generating units for impairment testing.

- Shanghai Kaiyu cash-generating unit; and
- Shanghai Kuanrui cash-generating unit

Shanghai Kaiyu cash-generating unit

The recoverable amount of the Shanghai Kaiyu has been determined based on a value in-use calculation using cash flow projections based on financial budgets covering a 5-year period approved by senior management. The pre-tax discount rate applied to the cash flow projections were 14.4%, 14.4%, 14.3% and 14.9% for the years ended December 31, 2022, 2023, 2024 and the six months ended June 30, 2025, respectively. The growth rate used to extrapolate the cash flows beyond the five-year period was nil for the years ended December 31, 2022, 2023, 2024 and the six months ended June 30, 2025. The recoverable amount of the Shanghai Kaiyu exceeds its carrying amount by RMB35,925,000, RMB98,698,000, RMB75,556,000 and RMB69,102,000 for the years ended December 31, 2022, 2023, 2024 and the six months ended June 30, 2025.

In the opinion of the Company’s directors, a decrease in the budgeted gross profit during the 5-year period by 2% would cause the recoverable amount of the cash-generating unit to exceed its carrying amount by approximately RMB14,925,000, RMB75,698,000, RMB51,550,000 and RMB44,680,000 for the years ended December 31, 2022, 2023, 2024 and the six months ended June 30, 2025. Any reasonably possible change in the other key assumptions on which the recoverable amount is based would not cause the cash-generating unit’s carrying amount to exceed its recoverable amount.

Shanghai Kuanrui cash-generating unit

The recoverable amount of the Shanghai Kuanrui has been determined based on a value-in-use calculation using cash flow projections based on financial budgets covering a 5-year period approved by senior management. The pre-tax discount rate applied to the cash flow projections is 14.9%, 14.9%, 14.0% and 14.3% for the years ended December 31, 2022, 2023, 2024 and the six months ended June 30, 2025, respectively. The growth rate used to extrapolate the cash flows of the Shanghai Kuanrui unit beyond the five-year period was nil for the years ended December 31, 2022, 2023, 2024 and the six months ended

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June 30, 2025. The recoverable amount of the Shanghai Kuanrui exceeds its carrying amount by RMB27,426,000, RMB47,976,000, RMB51,028,000 and RMB47,785,000 for the years ended December 31, 2022, 2023, 2024 and the six months ended June 30, 2025.

In the opinion of the Company’s directors, a decrease in the budgeted gross profit during the 5-year period by 2% would cause the recoverable amount of the cash-generating unit to exceed its carrying amount by approximately RMB9,426,000, RMB28,976,000, RMB28,856,000 and RMB28,210,000 for the years ended December 31, 2022, 2023, 2024 and the six months ended June 30, 2025. Any reasonably possible change in the other key assumptions on which the recoverable amount is based would not cause the cash-generating unit’s carrying amount to exceed its recoverable amount.

During the Track Record Period, the nature of the industry and asset groups of Shanghai Kaiyu and Shanghai Kuanrui did not undergo significant changes, nor did the industry development trends experience major transformations, therefore, no material changes on the pre-tax discount rate of these two companies. The growth rate used to extrapolate the cash flows beyond the five-year period for both Shanghai Kaiyu and Shanghai Kuanrui was set to zero, mainly considering the pressures of the domestic and international economic environment. Facing economic uncertainties and potential risks, a zero-growth rate was chosen out of prudence to estimate the terminal value of future cash flows.

17. LEASES

The Group as a lessee

The Group has lease contracts for various items of office premises and motor vehicles used in its operations. Leases of office premises generally have lease terms between 2 and 5 years, while motor vehicles generally have lease terms of 2 years. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

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(a) Right-of-use assets

The Group

The carrying amounts of the Group’s right-of-use assets and the movements during the Track Record Period are as follows:

	Office premises	Motor vehicles	Total
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
As at January 1, 2022	12,558	–	12,558
Additions	6,535	1,181	7,716
Depreciation charge	(7,242)	(345)	(7,587)
As at December 31, 2022 and January 1, 2023	11,851	836	12,687
Additions	7,230	–	7,230
Lease modification	2,738	–	2,738
Depreciation charge	(9,820)	(591)	(10,411)
As at December 31, 2023 and January 1, 2024	11,999	245	12,244
Additions	24,304	–	24,304
Lease modification	621	–	621
Depreciation charge	(12,336)	(245)	(12,581)
Early termination of lease	(461)	–	(461)
As at December 31, 2024 and January 1, 2025	24,127	–	24,127
Additions	7,148	–	7,148
Lease modification	6,892	–	6,892
Depreciation charge	(4,717)	–	(4,717)
As at June 30, 2025	<u>33,450</u>	<u>–</u>	<u>33,450</u>

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The Company

The carrying amounts of the Company’s right-of-use assets and the movements during the Track Record Period are as follows:

	Office premises <i>RMB’000</i>
As at January 1, 2022	5,044
Additions	1,456
Depreciation charge	<u>(2,897)</u>
As at December 31, 2022 and January 1, 2023	3,603
Lease modification	2,481
Depreciation charge	<u>(2,973)</u>
As at December 31, 2023 and January 1, 2024	3,111
Additions	23,603
Depreciation charge	(6,203)
Early termination of lease	<u>(207)</u>
As at December 31, 2024 and January 1, 2025	20,304
Lease modification	2,248
Depreciation charge	<u>(2,154)</u>
As at June 30, 2025	<u><u>20,398</u></u>

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(b) Lease liabilities

The Group

The carrying amount of the Group’s lease liabilities and the movements during each of the Track Record Period are as follows:

	As at December 31,			As at June 30,
	2022	2023	2024	2025
	RMB’000	RMB’000	RMB’000	RMB’000
Carrying amount at the beginning of the year/period	12,308	11,531	12,256	25,635
New leases	7,716	7,230	24,304	7,148
Lease modification	—	2,738	621	5,424
Accretion of interest recognized during the year/ period	557	585	1,068	511
Payments	(9,050)	(9,828)	(12,204)	(5,458)
Early termination of lease	—	—	(410)	—
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Carrying amount at the end of the year/period	<u>11,531</u>	<u>12,256</u>	<u>25,635</u>	<u>33,260</u>
Analyzed into:				
Current portion	7,019	8,201	7,671	9,130
Non-current portion	<u>4,512</u>	<u>4,055</u>	<u>17,964</u>	<u>24,130</u>

The maturity analysis of lease liabilities is disclosed in note 41 to the Historical Financial Information.

The Company

The carrying amount of the Company’s lease liabilities and the movements during each of the Track Record Period are as follows:

	As at December 31,			As at June 30,
	2022	2023	2024	2025
	RMB’000	RMB’000	RMB’000	RMB’000
Carrying amount at the beginning of the year/period	4,986	3,308	2,974	21,784
New leases	1,456	—	23,603	—
Lease modification	—	2,481	—	779
Accretion of interest recognized during the year/ period	175	107	822	349
Payments	(3,309)	(2,922)	(5,422)	(2,470)
Early termination of lease	—	—	(192)	—
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Carrying amount at the end of the year/period	<u>3,308</u>	<u>2,974</u>	<u>21,785</u>	<u>20,442</u>
Analyzed into:				
Current portion	2,234	2,183	4,561	3,889
Non-current portion	<u>1,074</u>	<u>791</u>	<u>17,224</u>	<u>16,553</u>

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(c) The amounts recognized in profit or loss in relation to leases are as follows:

	For the year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
				<i>(Unaudited)</i>	
Interest on lease liabilities	557	585	1,068	501	511
Depreciation charge of right-of-use assets	7,587	10,411	12,581	6,498	4,717
Expense relating to short-term leases	3,542	4,579	5,298	2,469	4,984
Loss on early termination of lease	—	—	51	40	—
Gain on lease modification	—	—	—	—	(1,468)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total amount recognized in profit or loss	<u>11,686</u>	<u>15,575</u>	<u>18,998</u>	<u>9,508</u>	<u>8,744</u>

(d) The total cash outflow for leases is disclosed in note 36 to the Historical Financial Information.

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18. INTANGIBLE ASSETS

	Separate acquired software	Software Copyright as part of business combination	Total
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
<u>December 31, 2022</u>			
As at January 1, 2022:			
Cost	456	35,840	36,296
Accumulated amortization	(158)	(1,833)	(1,991)
Net carrying amount	<u>298</u>	<u>34,007</u>	<u>34,305</u>
As at January 1, 2022, net of accumulated amortization	298	34,007	34,305
Additions	5,199	–	5,199
Amortization provided during the year	(559)	(4,480)	(5,039)
As at December 31, 2022, net of accumulated amortization	<u>4,938</u>	<u>29,527</u>	<u>34,465</u>
As at December 31, 2022 and January 1, 2023:			
Cost	5,655	35,840	41,495
Accumulated amortization	(717)	(6,313)	(7,030)
Net carrying amount	<u>4,938</u>	<u>29,527</u>	<u>34,465</u>
<u>December 31, 2023</u>			
As at January 1, 2023, net of accumulated amortization	4,938	29,527	34,465
Additions	116	–	116
Amortization provided during the year	(1,630)	(4,480)	(6,110)
As at December 31, 2023, net of accumulated amortization	<u>3,424</u>	<u>25,047</u>	<u>28,471</u>
As at December 31, 2023 and January 1, 2024:			
Cost	5,771	35,840	41,611
Accumulated amortization	(2,347)	(10,793)	(13,140)
Net carrying amount	<u>3,424</u>	<u>25,047</u>	<u>28,471</u>
<u>December 31, 2024</u>			
As at January 1, 2024, net of accumulated amortization	3,424	25,047	28,471
Additions	314	–	314
Amortization provided during the year	(1,647)	(4,480)	(6,127)
As at December 31, 2024, net of accumulated amortization	<u>2,091</u>	<u>20,567</u>	<u>22,658</u>

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	Separate acquired software <i>RMB’000</i>	Software Copyright as part of business combination <i>RMB’000</i>	Total <i>RMB’000</i>
As at December 31, 2024 and January 1, 2025:			
Cost	6,085	35,840	41,925
Accumulated amortization	(3,994)	(15,273)	(19,267)
Net carrying amount	<u>2,091</u>	<u>20,567</u>	<u>22,658</u>
June 30, 2025			
As at January 1, 2025, net of accumulated amortization	2,091	20,567	22,658
Additions	118	–	118
Amortization provided during the period	(837)	(2,240)	(3,077)
As at June 30, 2025, net of accumulated amortization	<u>1,372</u>	<u>18,327</u>	<u>19,699</u>
As at June 30, 2025:			
Cost	6,203	35,840	42,043
Accumulated amortization	(4,831)	(17,513)	(22,344)
Net carrying amount	<u>1,372</u>	<u>18,327</u>	<u>19,699</u>

19. INVESTMENTS IN JOINT VENTURES

	As at December 31,			As at June 30,
	2022	2023	2024	2025
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Share of net assets	3,762	3,637	3,510	3,514
Goodwill on acquisition	<u>5,753</u>	<u>8,686</u>	<u>8,686</u>	<u>8,686</u>
	<u>9,515</u>	<u>12,323</u>	<u>12,196</u>	<u>12,200</u>

Particulars of the Group’s material joint venture are as follows:

Name	Particulars of paid-in capital held	Place of registration and business	Percentage of ownership interest attributable to the Group	Principal activities
Boyun Jianri (Shenzhen) Intelligent Technology Co., Ltd.* (“Boyun Jianri”) (“撥雲見日（深圳）智能 科技有限公司”)	Registered paid-in capital of RMB1 each	PRC	2022: 4%, 2023-June 30, 2025: 3.92%	Software research and development and technology services

* The English name of the company represents the best effort made by the management of the Company to directly translate the Chinese name as it does not register any official English name.

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The Group’s shareholdings in the joint ventures all comprise equity interests held through subsidiaries of the Company.

The Group has joint control of these companies through agreements whereby relevant activities require the unanimous consent of the parties sharing control which must include the Group. Accordingly, these companies are regarded as joint ventures of the Group.

Boyun Jianri, which is considered a material joint venture of the Group, is accounted for using the equity method.

The following table illustrates the summarized financial information in respect of Boyun Jianri adjusted for any differences in accounting policies and reconciled to the carrying amount in the financial statements:

	As at December 31,			As at June 30,
	2022	2023	2024	2025
	RMB’000	RMB’000	RMB’000	RMB’000
Cash and cash equivalent	3,444	445	13	11
Other current assets	1,420	4,281	6,749	6,792
Non-current assets, excluding goodwill	1,989	1,570	1,126	1,105
Current liabilities	(1,190)	(2,520)	(3,902)	(4,049)
Net assets, excluding goodwill	<u>5,663</u>	<u>3,776</u>	<u>3,986</u>	<u>3,859</u>

Reconciliation to the Group’s interest in Boyun Jianri:

	Notes	As at December 31,			As at June 30,
		2022	2023	2024	2025
		RMB’000	RMB’000	RMB’000	RMB’000
Proportion of the Group’s ownership		4.00%	3.92%	3.92%	3.92%
Group’s share of net assets of the joint venture, excluding goodwill	(a)	226	151	156	151
Goodwill on acquisition of the joint venture		<u>5,753</u>	<u>5,753</u>	<u>5,753</u>	<u>5,753</u>
Carrying amount of the investment		<u>5,979</u>	<u>5,904</u>	<u>5,909</u>	<u>5,904</u>

		Year ended December 31,			Six months ended
		2022	2023	2024	June 30,
					2025
Revenue		17	1,538	715	72
Profit and total comprehensive income		<u>(12,964)</u>	<u>(6,875)</u>	<u>128</u>	<u>(128)</u>
Share of the joint venture’s total comprehensive income	(b)	(519)	(275)	5	(5)

Note:

- (a) There are additions of the Group’s share of net assets in Boyun Jianri amounting to RMB600,000 and RMB200,000 in year 2022 and 2023, respectively, which represented the addition share of capital premium received by Boyun Jianri.

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- (b) The share of the joint venture’s total comprehensive income was calculated based on the profit and loss and total comprehensive income of Boyun Jianri after the Group’s investment in 2021.

The following table illustrates the aggregate financial information of the Group’s joint ventures that are not individually material:

	Year ended December 31,			Six months ended June 30,
	2022 RMB’000	2023 RMB’000	2024 RMB’000	2025 RMB’000
Share of the joint ventures’ (loss)/profit	(206)	(414)	(132)	9
Share of the joint ventures’ total comprehensive income	(206)	(414)	(132)	9
Aggregate carrying amount of the Group’s investments in the joint ventures	<u>3,536</u>	<u>6,419</u>	<u>6,287</u>	<u>6,296</u>

20. INVESTMENTS IN ASSOCIATES

	As at December 31,			As at June 30,
	2022 RMB’000	2023 RMB’000	2024 RMB’000	2025 RMB’000
Share of net assets	2,550	2,542	2,215	2,000
Goodwill on acquisition	<u>8,104</u>	<u>8,104</u>	<u>8,104</u>	<u>8,104</u>
	<u>10,654</u>	<u>10,646</u>	<u>10,319</u>	<u>10,104</u>

Particulars of the Group’s material associate is as follows:

Name	Particulars of paid-in capital held	Place of registration and business	Percentage of ownership interest attributable to the Group	Principal activities
Beijing Kungfu Source Technology Development Co., Ltd. * (“Beijing Kungfu Source”) (“北京功夫源科技發展有限責任公司”)	Registered paid-in capital of RMB1 each	PRC	11.72%	Software research and development and technology services

- * The English name of the company represents the best effort made by the management of the Company to directly translate the Chinese name as it does not register any official English name.

The Group’s shareholdings in the associates all comprise equity interests held through subsidiaries of the Company.

The Group is able to exercise significant influence over these companies through its representation on the board of directors, with the power to participate in the financial and operating policy decisions, but do not have control or joint control of these companies. Accordingly, these companies are regarded as associates of the Group.

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Beijing Kungfu Source, which is considered a material associate of the Group, is accounted for using the equity method.

The following table illustrates the summarized financial information in respect of Beijing Kungfu Source adjusted for any differences in accounting policies and reconciled to the carrying amount in the financial statements:

	As at December 31,			As at June 30,
	2022 RMB'000	2023 RMB'000	2024 RMB'000	2025 RMB'000
Cash and cash equivalent	70	330	566	311
Other current assets	987	6,598	12,812	9,970
Non-current assets, excluding goodwill	125	450	377	15
Current liabilities	(757)	(7,021)	(13,712)	(12,216)
Net assets/(liabilities), excluding goodwill	425	357	43	(1,920)

Reconciliation to the Group’s interest in the associate:

	As at December 31,			As at June 30,
	2022 RMB'000	2023 RMB'000	2024 RMB'000	2025 RMB'000
Proportion of the Group’s ownership	11.72%	11.72%	11.72%	11.72%
Group’s share of net assets/(liabilities) of the associate, excluding goodwill	50	42	5	(225)
Goodwill on acquisition of the associate	8,104	8,104	8,104	8,104
Carrying amount of the investment	8,154	8,146	8,109	7,879
	Year ended December 31,			Six months ended June 30,
	2022	2023	2024	2025
Revenue	8,146	15,520	7,239	1,540
Loss and total comprehensive income	(417)	(68)	(316)	(1,962)
Share of the associate’s total comprehensive income	(49)	(8)	(37)	(230)

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The following table illustrates the aggregate financial information of the Group’s associate that is not individually material:

	Year ended December 31,			Six months ended June 30,
	2022 RMB’000	2023 RMB’000	2024 RMB’000	2025 RMB’000
Share of the associates’ (loss)/profit	–	–	(290)	15
Share of the associates’ total comprehensive income	–	–	(290)	15
Aggregate carrying amount of the Group’s investments in the associates	2,500	2,500	2,210	2,225

21. EQUITY INVESTMENTS DESIGNATED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	As at December 31,			As at June 30,
	2022 RMB’000	2023 RMB’000	2024 RMB’000	2025 RMB’000
Unlisted equity investments, at fair value				
Hua Kong Tsing Jiao Information Technology (Beijing) Co., Ltd.* (“Huakong Tsing Jiao”) (華控清交信息科技(北京)有限公司)	100,000	101,248	99,000	99,000
Hongtai Wealth (Qingdao) Fund Sales Co., Ltd.* (“Hongtai Wealth”) (洪泰財富(青島)基金銷售有限公司)	–	49,000	100,000	100,000
Huoer Guosi Xian Yuan Technology Service Co., Ltd.* (“Xian Yuan Technology”) (霍爾果斯嫺遠科技服務有限公司)	–	36,000	37,000	39,000
Tianjin Zhengdao North Beta Consulting Co., Ltd.* (“Zhengdao North Beta”) (天津正道北拓諮詢股份有限公司)	24,797	24,112	3,497	3,361
Other unlisted equity investments, at fair value	–	5,800	6,000	6,000
	<u>124,797</u>	<u>216,160</u>	<u>245,497</u>	<u>247,361</u>

* The English names of these companies represent the best effort made by the management of the Company to directly translate the Chinese names as they do not register any official English names.

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The above equity investments were irrevocably designated at fair value through other comprehensive income as the Group considers these investments to be strategic in nature. There is no dividend recognized and no transfer of the cumulative gain or loss within the equity instruments during the Track Record Period. All these unlisted equity investments are classified as non-current as the management of the Group expects to realize these financial assets for at least twelve months from each reporting period end during the Track Record Period.

22. TRADE RECEIVABLES

The Group

	As at December 31,			As at June 30,
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Trade receivables	76,925	281,483	284,545	336,086
Impairment	(275)	(15,185)	(32,816)	(82,371)
Net carrying amount	<u>76,650</u>	<u>266,298</u>	<u>251,729</u>	<u>253,715</u>

The Group generally provide credit period within 3 months for transaction-based specialist technology products and 12 months for subscriptions-based specialist technology products. The Group seeks to maintain strict control over its outstanding receivables and overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An aging analysis of the trade receivables at the end of each of the Track Record Period, based on the revenue recognition date and net of loss allowance, is as follows:

	As at December 31,			As at June 30,
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
1-6 months	76,650	247,542	207,129	163,598
7-12 months	–	17,880	33,320	75,743
1-2 years	–	876	11,280	11,318
Over 2 years	–	–	–	3,056
	<u>76,650</u>	<u>266,298</u>	<u>251,729</u>	<u>253,715</u>

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The movements in the loss allowance for impairment of trade receivables are as follows:

	Year ended December 31,			Six months ended June 30,
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
At beginning of year/period	7	275	15,185	32,816
Impairment losses, net	268	14,910	17,631	49,555
At end of year/period	275	15,185	32,816	82,371

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on trade receivables past due information for groupings of various customer segments with similar loss patterns. The calculation reflects a probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off if past due for more than three years and are not subject to enforcement activity.

Set out below is the information about the credit risk exposure on the Group’s trade receivables using a provision matrix:

As at December 31, 2022

	1-6 months	6-12 months	1-2 years	Over 2 years	Total
Expected credit loss rate	0.36%	–	–	–	0.36%
Gross carrying amount (RMB'000)	76,925	–	–	–	76,925
Expected credit losses (RMB'000)	275	–	–	–	275

As at December 31, 2023

	1-6 months	6-12 months	1-2 years	Over 2 years	Total
Expected credit loss rate	1.54%	35.59%	62.01%	–	5.39%
Gross carrying amount (RMB'000)	251,419	27,758	2,306	–	281,483
Expected credit losses (RMB'000)	3,877	9,878	1,430	–	15,185

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As at December 31, 2024

	<u>1-6 months</u>	<u>6-12 months</u>	<u>1-2 years</u>	<u>Over 2 years</u>	<u>Total</u>
Expected credit loss rate	1.43%	10.47%	69.67%	–	11.53%
Gross carrying amount (RMB’000)	210,135	37,218	37,192	–	284,545
Expected credit losses (RMB’000)	3,006	3,898	25,912	–	32,816

As at June 30, 2025

	<u>1-6 months</u>	<u>6-12 months</u>	<u>1-2 years</u>	<u>Over 2 years</u>	<u>Total</u>
Expected credit loss rate	3.51%	23.85%	79.83%	72.12%	24.51%
Gross carrying amount (RMB’000)	169,551	99,466	56,108	10,961	336,086
Expected credit losses (RMB’000)	5,953	23,723	44,790	7,905	82,371

The Company

	<u>As at December 31,</u>			<u>As at June 30,</u>
	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
	<u>RMB’000</u>	<u>RMB’000</u>	<u>RMB’000</u>	<u>RMB’000</u>
Trade receivables	33,613	169,585	206,958	236,087
Impairment	(86)	(9,601)	(26,670)	(51,133)
Net carrying amount	<u>33,527</u>	<u>159,984</u>	<u>180,288</u>	<u>184,954</u>

The Company generally provide credit period within 3 months for transaction-based specialist technology products and 12 months for subscriptions-based specialist technology products. The Company seeks to maintain strict control over its outstanding receivables and overdue balances are reviewed regularly by senior management. The Company does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

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An aging analysis of the trade receivables at the end of each of the Track Record Period, based on the revenue recognition date and net of loss allowance, is as follows:

	As at December 31,			As at June 30,
	2022	2023	2024	2025
	RMB’000	RMB’000	RMB’000	RMB’000
1-6 months	33,527	148,943	163,361	112,517
7-12 months	–	10,949	8,088	60,758
1-2 years	–	92	8,839	8,623
Over 2 years	–	–	–	3,056
	<u>33,527</u>	<u>159,984</u>	<u>180,288</u>	<u>184,954</u>

The movements in the loss allowance for impairment of trade receivables are as follows:

	Year ended December 31,			Six months ended June 30,
	2022	2023	2024	2025
	RMB’000	RMB’000	RMB’000	RMB’000
At beginning of year/period	5	86	9,601	26,670
Impairment losses, net	<u>81</u>	<u>9,515</u>	<u>17,069</u>	<u>24,463</u>
At end of year/period	<u>86</u>	<u>9,601</u>	<u>26,670</u>	<u>51,133</u>

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on trade receivables past due information for groupings of various customer segments with similar loss patterns. The calculation reflects a probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off if past due for more than three years and are not subject to enforcement activity.

Set out below is the information about the credit risk exposure on the Company’s trade receivables using a provision matrix:

As at December 31, 2022

	1-6 months	6-12 months	1-2 years	Over 2 years	Total
Expected credit loss rate	0.26%	–	–	–	0.26%
Gross carrying amount (RMB’000)	33,613	–	–	–	33,613
Expected credit losses (RMB’000)	86	–	–	–	86

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As at December 31, 2023

	<u>1-6 months</u>	<u>6-12 months</u>	<u>1-2 years</u>	<u>Over 2 years</u>	<u>Total</u>
Expected credit loss rate	1.48%	39.70%	62.30%	–	5.66%
Gross carrying amount (RMB’000)	151,184	18,157	244	–	169,585
Expected credit losses (RMB’000)	2,241	7,208	152	–	9,601

As at December 31, 2024

	<u>1-6 months</u>	<u>6-12 months</u>	<u>1-2 years</u>	<u>Over 2 years</u>	<u>Total</u>
Expected credit loss rate	1.43%	15.10%	72.11%	–	12.89%
Gross carrying amount (RMB’000)	165,735	9,527	31,696	–	206,958
Expected credit losses (RMB’000)	2,374	1,439	22,857	–	26,670

As at June 30, 2025

	<u>1-6 months</u>	<u>6-12 months</u>	<u>1-2 years</u>	<u>Over 2 years</u>	<u>Total</u>
Expected credit loss rate	3.66%	23.68%	69.97%	72.12%	21.66%
Gross carrying amount (RMB’000)	116,794	79,613	28,719	10,961	236,087
Expected credit losses (RMB’000)	4,277	18,855	20,096	7,905	51,133

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23. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

The Group

	Notes	As at December 31,			As at June 30,
		2022 RMB’000	2023 RMB’000	2024 RMB’000	2025 RMB’000
Current					
Prepayments for purchase of services and products		48,989	31,069	58,233	74,893
Deposits and other receivables	(a)	27,202	19,482	9,008	17,760
Value-added-tax recoverable		11,248	9,451	15,008	12,839
Loans to directors and a supervisor	24	6,723	7,549	7,549	7,549
Prepaid [REDACTED] expenses		[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Others		2,424	1,494	657	3,393
		96,586	71,951	92,089	117,805
Impairment		—	—	(418)	(529)
		<u>96,586</u>	<u>71,951</u>	<u>91,671</u>	<u>117,276</u>
Non-Current					
Prepayments for investment	(b)	4,800	10,000	10,000	10,000
Deposits	(a)	—	—	3,068	2,831
		<u>4,800</u>	<u>10,000</u>	<u>13,068</u>	<u>12,831</u>

(a) The deposits and other receivables mainly included deposits for rentals and other operational deposits which will be refunded thereafter.

(b) The prepayments for investment represent the prepayment for purchase of interests in an associate and financial assets at fair value through profit or loss.

The movements in the loss allowance for impairment of other receivables are as follows:

	Year ended December 31,			Six months ended June 30,
	2022 RMB’000	2023 RMB’000	2024 RMB’000	2025 RMB’000
At beginning of year/period	—	—	—	418
Impairment losses, net	—	—	418	111
At end of year/period	<u>—</u>	<u>—</u>	<u>418</u>	<u>529</u>

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The Company

	As at December 31,			As at June 30,
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Current				
Prepayments for purchase of services and products	45,109	13,801	51,540	59,036
Prepaid [REDACTED] expenses	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Deposits and other receivables	7,682	6,356	5,155	9,705
Value-added-tax recoverable	5,616	4,549	10,994	8,443
Loans to directors and a supervisor (note 38)	4,163	5,049	5,049	5,049
Others	2,177	779	553	3,054
	64,747	33,440	74,925	86,658
Impairment	—	—	(270)	(281)
	64,747	33,440	74,655	86,377
Non-Current				
Deposits	—	—	2,040	2,040

The movements in the loss allowance for impairment of other receivables are as follows:

	Year ended December 31,			Six months ended June 30,
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
At beginning of year/period	—	—	—	270
Impairment losses, net	—	—	270	11
At end of year/period	—	—	270	281

The financial assets included in the above balances relate to receivables for which there was no recent history of default and past due amounts. As at December 31, 2022 and 2023, the loss allowance was assessed to be minimal.

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24. LOANS TO DIRECTORS AND A SUPERVISOR

The Group

Loans to directors, disclosed pursuant to section 383(1)(d) of the Hong Kong Companies Ordinance and Part 3 of The Companies (Disclosure of Information about Benefits of Directors) Regulation, are as follows:

As at December 31, 2022

	<u>Carrying amount</u> <i>RMB’000</i>	<u>Maximum amount during the year</u> <i>RMB’000</i>
<u>Loans to directors</u>		
Name		
Mr. Xuan Ran	6,360	6,360
Mr. Sun Zhengzhang	363	363
Mr. Liu Zhijian	—	1,800
	<u>6,723</u>	<u>8,523</u>

As at December 31, 2023

	<u>Carrying amount</u> <i>RMB’000</i>	<u>Maximum amount during the year</u> <i>RMB’000</i>
<u>Loan to a director</u>		
Name		
Mr. Xuan Ran	5,686	6,360
<u>Loan to a supervisor</u>		
Name		
Mr. Sun Zhengzhang	1,863	1,863
	<u>7,549</u>	<u>8,223</u>

As at December 31, 2024

	<u>Carrying amount</u> <i>RMB’000</i>	<u>Maximum amount during the year</u> <i>RMB’000</i>
<u>Loan to a director</u>		
Name		
Mr. Xuan Ran	5,686	5,686
<u>Loan to a supervisor</u>		
Name		
Mr. Sun Zhengzhang	1,863	1,863
	<u>7,549</u>	<u>7,549</u>

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As at June 30, 2025

	<u>Carrying amount</u>	<u>Maximum amount</u>
	<i>RMB’000</i>	<i>during the period</i>
		<i>RMB’000</i>
<u>Loan to a director</u>		
Name		
Mr. Xuan Ran	5,686	5,686
<u>Loan to a supervisor</u>		
Name		
Mr. Sun Zhengzhang	1,863	1,863
	7,549	7,549

The outstanding balance as at the end of each of the Track Record Period mainly represented the loans which were unsecured, non-interest-bearing, non-trade in nature, repayable on demand and will be settled before [REDACTED].

25. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

The financial liabilities at fair value through profit or loss were held by those structured entities consolidated by the Group.

26. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group

	<u>As at December 31,</u>			<u>As at June 30,</u>
	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Current assets:				
Wealth management products				
(note a)	147,760	170,968	187,486	150,407
Non-current assets:				
Wealth management products (note a)	9,442	9,887	9,277	10,536
Beijing Gehua Silu Jinqiao Media Industry				
Investment Fund Partnership (Limited Partnership)				
(“Gehua Silu Jinqiao”) (北京歌華絲路金橋傳媒產業				
投資基金合夥企業 (有限合夥)) (note b)	55,794	57,835	55,977	56,594
Shanghai Fintech Equity Investment Fund (Limited				
Partnership) (“Shanghai Fintech”) (上海金融科技股				
權投資基金 (有限合夥)) (note b)	49,683	49,933	48,861	49,553
Shanghai Reason Information Technology Co., Ltd. *				
(“Shanghai Reason Information”) (上海理至信息				
技術有限公司)	–	12,000	12,000	12,000
Other unlisted debt investments, at fair value (note b)	8,000	43,717	43,001	47,400
	122,919	173,372	169,116	176,083
	270,679	344,340	356,602	326,490

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The Company

	Year ended December 31,			As at June 30,
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Current assets:				
Wealth management product (note a)	15,650	15,426	58,348	35,836

Note

- (a) Wealth management products were issued by banks and fund institutions in Chinese Mainland. They were mandatorily classified as financial assets at fair value through profit or loss as their contractual cash flows are not solely payments of principal and interest. Certain wealth management products are classified as current as the management of the Group expects to realize these financial assets within twelve months from each reporting period end during the Track Record Period.
- (b) The Group’s investment in Gehua Silu Jingqiao, Shanghai Fintech and other unlisted debt investments represent the Group’s redeemable equity interests in those PRC unlisted entities and investments funds in the PRC. None of the shareholdings exceeded 20% of the issued capital of the respective investees and the Group did not have significant influence on these invested entities and investments funds.

27. CASH AND CASH EQUIVALENTS

The Group

	As at December 31,			As at June 30,
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Cash and bank balances	748,569	596,968	343,818	222,333
Time deposits	83,373	86,044	52,859	100,735
	<u>831,942</u>	<u>683,012</u>	<u>396,677</u>	<u>323,068</u>
Less:				
Time deposits				
Current portion	–	54,431	32,591	80,209
Non-current portion	83,373	31,613	20,268	20,526
Cash and cash equivalents	<u>748,569</u>	<u>596,968</u>	<u>343,818</u>	<u>222,333</u>
Denominated in RMB	801,675	643,182	364,705	288,790
Denominated in USD	30,267	39,682	31,881	34,206
Denominated in HKD	–	148	91	72
	<u>831,942</u>	<u>683,012</u>	<u>396,677</u>	<u>323,068</u>

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	As at December 31,			As at June 30,
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Cash and bank balances	652,637	526,980	302,121	196,946
Time deposits	83,373	86,044	52,859	20,526
	<u>736,010</u>	<u>613,024</u>	<u>354,980</u>	<u>217,472</u>
Less:				
Time deposits				
Current portion	—	54,431	32,591	—
Non-current portion	<u>83,373</u>	<u>31,613</u>	<u>20,268</u>	<u>20,526</u>
Cash and cash equivalents	<u>652,637</u>	<u>526,980</u>	<u>302,121</u>	<u>196,946</u>
Denominated in RMB	707,533	584,050	325,560	188,174
Denominated in USD	28,477	28,974	29,420	29,298
Denominated in HKD	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
	<u>736,010</u>	<u>613,024</u>	<u>354,980</u>	<u>217,472</u>

The RMB is not freely convertible into other currencies, however, under Chinese Mainland’s Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorized to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Time deposits are made for periods of three years which earn interest at the respective time deposit rates, ranging from 1.05% to 3.44%. The bank balances and time deposits are deposited with creditworthy banks with no recent history of default.

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28. TRADE PAYABLES

An aging analysis of the trade payables as at the end of each of the Track Record Period, based on the invoice date, is as follows:

The Group

	As at December 31,			As at June 30,
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
0-3 months	12,938	57,242	4,331	29,264
4-6 months	5,217	–	15,039	714
7-12 months	–	1,087	6,411	15,040
Over 1 year	412	684	1,359	7,744
	<u>18,567</u>	<u>59,013</u>	<u>27,140</u>	<u>52,762</u>

The trade payables are non-interest-bearing and are normally settled within 90 days.

The Company

	As at December 31,			As at June 30,
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
0-3 months	943	20	2,485	15,418
4-6 months	–	–	15,039	693
7-12 months	–	–	229	15,039
Over 1 year	–	–	–	229
	<u>943</u>	<u>20</u>	<u>17,753</u>	<u>31,379</u>

29. OTHER PAYABLES AND ACCRUALS

The Group

	As at December 31,			As at June 30,
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Payroll and welfare payables	57,431	43,314	30,323	25,800
Financing expense payables	–	13,100	7,440	2,345
Other tax payables	6,960	9,047	3,492	1,659
[REDACTED] expense payables	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Investment payables	37,500	17,500	17,500	17,500
Other payables	(a) 4,293	8,152	14,295	6,954
	<u>106,184</u>	<u>93,192</u>	<u>74,110</u>	<u>56,533</u>

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	<i>Note</i>	As at December 31,			As at June 30,
		2022	2023	2024	2025
		<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Financing expense payables		–	13,100	7,440	2,345
[REDACTED] expenses		[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
payables		[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Payroll and welfare payables		28,670	22,512	12,524	7,425
Other tax payables		1,186	962	1,684	294
Other payables	(a)	1,572	4,585	11,359	4,531
		<u>31,428</u>	<u>43,238</u>	<u>34,067</u>	<u>16,870</u>

Note

(a) Other payables are unsecured, non-interest-bearing and repayable within 1 year.

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30. INTEREST-BEARING BANK BORROWINGS

The Group

As at December 31, 2022			
	Effective interest (%)	Maturity	RMB’000
Current			
Bank loan - unsecured	3.80-5.10	2023	16,785

As at December 31, 2023			
	Effective interest (%)	Maturity	RMB’000
Current			
Bank loan - unsecured	3.40-3.85	2024	45,600

As at December 31, 2024			
	Effective interest (%)	Maturity	RMB’000
Current			
Bank loan - unsecured	2.60-3.85	2025	28,124

As at June 30, 2025			
	Effective interest (%)	Maturity	RMB’000
Current			
Bank loan - unsecured	2.50-3.85	2026	42,989

The Company

As at December 31, 2022			
	Effective interest (%)	Maturity	RMB’000
Current			
Bank loan - unsecured	5.10	2023	6,720

As at December 31, 2023			
	Effective interest (%)	Maturity	RMB’000
Current			
Bank loan - unsecured	3.40	2024	27,600

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As at December 31, 2024			
	Effective interest (%)	Maturity	RMB’000
Current			
Bank loan - unsecured	2.60	2025	10,000

As at June 30, 2025			
	Effective interest (%)	Maturity	RMB’000
Current			
Bank loan - unsecured	2.50-2.60	2026	30,000

31. CONTRACT LIABILITIES

Details of contract liabilities are as follows:

The Group

	As at December 31,			As at June 30,
	2022 RMB’000	2023 RMB’000	2024 RMB’000	2025 RMB’000
Current				
Transaction-based specialist technology products	34,008	29,249	14,310	23,592
Subscription-based specialist technology products	55,926	42,118	13,646	8,523
	89,934	71,367	27,956	32,115
Non-Current				
Transaction-based specialist technology products	641	—	—	—
Total	90,575	71,367	27,956	32,115

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Contract liabilities represented the performance obligations to customers for which the Group has received consideration. Contract liabilities include advances received to deliver transaction-based specialist technology products and subscription-based specialist technology products.

The movement showing how much of the revenue recognized relates to carried forward contract liabilities and how much relates to performance obligations that were satisfied in prior periods is set out in Note 7 to the Historical Financial Information.

The Company

	As at December 31,			As at June 30,
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Current				
Transaction-based specialist technology products	27,945	15,077	9,593	9,183
Subscription-based specialist technology products	21,047	11,903	6,826	5,311
	<u>48,992</u>	<u>26,980</u>	<u>16,419</u>	<u>14,494</u>
Non-Current				
Transaction-based specialist technology products	<u>641</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total	<u><u>49,633</u></u>	<u><u>26,980</u></u>	<u><u>16,419</u></u>	<u><u>14,494</u></u>

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32. DEFERRED TAXATIONS

	Fair value adjustments arising from acquisition of subsidiaries <i>RMB'000</i>	Timing difference arising from right-of use assets <i>RMB'000</i>	Timing difference arising from lease liabilities <i>RMB'000</i>	Fair value adjustments of financial assets at fair value through profit or loss <i>RMB'000</i>	Losses available for offsetting against future taxable profits <i>RMB'000</i>	Total <i>RMB'000</i>
At January 1, 2022	(5,101)	(2,068)	2,068	(874)	5,975	–
Deferred tax charged/ (credited) to profit or loss	672	(214)	214	(871)	199	–
Deferred tax liabilities as at December 31, 2022 and January 1, 2023	<u>(4,429)</u>	<u>(2,282)</u>	<u>2,282</u>	<u>(1,745)</u>	<u>6,174</u>	<u>–</u>
Deferred tax charged/ (credited) to profit or loss	672	289	(289)	(946)	274	–
Deferred tax liabilities as at December 31, 2023 and January 1, 2024	<u>(3,757)</u>	<u>(1,993)</u>	<u>1,993</u>	<u>(2,691)</u>	<u>6,448</u>	<u>–</u>

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	Fair value adjustments arising from acquisition of subsidiaries	Timing difference arising from right-of use assets	Timing difference arising from lease liabilities	Fair value adjustments of financial assets at fair value through profit or loss	Losses available for offsetting against future taxable profits	Total
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Deferred tax charged/ (credited) to profit or loss (note 12)	672	(1,686)	1,686	(52)	(620)	–
Deferred tax liabilities as at December 31, 2024 and January 1, 2025	(3,085)	(3,679)	3,679	(2,743)	5,828	–
Deferred tax charged/ (credited) to profit or loss	336	(1,599)	1,599	(2,898)	2,562	–
Deferred tax liabilities as at June 30, 2025	(2,749)	(5,278)	5,278	(5,641)	8,390	–

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Deferred tax assets have not been recognized in respect of the following items:

	As at December 31,			As at June 30,
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Tax losses	542,129	734,240	854,919	946,515
Deductible temporary differences	40,702	40,446	77,339	121,942
	<u>582,831</u>	<u>774,686</u>	<u>932,258</u>	<u>1,068,457</u>

The tax losses as at December 31, 2022, 2023, 2024 and June 30, 2025 amounting to nil, RMB25,450,000, RMB 16,572,000 and RMB15,515,000, can be carried forward indefinitely, respectively, and the remaining amount of RMB542,129,000, RMB708,790,000, RMB838,347,000 and RMB931,000,000 will expire within 1 to 10 years from the respective end of each reporting period during the Track Record Period.

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33. PAID-IN CAPITAL/SHARE CAPITAL

The Group and the Company

	Notes	Numbers of ordinary shares	Paid-in capital/ Share capital RMB’000
As at January 1, 2022		N/A	102,312
Capital contribution from shareholders	(a)	N/A	20,543
Capital contribution by capitalization of reserve	(d)	N/A	6,327
As at December 31, 2022 and January 1, 2023		N/A	129,182
Capital contribution from shareholders	(b)	N/A	4,785
Capital contribution by capitalization of reserve	(d)	N/A	1,305
Issue of ordinary shares upon conversion into a joint stock company	(c)	300,000,000	164,728
As at December 31, 2023, January 1, 2024, December 31, 2024 and June 30, 2025		<u>300,000,000</u>	<u>300,000</u>

Notes

- (a) In June 2022, the Company received capital contributions of RMB317,605,000, RMB200,000,000, RMB130,000,000, RMB70,000,000, RMB25,394,000 and RMB20,000,000 in cash from Accel Asia Holdings II Pte. Ltd., Shanghai Jinke Zhuozhi Enterprise Management Partnership (Limited Partnership) (上海金科灼智企業管理合夥企業 (有限合夥)), Tianjin Xihua Investment Partnership (Limited Partnership) (天津熙華投資合夥企業 (有限合夥)), Hangzhou Baihui Equity Investment Partnership (Limited Partnership) (杭州柏暉股權投資合夥企業 (有限合夥)), GS PSI and China International Capital Corporation Pucheng Investment Co., Ltd. (中金浦成投資有限公司), respectively. After deducting financing expenses of RMB12,506,000 relating to the capital contribution, RMB20,543,000 was credited to the Company’s paid-in capital and RMB729,950,000 was credited to capital reserve, respectively.
- (b) In October 2023, the Company received capital contribution of RMB220,000,000 in cash from Hubei High-quality Development Industry Investment Fund Partnership (Limited Partnership) (湖北高質量發展產業投資基金合夥企業 (有限合夥)). After deducting financing expense of RMB6,600,000 relating to the capital contribution, RMB4,785,000 was credited to the Company’s paid-in capital and RMB 208,615,000 was credited to capital reserve, respectively.
- (c) In December 2023, the Company converted into a joint stock company with limited liability under the Company Law of the PRC. The net assets of the Company as of the conversion base date amounting to RMB1,618,412,000 were converted into 300,000,000 ordinary shares at RMB1.00 each. The excess of net assets converted over nominal value of the ordinary shares was credited to the Company’s capital reserves.

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- (d) In June 2022 and October 2023, the paid-in capital from Zhuhai Fuqian Technology Partnership (Limited Partnership) (“Zhuhai Fuqian”) (珠海富前科技合夥企業 (有限合夥)) in the Company increased by RMB6,327,000 and RMB1,305,000, respectively, by capitalization of the Company’s capital reserve.

The above English names of these companies represent the best effort made by the management of the Company to directly translate the Chinese names as they do not register any official English names.

34. RESERVES

The Group

The amounts of the Group’s reserves and the movement therein for the Track Record Period are presented in the consolidated statements of changes in equity of the Historical Financial Information.

Capital reserve

The capital reserve mainly comprises the capital premium of the Company.

Other reserve

- (a) The effects of the changes in other reserve for the year ended December 31, 2022 represented the combination of the following items:
- (i) In April 2022, the Group transferred its 10% equity interests in Huace Omega to Gongqingcheng Sanying Investment Partnership (Limited Partnership) (共青城三瀛投資合夥企業(有限合夥)), a third party of the Group, at a consideration of RMB1,000,000. The difference of RMB997,000, between the consideration and book value was recognized in other reserve. The Group’s proportion of ownership in Huace Omega was 90% after this transaction. The Group’s proportion of ownership in Huace Shuju decreased from 51.46% to 50.46% after this transaction.
 - (ii) In August 2022, Gehua Silu Jinqiao, Huakong Tsing Jiao and Tongrui Changying made a capital contribution of RMB23,900,000, RMB5,000,000 and RMB1,100,000 in cash to Huace Shuju, respectively. RMB13,640,000 and RMB16,360,000 were recognized as an addition of other reserves and non-controlling interests, respectively. Although the Group’s proportion of ownership in Huace Shuju was decreased from 50.46% to 48.05% after this transaction, the Group still controls Huace Shuju as the Group holds 61.15% of the voting rights in Huace Shuju through two limited partnerships consolidated by the Group.
 - (iii) The changes in the other reserve of RMB600,000 represented the addition share of the capital premium received by one of the Group’s joint venture.
- (b) The effects of the changes in other reserve of RMB497,000 for the year ended December 31, 2023 represented the additions share of the capital premium received by two of the Group’s joint ventures.

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The Company

The amounts of the Company’s equity and the movements therein for the Track Record Period are presented as follows:

		Paid-in capital	Capital reserve	Accumulated loss	Total
	<i>Notes</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
At January 1, 2022		102,312	1,034,782	(283,648)	853,446
Loss for the year		—	—	(74,482)	(74,482)
Total comprehensive income for the year		—	—	(74,482)	(74,482)
Capital contribution by shareholders	33(a)	20,543	729,950	—	750,493
Paid-in capital transferred from the capital reserve	33(d)	6,327	(6,327)	—	—
At December 31, 2022		<u>129,182</u>	<u>1,758,405</u>	<u>(358,130)</u>	<u>1,529,457</u>

		Paid-in capital/ Share capital	Capital reserve	(Accumulated loss)/retained earnings	Total
	<i>Notes</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
At January 1, 2023		129,182	1,758,405	(358,130)	1,529,457
Loss for the year		—	—	(34,607)	(34,607)
Total comprehensive income for the year		—	—	(34,607)	(34,607)
Capital contribution by shareholders	33(b)	4,785	208,615	—	213,400
Paid-in capital transferred from the capital reserve	33(d)	1,305	(1,305)	—	—
Conversion into a joint stock company	33(c)	164,728	(579,322)	414,594	—
At December 31, 2023		<u>300,000</u>	<u>1,386,393</u>	<u>21,857</u>	<u>1,708,250</u>

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	Share capital	Capital reserve	Retained earnings/ (accumulated loss)	Total
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
At January 1, 2024	300,000	1,386,393	21,857	1,708,250
Loss for the year	—	—	(61,061)	(61,061)
Total comprehensive income for the year	—	—	(61,061)	(61,061)
At December 31, 2024	<u>300,000</u>	<u>1,386,393</u>	<u>(39,204)</u>	<u>1,647,189</u>

	Share capital	Capital reserve	Accumulated loss	Total
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
At January 1, 2025	300,000	1,386,393	(39,204)	1,647,189
Loss for the period	—	—	(72,951)	(72,951)
Total comprehensive income for the period	—	—	(72,951)	(72,951)
At June 30, 2025	<u>300,000</u>	<u>1,386,393</u>	<u>(112,155)</u>	<u>1,574,238</u>

35. PARTLY-OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS

	As at December 31,			As at June 30,
	2022	2023	2024	2025
Percentage of equity interest held by non-controlling interests:				
Shanghai Kuanrui	48.95%	48.95%	48.95%	48.95%
Huace Shuju	51.95%	51.95%	51.95%	51.95%
Shanghai Kaiyu	<u>47.19%</u>	<u>47.19%</u>	<u>47.19%</u>	<u>47.19%</u>
(Loss)/profit for the year/period allocated to non-controlling interests:				
Shanghai Kuanrui	(2,936)	(8,164)	(8,472)	(5,591)
Huace Shuju	(23,785)	1,440	1,334	(3,027)
Shanghai Kaiyu	<u>5,363</u>	<u>(1,397)</u>	<u>(6,481)</u>	<u>(9,602)</u>
Total	<u>(21,358)</u>	<u>(8,121)</u>	<u>(13,619)</u>	<u>(18,220)</u>
Accumulated balances of non-controlling interests at the reporting date:				
Shanghai Kuanrui	77,103	68,939	60,467	54,876
Huace Shuju	(13,188)	(11,748)	(10,414)	(13,441)
Shanghai Kaiyu	<u>47,094</u>	<u>45,697</u>	<u>39,216</u>	<u>29,614</u>
Total	<u>111,009</u>	<u>102,888</u>	<u>89,269</u>	<u>71,049</u>

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The following tables illustrate the summarized financial information of the above subsidiaries. The amounts disclosed are before any inter-company eliminations:

	Shanghai Kuanrui	Huace Shuju	Shanghai Kaiyu
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
December 31, 2022			
Revenue	24,432	58,774	73,239
Total expenses	(30,430)	(104,677)	(61,874)
Total comprehensive income for the year	(5,998)	(45,903)	11,365
Current assets	140,857	87,050	86,895
Non-current assets	33,426	6,277	23,812
Current liabilities	(16,770)	(99,182)	(8,722)
Non-current liabilities	–	–	(2,187)
Net cash flows used in operating activities	(6,790)	(3,434)	(31,784)
Net cash flows generated from/(used in) investing activities	4,772	(26,300)	49,633
Net cash flows generated from financing activities	9,977	42,440	–
Net increase in cash and cash equivalents	7,959	12,706	17,849
December 31, 2023			
Revenue	48,509	72,727	123,476
Total expenses	(65,187)	(69,955)	(126,436)
Total comprehensive income for the year	(16,678)	2,772	(2,960)
Current assets	156,849	64,882	116,357
Non-current assets	38,365	4,861	18,276
Current liabilities	(51,115)	(72,825)	(37,796)
Non-current liabilities	(3,264)	–	–
Net cash flows used in operating activities	(18,838)	(28,760)	(47)
Net cash flows (used in)/generated from investing activities	(25,776)	–	248
Net cash flows generated from financing activities	35,576	–	–
Net (decrease)/increase in cash and cash equivalents	(9,038)	(28,760)	201

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	Shanghai Kuanrui <i>RMB’000</i>	Huace Shuju <i>RMB’000</i>	Shanghai Kaiyu <i>RMB’000</i>
December 31, 2024			
Revenue	27,938	58,844	117,164
Total expenses	(45,245)	(56,276)	(130,898)
Total comprehensive income for the year	<u>(17,307)</u>	<u>2,568</u>	<u>(13,734)</u>
Current assets	109,697	41,158	85,120
Non-current assets	33,581	3,154	13,331
Current liabilities	(19,378)	(44,826)	(15,349)
Non-current liabilities	<u>(501)</u>	<u>–</u>	<u>–</u>
Net cash flows use in operating activities	(29,096)	(4,191)	(9,729)
Net cash flows generated from investing activities	26,889	–	10,048
Net cash flows generated from/(used in) financing activities	<u>3,574</u>	<u>–</u>	<u>(2,214)</u>
Net increase/(decrease) in cash and cash equivalents	<u>1,367</u>	<u>(4,191)</u>	<u>(1,895)</u>
June 30, 2025			
Revenue	10,452	778	46,523
Total expenses	(21,874)	(6,605)	(66,870)
Total comprehensive income for the period	<u>(11,422)</u>	<u>(5,827)</u>	<u>(20,347)</u>
Current assets	99,129	36,158	86,348
Non-current assets	35,709	2,462	16,002
Current liabilities	(19,495)	(44,961)	(37,618)
Non-current liabilities	<u>(3,742)</u>	<u>–</u>	<u>(1,977)</u>
Net cash flows used in operating activities	(9,471)	(1,497)	(24,142)
Net cash flows generated from investing activities	8,646	–	11,050
Net cash flows used in financing activities	(2,435)	–	(1,216)
Net decrease in cash and cash equivalents	<u>(3,260)</u>	<u>(1,497)</u>	<u>(14,308)</u>

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36. NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWS

(a) Major non-cash transactions

During the Track Record Period, the Group had non-cash additions to right-of-use assets of RMB7,716,000, RMB7,230,000, RMB24,304,000 and RMB7,148,000, respectively, and lease liabilities of RMB7,716,000, RMB7,230,000, RMB24,304,000 and RMB7,148,000, respectively, in respect of lease arrangements for office premises and motor vehicles.

(b) Changes in liabilities arising from financing activities:

	Lease liabilities	Interest-bearing bank borrowings
	<i>RMB'000</i>	<i>RMB'000</i>
As at January 1, 2022	12,308	5,600
Changes from financing cash flows	(9,050)	10,802
New leases (note 17)	7,716	–
Interest expense (note 9)	557	383
As at December 31, 2022	<u>11,531</u>	<u>16,785</u>
As at January 1, 2023	11,531	16,785
Changes from financing cash flows	(9,828)	28,041
New leases (note 17)	7,230	–
Lease modification (note 17)	2,738	–
Interest expense (note 9)	585	774
As at December 31, 2023	<u>12,256</u>	<u>45,600</u>
As at January 1, 2024	12,256	45,600
Changes from financing cash flows	(12,204)	(18,597)
New leases	24,304	–
Lease modification (note 17)	621	–
Interest expense (note 9)	1,068	1,121
Early termination of lease (note 17)	(410)	–
As at December 31, 2024	<u>25,635</u>	<u>28,124</u>
As at January 1, 2024	12,256	45,600
Changes from financing cash flows	(5,902)	(6,754)
New leases (note 17)	24,067	–
Interest expense (note 9)	501	741
Early termination of lease (note 17)	(214)	–
As at June 30, 2024 (Unaudited)	<u>30,708</u>	<u>39,587</u>

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	Lease liabilities	Interest-bearing bank borrowings
	<i>RMB’000</i>	<i>RMB’000</i>
As at January 1, 2025	25,635	28,124
Changes from financing cash flows	(5,458)	14,377
New leases (note 17)	7,148	–
Lease modification (note 17)	5,424	–
Interest expense (note 9)	511	488
As at June 30, 2025	<u>33,260</u>	<u>42,989</u>

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(c) Total cash outflow for leases

The total cash outflow for leases included in the consolidated statements of cash flows is as follows:

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				(Unaudited)	
Within operating activities	3,542	4,579	5,298	2,469	4,984
Within financing activities	9,050	9,828	12,204	5,902	5,458
	<u>12,592</u>	<u>14,407</u>	<u>17,502</u>	<u>8,371</u>	<u>10,442</u>

37. COMMITMENTS

There are no contractual commitments at the end of each of the Track Record Period.

38. RELATED PARTY TRANSACTIONS

- (a) The Group had the following material related party transactions and outstanding balances during the Track Record Period.

The Group

	As at December 31,			As at June 30,
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Non-trade related:				
Loan to directors				
Mr. Xuan Ran	6,360	5,686	5,686	5,686
Mr. Sun Zhengzhang	363	—	—	—
	<u>6,723</u>	<u>5,686</u>	<u>5,686</u>	<u>5,686</u>
Loans to a supervisor				
Mr. Sun Zhengzhang	—	1,863	1,863	1,863
	<u>6,723</u>	<u>7,549</u>	<u>7,549</u>	<u>7,549</u>

The outstanding balance as at the end of each of the Track Record Period mainly represented the loans which were unsecured, non-interest-bearing, non-trade in nature, repayable on demand and will be settled before [REDACTED].

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- (b) The Company had the following material related party transactions and outstanding balances during the Track Record Period.

The Company

	As at December 31,			As at June 30,
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Non-trade related:				
Due from subsidiaries				
Beijing Xunjing	169,368	330,534	381,563	421,547
Huace Shuju	40,000	40,000	40,000	40,000
Beijing Huace Alpha Technology Center (Limited Partnership)* (“Huace Alpha”) 北京華策阿爾法科技中心(有限合夥)	5,980	5,990	5,990	5,990
Beijing Huace Omega Technology Center (Limited Partnership)* (“Huace Omega”) 北京華策歐米伽科技中心(有限合夥)	2,341	4,346	4,346	4,346
Shenzhen Xunshen Technology Co., Ltd. * (“Shenzhen Xunshen”) 深圳迅深科技有限公司	—	2,020	2,000	2,000
Hangzhou Xunhang	—	—	4,559	44,772
Shanghai Huayinshangce Data Technology Co., Ltd. * (“Shanghai Huayinshangce”) (上海華隱熵策數據科技有限公司)	—	—	300	300
Shanghai Xunli Technology Co., Ltd. * (“Shanghai Xunli”) 上海迅理科技有限公司	—	—	500	500
	<u>217,689</u>	<u>382,890</u>	<u>439,258</u>	<u>519,455</u>
Trade related:				
Due from subsidiaries				
Hangzhou Shusheng	—	—	—	1,500
Shanghai Kuanrui	—	—	300	300
	<u>—</u>	<u>—</u>	<u>300</u>	<u>1,800</u>
Trade related:				
Due to subsidiaries				
Beijing Xunjing	—	—	1,029	1,029
Hangzhou Xunhang	22,199	12,016	15,518	15,518
Shanghai Kaiyu	—	1,330	190	—
Xunce HK	—	—	20	20
	<u>22,199</u>	<u>13,346</u>	<u>16,757</u>	<u>16,567</u>
Non-trade related:				
Due to subsidiaries				
Shenzhen Xunpeng Technology Co., Ltd. * 深圳迅朋科技有限公司	—	—	131	131
Shanghai Kuanrui	56,000	28,000	28,000	28,000
	<u>56,000</u>	<u>28,000</u>	<u>28,131</u>	<u>28,131</u>
Non-trade related:				
Loans to directors (Note 23)				
Mr. Xuan Ran	3,800	3,186	3,186	3,186
Mr. Sun Zhengzhang	363	—	—	—
	<u>4,163</u>	<u>3,186</u>	<u>3,186</u>	<u>3,186</u>
Loan to a supervisor				
Mr. Sun Zhengzhang	—	1,863	1,863	1,863
	<u>4,163</u>	<u>5,049</u>	<u>5,049</u>	<u>5,049</u>

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The outstanding balance as at the end of each of the Track Record Period mainly represented the loans which were unsecured, non-interest-bearing, non-trade in nature, repayable on demand and will be settled before [REDACTED].

	Year ended December 31,			Six months ended June 30,	
	2022 RMB'000	2023 RMB'000	2024 RMB'000	2024 RMB'000	2025 RMB'000
Loans provided to subsidiaries					
Beijing Xunjing	55,852	161,166	50,000	50,000	39,984
Huace Shuju	40,000	–	149	–	40,000
Huace Alpha	–	10	–	–	–
Huace Omega	10	2,005	–	–	–
Shenzhen Xunshen	–	2,020	–	–	–
Shanghai Xunli	–	–	500	500	–
Shanghai Huayinshangce	–	–	300	300	–
	<u>95,862</u>	<u>165,201</u>	<u>50,949</u>	<u>50,800</u>	<u>79,984</u>
Loans provided to directors					
Mr. Sun Zhengzhang	363	1,500	–	–	–
Mr. Xuan Ran	2,750	386	–	–	–
Mr. Liu Zhijian	1,800	–	–	–	–
	<u>4,913</u>	<u>1,886</u>	<u>–</u>	<u>–</u>	<u>–</u>
Repayment of loans to directors					
Mr. Xuan Ran	–	1,000	–	–	–
Mr. Liu Zhijian	1,800	–	–	–	–
	<u>1,800</u>	<u>1,000</u>	<u>–</u>	<u>–</u>	<u>–</u>
Loans provided to shareholder					
Zhuhai Fuqian	–	7,950	106,876	56,100	30,170
Repayment of loans to shareholder					
Zhuhai Fuqian	–	7,950	106,876	56,100	30,170

* The English names of these entities represent the best effort made by the management of the Company to directly translate the Chinese names as they do not register any official English names.

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(c) Compensation of key management personnel of the Group:

Details of the directors’ and the supervisors’ emoluments are included in note 10 to the Historical Financial Information.

Having due regard to the substance of the relationships, the directors are of the opinion that meaningful information relating to related party disclosures has been adequately disclosed, and the Group has complied with the disclosure requirements in Chapter 14A of the Listing Rules.

39. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of each of the Track Record Period. are as follows:

Financial assets

	<u>As at December 31,</u>			<u>As at</u>
	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>June 30,</u>
	<u>RMB’000</u>	<u>RMB’000</u>	<u>RMB’000</u>	<u>2025</u>
				<u>RMB’000</u>
Financial assets at amortized cost:				
Cash and cash equivalents	748,569	596,968	343,818	222,333
Trade receivables	76,650	266,298	251,729	253,715
Financial assets included in prepayments, other				
receivables and other assets	33,925	27,031	19,625	28,140
Time deposit	83,373	86,044	52,859	100,735
	<u>942,517</u>	<u>976,341</u>	<u>668,031</u>	<u>604,923</u>
Financial assets at fair value:				
Equity investments designated at fair value through				
other comprehensive income	124,797	216,160	245,497	247,361
Financial assets mandatorily designated at fair value				
through profit or loss	270,679	344,340	356,602	326,490
	<u>395,476</u>	<u>560,500</u>	<u>602,099</u>	<u>573,851</u>

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Financial liabilities

	As at December 31,			As at June 30,
	2022	2023	2024	2025
	RMB’000	RMB’000	RMB’000	RMB’000
Financial liabilities at amortized cost:				
Trade payables	18,567	59,013	27,140	52,762
Lease liabilities	11,531	12,256	25,635	33,260
Interest-bearing bank borrowings	16,785	45,600	28,124	42,989
Financial liabilities included in other payables and accruals	41,793	40,831	40,295	29,074
	<u>88,676</u>	<u>157,700</u>	<u>121,194</u>	<u>158,085</u>
Financial liabilities at fair value:				
Financial liabilities at fair value through profit or loss	4,412	—	—	—
	<u>93,088</u>	<u>157,700</u>	<u>121,194</u>	<u>158,085</u>

40. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and cash equivalents, the current portion of time deposits, trade receivables, trade payables, interest-bearing bank borrowings, financial assets included in prepayments, other receivables and other assets and financial liabilities included in other payables and accruals, approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The Group’s finance department headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance manager reports directly to the chief executive officer. At each reporting date, the finance department analyzes the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief executive officer.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of unlisted equity investments designated at fair value through other comprehensive income and financial assets at fair value through profit and loss have been estimated using a market-based valuation technique based on assumptions that are not supported by observable market prices or rates. The directors believe that the estimated fair values resulting from the valuation technique, which are recorded in the consolidated statement of financial position, and the related changes in fair values, which are recorded in other comprehensive income and profit and loss, are reasonable, and that they were the most appropriate values at the end of each of the Track Record Period.

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The Group invests in financial investment products, which represent wealth management products issued by banks and fund institutions in Chinese Mainland.

The Group has estimated the fair value of these wealth management products issued by banks by using a discounted cash flow valuation model based on the market interest rates of instruments with similar terms and risks. The fair values have been assessed to be approximate to their carrying amounts.

The Group has estimated the fair value of these wealth management products issued by fund institutions and financial liabilities at fair value through profit or loss by reference to quoted prices of underlying investment portfolio. The directors believe that the estimated fair values resulting from the valuation technique, which are recorded in the consolidated statements of financial position, and the related changes in fair values, which are recorded in profit and loss, are reasonable, and that they were the most appropriate values at the end of each of the Track Record Period.

Below is a summary of significant unobservable inputs to the valuation of financial instruments together with a quantitative sensitivity analysis as at the end of each of the Track Record Period:

As at December 31, 2022

	<u>Valuation technique</u>	<u>Significant unobservable input</u>	<u>Range</u>	<u>Sensitivity of fair value to the input</u>
Financial assets at fair value through profit or loss (Note 26)				
Unlisted debt investments, at fair value	Market approach	DLOM	27.90%-37.90%	5% increase/decrease in discount would result in decrease/increase in fair value by RMB1,581,000
Equity investments designated at fair value through other comprehensive income (Note 21)				
Huakong Tsing Jiao	Market approach	DLOM	37.90%	5% increase/decrease in discount would result in decrease/increase in fair value by RMB3,052,000
		Average price to Research and Development expenses (“P/R&D”) multiple of peers	25.27	5% increase/decrease in discount would result in decrease/increase in fair value by RMB5,000,000

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	<u>Valuation technique</u>	<u>Significant unobservable input</u>	<u>Range</u>	<u>Sensitivity of fair value to the input</u>
Zhengdao North Beta	Market approach	DLOM	34.90%	5% increase/decrease in discount would result in decrease/increase in fair value by RMB665,000
		Average P/S multiple of peers	30.81	5% increase/decrease in discount would result in decrease/increase in fair value by RMB1,239,850
Other unlisted equity investments, at fair value	Market approach	DLOM	37.90%	5% increase/decrease in discount would result in decrease/increase in fair value by RMB153,000

As at December 31, 2023

	<u>Valuation technique</u>	<u>Significant unobservable input</u>	<u>Range</u>	<u>Sensitivity of fair value to the input</u>
Financial assets at fair value through profit or loss (Note 26)				
Unlisted debt investments, at fair value	Market approach	DLOM	23.80%-31.40%	5% increase/decrease in discount would result in decrease/increase in fair value by RMB3,265,000
Equity investments designated at fair value through other comprehensive income (Note 21)				
Huakong Tsing Jiao	Market approach	DLOM	31.00%	5% increase/decrease in discount would result in decrease/increase in fair value by RMB2,303,000
		Average P/R&D multiple of peers	23.16	5% increase/decrease in discount would result in decrease/increase in fair value by RMB5,062,000

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	<u>Valuation technique</u>	<u>Significant unobservable input</u>	<u>Range</u>	<u>Sensitivity of fair value to the input</u>
Zhengdao North Beta	Market approach	DLOM	28.40%	5% increase/decrease in discount would result in decrease/increase in fair value by RMB477,000
		Average P/S multiple of peers	45.41	5% increase/decrease in discount would result in decrease/increase in fair value by RMB1,206,000
Hongtai Wealth	Market approach	Recent Transaction Price	N/A	The higher the recent transaction price, the higher the fair value
Xian Yuan Technology	Market approach	DLOM	23.80%-31.40%	5% increase/decrease in discount would result in decrease/increase in fair value by RMB1,156,000
Other unlisted equity investments, at fair value	Market approach	DLOM	28.40%-31.00%	5% increase/decrease in discount would result in decrease/increase in fair value by RMB173,000,000

As at December 31, 2024

	<u>Valuation technique</u>	<u>Significant unobservable input</u>	<u>Range</u>	<u>Sensitivity of fair value to the input</u>
Financial assets at fair value through profit or loss (Note 26)				
Unlisted debt investments, at fair value	Market approach	DLOM	30.59%	5% increase/decrease in discount would result in decrease/increase in fair value by RMB3,254,000
Equity investments designated at fair value through other comprehensive income (Note 21)				
Huakong Tsing Jiao	Market approach	DLOM	30.59%	5% increase/decrease in discount would result in decrease/increase in fair value by RMB6,776,000

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	Valuation technique	Significant unobservable input	Range	Sensitivity of fair value to the input
		Average P/R&D multiple of peers	32.66	5% increase/decrease in discount would result in decrease/increase in fair value by RMB4,518,000
Hongtai Wealth	Market approach	DLOM	30.59%	5% increase/decrease in discount would result in decrease/increase in fair value by RMB7,514,000
		Average P/R&D multiple of peers	128.45	5% increase/decrease in discount would result in decrease/increase in fair value by RMB5,216,000
Xian Yuan Technology	Market approach	DLOM	30.76%	5% increase/decrease in discount would result in decrease/increase in fair value by RMB2,673,000
		Average P/R&D multiple of peers	29.17	5% increase/decrease in discount would result in decrease/increase in fair value by RMB1,881,000
Other unlisted equity investments, at fair value	Market approach	DLOM	30.59%-32.20%	5% increase/decrease in discount would result in decrease/increase in fair value by RMB438,000

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As at June 30, 2025

	Valuation technique	Significant unobservable input	Range	Sensitivity of fair value to the input
Financial assets at fair value through profit or loss (Note 26)				
Unlisted debt investments, at fair value	Market approach	DLOM	30.59%	5% increase/decrease in discount would result in decrease/increase in fair value by RMB2,767,000
Equity investments designated at fair value through other comprehensive income (Note 21)				
Huakong Tsing Jiao	Market approach	DLOM	30.59%	5% increase/decrease in discount would result in decrease/increase in fair value by RMB6,777,000
		Average P/R&D multiple of peers	70.87	5% increase/decrease in discount would result in decrease/increase in fair value by RMB4,518,000
Hongtai Wealth	Market approach	DLOM	25.80%	5% increase/decrease in discount would result in decrease/increase in fair value by RMB6,644,000
		Average P/R&D multiple of peers	98.41	5% increase/decrease in discount would result in decrease/increase in fair value by RMB4,930,000
Xian Yuan Technology	Market approach	DLOM	30.76%	5% increase/decrease in discount would result in decrease/increase in fair value by RMB2,772,000
		Average P/R&D multiple of peers	29.14	5% increase/decrease in discount would result in decrease/increase in fair value by RMB1,980,000

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	<u>Valuation technique</u>	<u>Significant unobservable input</u>	<u>Range</u>	<u>Sensitivity of fair value to the input</u>
Other unlisted equity investments, at fair value	Market approach	DLOM	30.59%-32.28%	5% increase/decrease in discount would result in decrease/increase in fair value by RMB459,000

The discount for lack of marketability represents the amounts of premiums and discounts determined by the Group that market participants would take into account when pricing the investments.

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group’s financial instruments:

Assets measured at fair value:

	<u>As at December 31, 2022</u>			
	<u>Fair value measurement using</u>			
	<u>Quoted prices in active markets (Level 1)</u>	<u>Significant observable inputs (Level 2)</u>	<u>Significant unobservable inputs (Level 3)</u>	<u>Total</u>
	<u>RMB’000</u>	<u>RMB’000</u>	<u>RMB’000</u>	<u>RMB’000</u>
Equity investments designated at fair value through other comprehensive income	–	–	124,797	124,797
Financial assets at fair value through profit and loss	–	157,202	113,477	270,679
	<u>–</u>	<u>157,202</u>	<u>238,274</u>	<u>395,476</u>

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As at December 31, 2023				
	Fair value measurement using			Total RMB’000
	Quoted prices in active markets (Level 1) RMB’000	Significant observable inputs (Level 2) RMB’000	Significant unobservable inputs (Level 3) RMB’000	
Equity investments designated at fair value through other comprehensive income	–	–	216,160	216,160
Financial assets at fair value through profit and loss	–	180,855	163,485	344,340
	–	180,855	379,645	560,500
As at December 31, 2024				
	Fair value measurement using			Total RMB’000
	Quoted prices in active markets (Level 1) RMB’000	Significant observable inputs (Level 2) RMB’000	Significant unobservable inputs (Level 3) RMB’000	
Equity investments designated at fair value through other comprehensive income	–	–	245,497	245,497
Financial assets at fair value through profit and loss	–	196,763	159,839	356,602
	–	196,763	405,336	602,099

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As at June 30, 2025				
	Fair value measurement using			Total
	Quoted prices in active markets (Level 1) <i>RMB’000</i>	Significant observable inputs (Level 2) <i>RMB’000</i>	Significant unobservable inputs (Level 3) <i>RMB’000</i>	
Equity investments designated at fair value through other comprehensive income	–	–	247,361	247,361
Financial assets at fair value through profit and loss	–	160,943	165,547	326,490
	–	160,943	412,908	573,851
<u>Liabilities measured at fair value:</u>				
As at December 31, 2022				
	Fair value measurement using			Total
	Quoted prices in active markets (Level 1) <i>RMB’000</i>	Significant observable inputs (Level 2) <i>RMB’000</i>	Significant unobservable inputs (Level 3) <i>RMB’000</i>	
Financial liabilities at fair value through profit or loss	–	4,412	–	4,412

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Reconciliation of fair value measurements categorized within Level 3 of the fair value hierarchy:

	Financial assets at fair value through profit or loss RMB’000	Equity investments designated at fair value through other comprehensive income RMB’000
As at January 1, 2022	<u>3,000</u>	<u>100,000</u>
Total gains/(losses)		
- Profit or loss	5,985	–
- Other comprehensive income	–	(5,203)
Additions	<u>104,492</u>	<u>30,000</u>
As at December 31, 2022 and January 1, 2023	<u>113,477</u>	<u>124,797</u>
Total gains		
- Profit or loss	2,648	–
- Other comprehensive income	–	528
Additions	<u>47,360</u>	<u>90,835</u>
As at December 31, 2023 and January 1, 2024	<u>163,485</u>	<u>216,160</u>
Total losses		
- Profit or loss	(3,646)	–
- Other comprehensive income	–	(20,120)
Additions	<u>–</u>	<u>49,457</u>
As at December 31, 2024 and January 1, 2025	<u>159,839</u>	<u>245,497</u>
Total gains		
- Profit or loss	5,708	–
- Other comprehensive income	–	1,864
As at June 30, 2025	<u>165,547</u>	<u>247,361</u>

The Group did not have any financial liabilities measured at fair value categorized within Level 3 at the end of each of the Track Record Period.

During the Track Record Period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities.

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41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group’s principal financial instruments comprise cash and cash equivalents, equity investments designated at fair value through other comprehensive income and financial assets at fair value through profit and loss. The main purpose of these financial instruments is to support the Group’s operations. The Group has various other financial assets and liabilities such as trade receivables which arise directly from its operations.

The main risks arising from the Group’s financial instruments are credit risk and liquidity risk. Generally, the senior management of the Company meets regularly to analyze and formulate measures to manage the Group’s exposure to these risks. In addition, the board of directors of the Company holds meetings regularly to analyze and approve the proposals made by the senior management of the Company. Generally, the Group introduces conservative strategies on its risk management. The board of directors reviews and agrees policies for managing each of these risks and they are summarized below.

Interest rate risk

The Group’s exposure to the risk of changes in interest rates is limited as its interest-bearing bank borrowings bear a fixed interest rate.

Foreign currency risk

The Group has transactional currency exposures. Such exposures arise from future commercial transactions and recognized assets and liabilities by operating units in currencies other than the units’ functional currencies.

The following table demonstrates the sensitivity at the end of each of the Track Record Period to a reasonably possible change in the USD and RMB exchange rate, with all other variables held constant, of the Group’s loss before tax for each of the Track Record Period (arising from USD denominated financial instruments).

	(Decrease)/increase in USD/RMB <i>rate%</i>	(Increase)/decrease in loss before tax <i>RMB’000</i>
As at December 31, 2022		
If RMB strengthens against USD	(5)	(1,513)
If RMB weakens against USD	5	1,513
As at December 31, 2023		
If RMB strengthens against USD	(5)	(1,697)
If RMB weakens against USD	5	1,697
As at December 31, 2024		
If RMB strengthens against USD	(5)	(2,195)
If RMB weakens against USD	5	2,195
As at June 30, 2025		
If RMB strengthens against USD	(5)	(2,308)
If RMB weakens against USD	5	2,308

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Credit risk

The Group trades only with recognized and creditworthy third parties. It is the Group’s policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis.

Maximum exposure and year-end staging as at December 31, 2022, 2023, 2024 and June 30, 2025

The table below shows the credit quality and the maximum exposure to credit risk based on the Group’s credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at the end of each of the Track Record Period. The amounts presented are gross carrying amounts for financial assets.

	As at December 31, 2022				
	12-month ECLs	Lifetime ECLs			Total
	Stage 1	Stage 2	Stage 3	Simplified approach	
	RMB’000	RMB’000	RMB’000	RMB’000	
Trade receivables*	—	—	—	76,925	76,925
Financial assets included in prepayments, other receivables and other assets**	33,925	—	—	—	33,925
Cash and cash equivalents - Not yet past due	748,569	—	—	—	748,569
Time deposit - Not yet past due	83,373	—	—	—	83,373
	<u>865,867</u>	<u>—</u>	<u>—</u>	<u>76,925</u>	<u>942,792</u>
As at December 31, 2023					
	12-month ECLs	Lifetime ECLs			Total
	Stage 1	Stage 2	Stage 3	Simplified approach	
	RMB’000	RMB’000	RMB’000	RMB’000	
	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000
Trade receivables*	—	—	—	281,483	281,483
Financial assets included in prepayments, other receivables and other assets**	27,031	—	—	—	27,031
Cash and cash equivalents - Not yet past due	596,968	—	—	—	596,968
Time deposit - Not yet past due	86,044	—	—	—	86,044
	<u>710,043</u>	<u>—</u>	<u>—</u>	<u>281,483</u>	<u>991,526</u>

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	As at December 31, 2024				
	12-month ECLs	Lifetime ECLs			Total
	Stage 1	Stage 2	Stage 3	Simplified approach	
	RMB’000	RMB’000	RMB’000	RMB’000	
Trade receivables*	–	–	–	284,545	284,545
Financial assets included in prepayments, other receivables and other assets**	19,495	–	130	–	19,625
Cash and cash equivalents					
- Not yet past due	343,818	–	–	–	343,818
Time deposit - Not yet past due	52,859	–	–	–	52,859
	<u>416,172</u>	<u>–</u>	<u>130</u>	<u>284,545</u>	<u>700,847</u>
As at June 30, 2025					
	12-month ECLs	Lifetime ECLs			Total
	Stage 1	Stage 2	Stage 3	Simplified approach	
	RMB’000	RMB’000	RMB’000	RMB’000	
	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000
Trade receivables*	–	–	–	336,086	336,086
Financial assets included in prepayments, other receivables and other assets**	28,010	–	130	–	28,140
Cash and cash equivalents					
- Not yet past due	222,333	–	–	–	222,333
Time deposit - Not yet past due	100,735	–	–	–	100,735
	<u>351,078</u>	<u>–</u>	<u>130</u>	<u>336,086</u>	<u>687,294</u>

* Trade receivables to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in note 22 to the Historical Financial Information.

** The credit quality of the financial assets included in prepayments, other receivables and other assets is considered to be “normal” when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be “doubtful”.

Further quantitative data in respect of the Group’s exposure to credit risk and certain concentrations of credit risk arising from trade receivables are disclosed in note 22 to the Historical Financial Information.

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As at December 31, 2022, 2023, 2024 and June 30, 2025, the Group had certain concentrations of credit risk as 30%, 9%, nil and 6% of the Group’s trade receivables were due from the Group’s largest customer, and 37%, 39%, 26% and 21% of the five largest customers, respectively.

Liquidity risk

The Group monitors its risk to a shortage of funds using current ratio, which is calculated by comparing the current assets with current liabilities.

The liquidity of the Group is primarily dependent on its ability to maintain adequate cash inflows from operations to meet its debt obligations as they fall due, and its ability to obtain external financing.

The maturity profile of the Group’s financial liabilities as at the end of each of the Track Record Period, based on the contractual undiscounted payments, is as follows:

	As at December 31, 2022			
	On demand RMB’000	Less than 1 year RMB’000	Over 1 year RMB’000	Total RMB’000
Trade payables	–	18,567	–	18,567
Interest-bearing bank borrowings	–	18,009	–	18,009
Financial liabilities included in other payables and accruals	–	41,793	–	41,793
Lease liabilities	–	7,365	4,672	12,037
Financial liabilities at fair value through profit or loss	–	4,412	–	4,412
	<u>–</u>	<u>90,146</u>	<u>4,672</u>	<u>94,818</u>
	As at December 31, 2023			
	On demand RMB’000	Less than 1 year RMB’000	Over 1 year RMB’000	Total RMB’000
Trade payables	–	59,013	–	59,013
Interest-bearing bank borrowings	–	46,365	–	46,365
Financial liabilities included in other payables and accruals	–	40,831	–	40,831
Lease liabilities	–	8,530	4,188	12,718
	<u>–</u>	<u>154,739</u>	<u>4,188</u>	<u>158,927</u>

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As at December 31, 2024				
	On demand RMB’000	Less than 1 year RMB’000	Over 1 year RMB’000	Total RMB’000
Trade payables	–	27,140	–	27,140
Interest-bearing bank borrowings	–	28,694	–	28,694
Financial liabilities included in other payables and accruals	–	40,295	–	40,295
Lease liabilities	–	10,534	21,594	32,128
	–	106,663	21,594	128,257
As at June 30, 2025				
	On demand RMB’000	Less than 1 year RMB’000	Over 1 year RMB’000	Total RMB’000
Trade payables	–	52,762	–	52,762
Interest-bearing bank borrowings	–	43,511	–	43,511
Financial liabilities included in other payables and accruals	–	29,074	–	29,074
Lease liabilities	–	10,145	25,573	35,718
	–	135,492	25,573	161,065

Capital management

The primary objectives of the Group’s capital management are to safeguard the Group’s ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximize shareholders’ value.

The Group manages its capital structure and makes adjusts to it considering changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the Track Record Period.

The Group monitors capital using a ratio, which is total liabilities divided by total equity. The Group’s strategy is to maintain the ratio at a healthy level in order to support its business. The principal strategies adopted by the Group include, but are not limited to, reviewing future cash flow requirements and the ability to meet debt repayment schedules when they fall due, maintaining a reasonable level of available banking facilities and adjusting investment plans and financing plans, if necessary, to ensure that the Group has a reasonable level of capital to support its businesses.

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The ratios as of the end of each of the Track Record Period are as follows:

	As at December 31,			As at June 30,
	2022	2023	2024	2025
	RMB’000	RMB’000	RMB’000	RMB’000
Total liabilities (RMB’000)	248,054	281,464	183,000	217,694
Total equity (RMB’000)	1,616,462	1,767,429	1,649,362	1,543,485
Ratio	15.35%	15.93%	11.10%	14.10%

42. EVENTS AFTER THE TRACK RECORD PERIOD

There is no material subsequent event undertaken by the Group after June 30, 2025.

43. SUBSEQUENT FINANCIAL STATEMENTS AFTER THE TRACK RECORD PERIOD

No audited financial statements have been prepared by the Company, the Group or any of the companies now comprising the Group in respect of any period subsequent to June 30, 2025.

APPENDIX II

[REDACTED]

[REDACTED]

APPENDIX II

[REDACTED]

[REDACTED]

APPENDIX II

[REDACTED]

[REDACTED]

APPENDIX II

[REDACTED]

[REDACTED]

APPENDIX II

[REDACTED]

[REDACTED]

APPENDIX III

SUMMARY OF ARTICLES OF ASSOCIATION

This Appendix sets out summaries of the main clauses of our Articles of Association approved by the Shareholders’ resolutions passed on Wednesday, February 28, 2024 which shall become effective as at the date on which the H shares are [REDACTED] on the Stock Exchange. As the main purpose of this Appendix is to provide potential [REDACTED] with an overview of the Articles of Association, it may not necessarily contain all information that is important for prospective [REDACTED].

As stated in the appendix headed “Appendix V — Documents Delivered to the Registrar of Companies in Hong Kong and Available on Display”, the full document of the Articles of Association in Chinese is available for examination.

DIRECTORS AND BOARD OF DIRECTORS

Power to Allocate and Issue Shares

The Articles of Association does not contain clauses that authorize the Board of Directors to allocate or issue shares. The Board of Directors shall formulate plans for capital, issuance of bonds or other securities and [REDACTED], which are subject to approval by the general meeting. Any allotment or issue of shares shall be in accordance with the procedures stipulated in applicable laws, administrative regulations and supervision rules.

Power to Dispose Assets of Our Company or Any of Its Subsidiaries

The Board of Directors shall determine the authority of external investment, acquisition and sale of assets, asset mortgage, external guarantee matters, entrusted financial management, connected transactions and donations, and establish strict review and decision-making procedures; major investment projects shall be reviewed by relevant experts and professionals and reported to the general meeting for approval.

Compensation or Payments for Loss of Office

The Shareholders shall be entitled to remove any Director (including managing director or other executive directors) by an ordinary resolution at the general meeting before the expiration of his/her term of office, but such removal shall not prejudice his/her claim for damages under any contract.

Loans to Directors

There are no provisions in the Articles of Association relating to loans to directors.

Providing of Financial Assistance to Purchase the Shares of the Company or Shares of Any of Its Subsidiaries

The Company or its subsidiaries (including its subsidiaries) shall not provide any financial assistance to those who purchase or intend to purchase the Company’s shares in the form of gifts, advances, guarantees, compensation or loans.

Disclosure of Interests in Contracts with the Company or Any of Its Subsidiaries

Directors shall not conclude any contract or engage in any transaction with the Company either in violation of the Articles of Association or without the approval of the general meeting.

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Remuneration

The appointment and removal of the members of the Board of Directors and the Board of Supervisors, as well as their remuneration and payment methods, shall be adopted by the general meeting by ordinary resolution.

Resignation, Appointment and Removal

The Board of Directors is composed of nine directors, including three independent directors. The directors of the Company are elected by the general meeting.

The Board of Directors has one chairman. The chairman of the Board of Directors shall be elected by more than half of all Directors. The Directors shall be elected or replaced by the general meeting, and may be removed by the general meeting through an ordinary resolution before the expiration of their term of office.

The chairman of the Board of Directors and other Directors serve three-year terms, and the Director can be re-elected and reappointed at the end of the term. The term of office of a Director shall be calculated from the date of appointment until the expiration of the term of office of the current Board of Directors. If the term of office of a Director expires without timely re-election, the original Director shall still perform the duties of a Director in accordance with laws, administrative regulations, departmental rules, and the provisions of the Articles of Association of the Company before the newly elected Director takes office.

The general manager or other senior managers may concurrently serve as Directors. However, the total number of Directors concurrently serving as the general manager or other senior managers and Directors represented by employees shall not exceed half of the total number of Directors of the Company. None of the following persons shall serve as our Director, Supervisor or senior management:

- (i) a person who has no civil capacity or has limited civil capacity;
- (ii) a person who has been sentenced to a term of imprisonment for any of the following crimes and five years have not elapsed since the date on which execution of the sentence was completed: embezzlement, bribery, conversion of property, misappropriation of property, or sabotaging the socialist economic order; or has been deprived of his/her political rights as a result of a criminal conviction and five years have not elapsed since the date on which execution of the sentence was completed;
- (iii) a person who has served as a director, the factory chief, or the manager of an insolvent and liquidated company or enterprise and is held personally liable for such bankruptcy, and three years have not elapsed since the date when the bankruptcy and liquidation of the company or enterprise are completed;
- (iv) a person who has served as the legal representative of a company or enterprise whose business license was revoked or which is ordered to close down due to any violation of law, and is held personally liable for the revocation, and three years have not elapsed since the date when the revocation occurs;

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- (v) a person who has a relatively large sum of debt, which was not paid at maturity;
- (vi) a person who has been banned from entering the securities market by the CSRC and whose term has not expired; or
- (vii) other contents stipulated by laws, administrative regulations, departmental rules or the Hong Kong Listing Rules.

The election, appointment or employment of the Directors, Supervisors or other senior management shall be invalid if such election, appointment or employment is against the Articles of Association. If the Directors, Supervisors or senior management personnel fall into the situations provided in the above-mentioned situations during their term of office, they would be dismissed by our Company.

Borrowing Powers

The Board of Directors shall be entitled to develop proposals for our Company to issue bonds or other securities, and that such bond issues must be approved at the general meeting.

Modification of the Articles of Association

In any of the following circumstances, the Company shall amend its Articles of Association:

- (i) after the Company Law or any other relevant law or administrative regulations is amended, the provisions of the Articles of Association are in conflict with the provisions in the amended law and administrative rules;
- (ii) the conditions of the Company have changed, and such change is covered in the Articles of Association;
- (iii) the general meeting has resolved to amend the Articles of Association.

The amendments to the Articles of Association adopted by the general meeting shall be submitted to the competent authorities for approval if they are subject to approval by the competent authorities. If there is any change relating to the registered particulars of the Company, registration of the changes shall be made in accordance with the laws.

The Board of Directors shall modify the Articles of Association of the Company in accordance with the resolution of the general meeting to modify the Articles of Association and the approval opinions of relevant competent authorities.

The amendment of the Articles of Association belongs to the information required to be disclosed by laws and regulations and shall be announced in accordance with regulations.

Variation of Rights of Existing Shares or Classes of Shares

Not applicable.

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Special Resolutions — Majorities Required

The resolutions of the general meeting are categorized as ordinary resolutions and special resolutions. An ordinary resolution shall be adopted by over one-half of the voting rights held by the Shareholders (including proxies) attending the general meeting. A special resolution shall be adopted by over two-thirds of the voting rights held by the Shareholders (including proxies) attending the general meeting.

Voting Rights (Generally and on a Poll)

Shareholders (including proxy) shall exercise their voting rights according to the number of voting Shares they represent, and each Share shall have one vote.

Shareholder who, in accordance with the Hong Kong Listing Rules, is required to waive their voting rights or is limited to only casting affirmative or negative votes on a certain matter shall waive their voting rights or voting rights in accordance with the provisions; any Shareholder vote or representative vote that violates relevant regulations or restrictions will not be counted in the voting results.

The Shares held by the Company do not have voting rights, and these Shares are not included in the total number of Shares with voting rights present at the general meeting.

The resolutions referred to in Rules 2.2 and 2.10 of the Code on Takeovers and Mergers and Rule 3.3 of the Code on Share Repurchases by the Securities and Futures Commission of Hong Kong, and other resolutions which shall be adopted only by H Shareholders in accordance with relevant requirements of the Hong Kong Listing Rules, the Code on Takeovers and Mergers and the Code on Share Repurchases as amended from time to time, shall be adopted by and only by H Shareholders at general meetings.

When a connected transaction is considered at the general meeting, connected Shareholders shall not participate in the voting, and the number of voting Shares represented by them shall not be included in the total number of valid votes; the announcement on the resolution of the general meeting should fully disclose the voting status of non-connected Shareholders (subject to the requirements of the Hong Kong Stock Exchange).

Connected Shareholders shall abstain from voting voluntarily. If connected Shareholders do not abstain voluntarily, any other informed Shareholders may request them to abstain therefrom.

When a connected transaction is considered at the general meeting, the chairman of the meeting shall announce the list of the connected Shareholders, explain whether they participate in voting, and announce the total number of the voting Shares of non-connected parties present at the meeting and their proportion to the total Shares of the Company before voting.

The general meeting adopts a registered voting method. The same voting right can only choose one of on-site or other voting methods. If duplicate voting occurs with the same voting right, the first voting result shall prevail.

Shareholders attending the general meeting shall express one of the following opinions on the proposal submitted for voting: agree, oppose, or abstain. Unless securities registration and settlement institutions, as nominal holders of interconnected mechanism stocks in the mainland and Hong Kong stock markets, make declarations according to the intention of actual holders.

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Votes that are not filled in, mistakenly filled in, or illegible, as well as votes that have not been cast, shall be deemed as a waiver of voting rights by the voter. The voting result of the number of shares held by the voter shall be counted as “waiver”.

Requirements for Annual General Meetings

General meetings are divided into annual general meetings and extraordinary general meetings. The annual general meeting shall be convened once a year and be held within six months after the end of the previous accounting year.

ACCOUNTING AND AUDITS

Financial and Accounting Policies

The Company formulates its financial and accounting system in accordance with the laws, administrative regulations, departmental regulations and the requirements of the relevant state departments. Where the Hong Kong Listing Rules provide otherwise, such provisions shall prevail.

The Company prepares its interim financial reports and annual financial reports in accordance with relevant laws, administrative regulations and rules.

The Company shall not establish separate accounting books except for statutory accounting book. The assets of the Company shall not be deposited in any account opened in the name of any individual.

Appointment and Dismissal of Accounting Firms

The Company employs accounting firms that comply with the provisions of the Securities Law and the Hong Kong Listing Rules to conduct accounting statement auditing, net asset verification, and other related consulting services. The term of employment is one year and can be renewed. The appointment, dismissal and renewal of an accounting firm by the Company must be decided by a majority of Shareholders at the general meeting, and the Board of Directors shall not appoint, dismiss or renew an accounting firm before the decision is made at the general meeting. The Company guarantees to provide the hired accounting firm with true and complete accounting vouchers, accounting books, financial accounting reports, and other accounting materials, and shall not refuse, conceal, or falsely report.

The audit fee of an accounting firm or the method of determining the audit fee shall be determined by the general meeting. When the Company dismisses or no longer renews the appointment of an accounting firm, the general meeting shall make a decision and notify the accounting firm 10 days in advance. When the Company’s general meeting votes on the dismissal of an accounting firm, the accounting firm shall be allowed to state its opinions. If the accounting firm proposes to resign, it shall explain to the general meeting whether the Company has any inappropriate circumstances.

NOTICE AND AGENDA OF GENERAL MEETINGS

The general meeting is the organ of authority of our Company. The Company shall convene an extraordinary general meeting within two months from the date of occurrence of any of the following events:

- (i) the number of Directors is less than the number required by the Company Law, or less than two-thirds of the number required by the Articles of Association;

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- (ii) the outstanding losses of the Company accounts for one-third of the total paid-in share capital;
- (iii) shareholders individually or jointly holding at least ten percent shares of the Company request for meeting;
- (iv) the Board of Directors deems it necessary;
- (v) the Board of Supervisors proposes to convene the meeting;
- (vi) other circumstances prescribed by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules or the Articles of Association.

The general meeting shall be summoned by the Board of Directors or other conveners in accordance with the laws. Independent Directors are entitled to propose to the Board of Directors to convene extraordinary general meetings. The Board of Directors shall give a written reply on whether or not to convene an extraordinary general meeting within ten days upon receiving the proposal in accordance with the requirements of the laws, administrative regulations, departmental regulations, normative documents, the Hong Kong Listing Rules and the Articles of Association. If the Board of Directors agrees to convene an extraordinary general meeting, a notice of such convening extraordinary General meeting shall be issued within five days after the Board of Directors makes a resolution. If the Board of Directors does not agree to convene the extraordinary general meeting, it shall explain the reasons and make an announcement.

The Supervisory Committee shall be entitled to propose to the Board of Directors to convene an extraordinary general meeting in writing. The Board of Directors shall give a written reply on whether to agree or not to convene an extraordinary general meeting within ten days upon receipt of the proposal in accordance with the laws, administrative regulations, the Hong Kong Listing Rules and the Articles of Association. If the Board of Directors agrees to convene the extraordinary general meeting, a notice of such meeting shall be issued within five days after the resolution of the Board of Directors is passed. Any changes to the original proposal in the notice shall be subject to the consent of the Supervisory Committee. If the Board of Directors does not agree to convene such meeting or fails to give a reply within ten days upon receipt of the proposal, it shall be deemed that the Board of Directors is unable to perform or fails to perform its duty to convene a general meeting, and the Supervisory Committee may convene and preside over the meeting on its own.

Shareholders individually or jointly holding more than ten percent of the voting shares of the Company shall have the right to propose to the Board of Directors to convene an extraordinary general meeting and a written request shall be made to the Board of Directors. The Board of Directors shall give a written reply on whether to agree or not to convene an extraordinary general meeting within ten days after receiving the request according to the laws, administrative regulations, the Hong Kong Listing Rules and the Article of Association. If the Board of Directors agrees to convene an extraordinary general meeting, it shall issue a notice of general meeting within five days after passing the board resolution. Any changes to the original proposal in the notice shall be subject to the consent of the relevant shareholders.

If the Board of Directors does not agree to convene an extraordinary general meeting or does not reply within ten days after receiving the request, shareholders individually and jointly holding more than ten

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percent of the shares of the Company shall have the right to propose to the Supervisory Committee to convene an extraordinary general meeting, and a written request shall be made to the Supervisory Committee. If the Supervisory Committee agrees to convene an extraordinary general meeting, it shall issue a notice of general meeting within five days after receiving the request. Any changes to the original request in the notice shall be approved by the relevant shareholders. If the Supervisory Committee fails to give the notice of the general meeting within the specified time limit, it shall be deemed that the Supervisory Committee is not convening or presiding over the meeting, and the shareholders individually or jointly holding more than ten percent of the shares of the Company for more than ninety consecutive days may summon and preside over the meeting on their own.

When a general meeting is convened by the Company, the Board of Directors, the Supervisory Committee or shareholders individually or jointly holding more than 3% of the shares of the Company shall be entitled to submit proposals to the Company. Shareholders individually or jointly holding more than three percent of shares in the Company may make a temporary proposal and submit it to the convener in writing ten days prior to a general meeting. The convener shall issue a supplementary notice of the general meeting to announce the content of the temporary proposal within two days upon receipt of the proposal.

Except as provided in the preceding paragraph, the convener shall not make any amendments to the proposals set out in the notice of the general meeting or add any new proposals after issuing the notice of the general meeting. The general meeting shall neither vote nor make a resolution on any proposals that are not included in the notice of the general meeting or are inconsistent with Article 50 of the Articles of Association.

The convener shall notify each shareholder by way of announcement twenty-one days prior to the annual general meeting. The convener(s) shall notify each shareholder by way of announcement 15 days or 10 business days (whichever is longer) prior to the meeting. Where stipulated otherwise by laws, regulations and the securities regulatory authorities of the place where the shares of the Company are listed, such provisions shall prevail. When calculating the starting period, the Company shall not include the date of the meeting, but include the date of the notice on convening the meeting.

The notice of the general meeting should be in written form and includes the following:

- (i) the time, place and duration of the meeting;
- (ii) matters and proposals submitted to the meeting to review;
- (iii) explain in obvious words that all shareholders have the right to attend the general meeting and may appoint a proxy in writing to attend the meeting and participate in the vote, and the shareholder proxy need not be a shareholder of the Company;
- (iv) share registration date of the shareholders entitled to attend the general meeting;
- (v) name and telephone number of the permanent contact person for conference affairs;
- (vi) voting time and the voting procedures online or by other means;

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- (vii) other requirements prescribed by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules or the Articles of Association.

The notice of the general meeting and the supplementary notice shall fully and completely disclose all the specific contents of all proposals. If the matter to be discussed needs the opinion of independent Directors, the opinions and reasons of independent Directors will be disclosed at the same time when the notice of the general meeting or supplementary notice is issued.

The resolutions of the general meeting include ordinary resolutions and special resolutions.

The following matters shall be passed by ordinary resolutions at the general meeting:

- (i) work reports of the Board of Directors and the Board of Supervisors;
- (ii) profit distribution plan and loss compensation plan proposed by the Board of Directors;
- (iii) appointment and dismissal of members of the Board of Directors and the Board of Supervisors, and their remuneration and payment method;
- (iv) annual budget and final accounts report of the Company;
- (v) annual report of the Company;
- (vi) other matters other than those that should be passed by special resolutions as stipulated in laws, administrative regulations, the Hong Kong Listing Rules or the Articles of Association.

The following matters shall be passed by special resolutions at the general meeting:

- (i) the increase or reduction of the registered capital of the Company;
- (ii) the division, spin-offs, mergers, dissolutions and liquidation of the Company;
- (iii) the amendment to the Articles of Association;
- (iv) the purchases or sell of material assets by the Company within one year or the guarantee amount exceeding 30% of the total assets in the audited consolidated financial statements of the Company for the latest period;
- (v) share incentive plan;
- (vi) other matters stipulated by laws, administrative regulations, the Hong Kong Listing Rules or the Articles of Association, as well as other matters that the general meeting determines by ordinary resolutions will have a significant impact on the Company and need to be passed by special resolutions.

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SHARE TRANSFERS

The shares of our Company holding by the promoters thereof shall not be transferred within one year of the date of establishment of our Company.

The Directors, Supervisors, and members of the senior management of our Company shall report their shareholding in the Company and changes thereof to the Company, and during their tenure, the shares transferred each year shall not exceed twenty five percent of the total of the same class of Company shares held by them; the Company shares held by them shall not be transferred within one year from the date when the shares of the Company are [REDACTED] and [REDACTED]. The aforesaid persons shall not transfer the Company shares held by them within half a year from departure from the Company.

RIGHTS OF THE COMPANY TO ACQUIRE ITS OWN SHARES

The Company shall not acquire its own shares, except under one of the following circumstances:

- (i) Reducing registered capital of the Company;
- (ii) Merging with another company holding shares of the Company;
- (iii) Using shares for employee stock ownership plan or equity incentives;
- (iv) Acquisition of the shares of shareholders who dissent from any resolution proposed in any general meeting on the merger or demerger of the Company;
- (v) Using shares for converting convertible corporate bonds issued by the Company into shares of the Company;
- (vi) As necessary for the Company to maintain corporate value and shareholders' interests;
- (vii) Other circumstances in which the Company's shares may be acquired in accordance with the provisions stipulated by laws, administrative regulations, and departmental regulations.

The Company may acquire its own shares by way of public centralized [REDACTED] or other methods permitted by laws, administrative regulations, the Hong Kong Listing Rules and the CSRC.

Where the Company acquires its own shares under the circumstances as set out in items (3), (5) or (6) under Rule 1 of Article 22, it shall conduct by way of public centralized [REDACTED], subject to the provisions of Hong Kong Listing Rules and other securities regulatory rules of the place(s) where the shares of the Company are [REDACTED].

POWER FOR ANY SUBSIDIARY OF THE ISSUER TO OWN SHARES IN ITS PARENT

Not applicable.

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DIVIDEND AND OTHER DISTRIBUTION METHODS

Where the Company appropriates distributable profits after withdrawing the corresponding statutory reserve fund and ensures sufficient working capital, the distribution of profits shall be approved by the Board of Directors and the general meeting.

SHAREHOLDER PROXIES

Any Shareholder who has the right to attend and vote at the general meeting may attend the meeting in person or entrust one or more (who may not be a shareholder) as his or her proxy to attend and vote on his or her behalf.

The power of attorney issued by Shareholders authorizing others to attend the general meeting shall include the following contents:

- (i) the name of the proxy;
- (ii) whether it has voting rights;
- (iii) instructions to vote for, against or abstain from voting for each matters included in the agenda of the general meeting;
- (iv) date of issuance and validity period of the power of attorney;
- (v) signature (or seal) of the principal; If the principal is a corporate shareholder, the seal of the legal entity shall be affixed.

The power of attorney shall indicate whether the shareholder’s proxy can vote according to his own will if the shareholder does not give specific instructions.

If the proxy form for voting is signed by person authorized by the principal, the power of attorney or other authorization documents shall be notarized. The notarized power of attorney or other authorization documents, together with the proxy form for voting shall be placed at the domicile of the Company or at such other place as specified in the notice of the meeting. If the principal is a legal person, its legal representative or the person authorized by resolution of its Board of Directors or other decision-making body shall be entitled to attend the Company’s general meetings as the representative. If the principal is an unincorporated organization, the person in charge of the organization or the person authorized by resolution of its decision-making body shall be entitled to attend the general meeting of the Company as a representative.

If the shareholder is a recognized clearing house as defined in the relevant ordinances enacted from time to time under the laws of Hong Kong (or its proxy), the shareholder may authorize its corporate representative or one or more persons as it thinks fit to act as its representative at any general meeting. However, if more than one person is so authorized, the power of attorney shall specify the number and class of shares in respect of which each such person is authorized, and shall be executed by the authorized person

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of the recognized clearing house. The person so authorized may attend the meeting on behalf of the recognized clearing house (or its proxy) (without being required to present share certificate, notarized authorization and/or further evidence to prove that he/she is duly authorized) to exercise the rights equivalent to those of other shareholders under the law (including the rights to speak and vote), as if he/she were an individual shareholder of the Company.

CALLS ON SHARES AND FORFEITURE OF SHARES

Not applicable.

INSPECTION OF REGISTER OF MEMBERS

The Company shall establish a register of members. The Company shall establish a register of members in accordance with the certificates provided by the securities registration institution. The register of members shall be sufficient evidence of the shareholders' shareholdings in the Company. Shareholders enjoy rights and assume obligations according to the types of shares they hold. Shareholders holding the same kind of shares shall enjoy the same rights and undertake the same obligations.

Transfer of shares shall be registered in the register of members. The original register of members of overseas [REDACTED] foreign shares [REDACTED] in Hong Kong shall be kept in Hong Kong.

The Company shall keep at its domicile a copy of the register of members of overseas [REDACTED] foreign shares. The entrusted overseas agency shall always ensure that the original and copies of the register of members of overseas [REDACTED] foreign shares are consistent. The Hong Kong branch of register of shareholders is available for inspection by shareholders, but the Company may be permitted to suspend the registration of shareholders on terms equivalent to section 622 of the Companies Ordinance.

When our Company convenes a general meeting, distributes dividends, liquidates, or engages in other activities that require confirmation of Shareholder identity, the Board of Directors or the convener of the meeting shall determine the equity registration date. After the equity registration date is closed, the registered Shareholders shall be the Shareholders who enjoy the relevant rights and interests.

QUORUM FOR MEETINGS AND SEPARATE CLASS MEETINGS

Not applicable.

RIGHTS OF THE MINORITIES IN RELATION TO FRAUD OR OPPRESSION

If Directors, general managers, and other senior management personnel violate laws, administrative regulations, or the provisions of these articles of association while performing their duties, causing losses to our Company, Shareholders who individually or jointly hold more than 1% of our Company's Shares for more than 180 consecutive days have the right to request in writing that the Supervisory Committee file a lawsuit with the people's court; If the Supervisory Committee violates laws, administrative regulations, or the provisions of these Articles of Association while performing its duties, causing losses to our Company, the aforementioned Shareholders may request in writing that the Board of Directors file a lawsuit with the people's court. If the Supervisory Committee or the Board of Directors refuses to file a lawsuit after

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receiving a written request from the Shareholders specified in the preceding paragraph, or fails to file a lawsuit within 30 days from the date of receiving the request, or if the situation is urgent and the failure to file a lawsuit immediately will cause irreparable damage to our Company’s interests, the Shareholders specified in the preceding paragraph have the right to directly file a lawsuit in their own name to the people’s court for the benefit of our Company. If another person infringes on the legitimate rights and interests of our Company and causes losses to our Company, Shareholders who individually or jointly hold more than 1% of our Company’s Shares for more than 180 consecutive days may file a lawsuit with the people’s court in accordance with the provisions of the preceding two paragraphs.

If Directors, general managers, and other senior management personnel violate laws, administrative regulations, or the provisions of these Articles of Association and harm the interests of Shareholders, Shareholders may file a lawsuit with the people’s court.

If Shareholders of the Company abuse their Shareholder rights and cause losses to our Company or other Shareholders, they shall bear compensation liability in accordance with the law. If Shareholders of the Company abuse the independent status of our Company’s legal person and the limited liability of Shareholders, evade debts, and seriously harm the interests of our Company’s creditors, they shall bear joint and several liability for our Company’s debts.

The Controlling Shareholders and actual controllers of our Company shall not use their affiliated relationships to harm the interests of our Company. Those who violate regulations and cause losses to our Company shall be liable for compensation. The Controlling Shareholders and actual controllers of our Company have a fiduciary obligation towards our Company and its public Shareholders. The Controlling Shareholder shall strictly exercise the rights as [REDACTED] in accordance with the law. The Controlling Shareholder shall not use profit distribution, asset restructuring, external investment, fund occupation, loan guarantee, etc. to harm the legitimate rights and interests of our Company and its public Shareholders, and shall not use their controlling position to harm the interests of our Company and its public Shareholders.

PROCEDURES ON LIQUIDATION

The Company shall be dissolved for the following reasons:

- (i) events of dissolution specified in the Articles of Association have occurred;
- (ii) the shareholders’ general meeting resolves to dissolve the Company;
- (iii) dissolution is necessary due to a merger or division of the Company;
- (iv) the Company’s business license is revoked, the Company is ordered to close down or be revoked in accordance with the law;
- (v) where the Company encounters serious difficulties in its operation and management and its continuous existence will cause significant losses to the interests of shareholders, and such difficulties cannot be resolved through other means, shareholders holding 10% or more of the voting rights of all shareholders of the Company request the people’s court to dissolve the Company.

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Where the Company is dissolved pursuant to the provisions of items (1), (2), (4) and (5) of Article 183 of the Articles of Association, a liquidation committee shall be established and the liquidation shall commence within 15 days after the occurrence of the cause of dissolution. The liquidation committee shall be composed of directors or persons determined by the shareholders’ general meeting. If a liquidation committee is not established within the time limit, the creditors may apply to the people’s court to designate relevant personnel to form a liquidation committee to carry out liquidation.

The liquidation committee shall notify the creditors within 10 days after its establishment, and publish announcements in the newspaper(s) designated by the Company for information disclosure within 60 days. Creditors shall, within 30 days from the date of receiving the notice; or for creditors who do not receive the notice, within 45 days from the date of the public announcement, declare their claims to the liquidation committee.

The creditor shall provide a description and supporting evidence of the matters relating to their claims. The liquidation committee shall register the claims. The liquidation committee shall not make any debt settlement during the period of declaration of claims.

A liquidation plan shall be formulated by the liquidation committee after the stocktaking of the Company’s assets has been carried out and the balance sheet and a detailed inventory of assets have been formulated, and shall be submitted to the general meeting or the People’s Court for confirmation. After the Company pays the liquidation expenses, staff wages, social insurance expenses and statutory compensation, pays outstanding taxes, and pays off its debts, the remaining assets shall be distributed to the shareholders in proportion to their respective shareholdings. During the liquidation period, the Company shall continue to exist, but shall not carry out business activities irrelevant to the liquidation. The assets of the Company shall not be distributed to shareholders before full payments have been made out of the assets according to the aforesaid provisions of the preceding paragraph.

Where the liquidation committee, after cleaning up the Company’s assets and preparing the balance sheet and an inventory of assets, discovers that the Company does not have sufficient assets to repay its debts, the liquidation committee shall apply to the people’s court for a declaration of insolvency in accordance with the law. After our Company is declared bankrupt by ruling of the people’s court, the liquidation committee shall transfer the matters regarding the liquidation to the people’s court.

Following the completion of liquidation, the liquidation committee shall formulate a report on liquidation, which shall be submitted to the shareholders’ general meeting or the People’s Court for confirmation, and shall submit the same to the company registration authority, apply for cancelation of registration of the Company, and publish an announcement relating to the termination of the Company.

OTHER PROVISIONS MATERIAL TO THE ISSUER OR THE SHAREHOLDERS THEREOF

General Provisions

The Company is a permanently existing joint stock limited company.

All the assets of the Company are divided into Shares of equal value. The Shareholders are responsible for the Company to the extent of their subscribed Shares, and the Company is responsible for the Company’s debts with all its assets.

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The Articles of Association shall, from the date on which they take effect, be the legally binding document that regulates the organization and activities of the Company and the relationship of rights and obligations as between the Company and the shareholders and among the shareholders, and shall be legally binding on the Company, the shareholders, the Directors, the Supervisors, general managers and other senior management personnel. Based on the Articles of Association, any shareholder may bring a lawsuit against a Director, a Supervisor, a general manager or any other senior management personnel. Any shareholder may bring a lawsuit against the Company, and the Company may bring a lawsuit against shareholder, Director, Supervisor, general manager or any other senior management personnel.

Share and Transfer

In light of the Company’s operational and developmental needs, the Company may increase its capital in accordance with the requirements of laws and regulations and subject to a resolution of the general meeting, by any of the following methods:

- (i) [REDACTED] of shares;
- (ii) non-[REDACTED] of shares;
- (iii) allotment of bonus shares to existing shareholders;
- (iv) conversion of reserve funds to share capital;
- (v) other methods prescribed by laws and administrative regulations and permitted by the CSRC, etc.

The Company may reduce its registered capital. Any reduction of the Company’s registered capital shall be subject to the procedures prescribed in the Company Law, Hong Kong Listing Rules and other relevant regulations, as well as the Articles of Association.

Shareholders

Shareholders are entitled to rights and assume the obligations pursuant to the classification of their shares. Shareholders holding the same classified share have the same rights and assume the same obligations.

Shareholders of the Company shall enjoy the following rights:

- (i) the right to dividends and other distributions in proportion to the number of shares held;
- (ii) the right to apply for, convene, preside, attend or appoint proxies to attend general meetings in accordance with the law and to exercise the corresponding right to speak and vote;
- (iii) the right to supervise, present proposals or raise enquiries in respect of the Company’s business operations;

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- (iv) the right to transfer, give as a gift or pledge the shares it holds in accordance with laws, administrative regulations, the Hong Kong Listing Rules and the Articles of Association;
- (v) the right to inspect the Articles of Association, Register of Shareholders, corporate bond stubs, minutes of general meetings, resolutions of the meetings of the Board of Directors and resolutions of the meetings of the Board of Supervisors and financial accounting reports;
- (vi) in the event of the termination or liquidation of the Company, the right to participate in the distribution of the remaining property of the Company in proportion to the number of shares held;
- (vii) Shareholders who object to resolutions of merger or division made by the Shareholders’ general meeting may request the Company to purchase shares held;
- (viii) other rights provided for by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules or the Articles of Association.

Where any Shareholder requests to access to the relevant information or obtain materials mentioned in the preceding article, he/she shall submit to the Company written documents proving the class(es) and number of shares he holds. The Company shall provide the relevant information or materials in accordance with the Shareholder’s demand after verifying the Shareholder’s identity.

Shareholders of the Company shall have the following obligations:

- (i) to abide by laws, administrative regulations and the Articles of Association;
- (ii) to pay the share subscription price based on the shares subscribed for by them and the method of acquiring such shares;
- (iii) not to return shares unless prescribed otherwise in laws and administrative regulations;
- (iv) not to abuse Shareholders’ rights to infringe upon the interests of the Company or other Shareholders; not to abuse the Company’s status as an independent legal entity or the limited liability of Shareholders to harm the interests of the Company’s creditors;
- (v) to assume other obligations required by laws, administrative regulations and the Articles of Association.

Any Shareholder who abuses Shareholders’ rights and causes the Company or other shareholders to suffer a loss shall be liable for making compensation in accordance with the law; Any Shareholder who abuses the status of the Company as an independent legal entity or the limited liability of shareholders to evade debts and severely harm the interests of the Company’s creditors shall assume joint and several liability for the Company’s debts.

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The Board of Directors

The Board of Directors shall exercise the following functions and powers:

- (i) to convene general meetings and report work to the general meetings;
- (ii) to implement resolutions of the general meetings;
- (iii) to decide on the Company’s business plans and investment plans;
- (iv) to formulate the annual financial budgets and final accounts of the Company;
- (v) to formulate the Company’s profit distribution plans and plans on making up losses;
- (vi) to formulate proposals for the increase or reduction of registered capital, the issuance of bonds or other securities and the [REDACTED] plan of the Company;
- (vii) to formulate plans for the Company’s major acquisition, acquisition of the Company’s shares due to the circumstances specified in Article 22(1) and (2) of the Articles of Association, or merger, division, dissolution or change of corporate form of the Company;
- (viii) to decide on matters such as external investments, purchase and sale of assets, pledge of assets, external guarantee, entrustment of financial management, connected transactions and donations of the Company within the scope of authorization by the general meeting;
- (ix) to decide on establishment of internal management organs of the Company;
- (x) to decide on the appointment or dismissal of the Company’s general manager, secretary of the Board of Directors and other members of the senior management and decide on matters of their remuneration and rewards and punishments. According to the nomination of the general manager, decide to appoint or dismiss the Company’s financial manager and other senior management personnel, and decide on matters of their remuneration, rewards and punishments;
- (xi) to formulate the basic management system of the Company;
- (xii) to formulate proposals to amend the Articles of Association;
- (xiii) to manage the Company’s disclosures;
- (xiv) to propose to the general meeting the appointment or replacement of the accounting firm that provides audit service to the Company;
- (xv) to listen to the work report of the general manager of the Company and to inspect the work of the general manager of the Company;

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(xvi) to make a resolution on the Company’s acquisition of the Company’s shares due to the circumstances stipulated in Article 22 (3), (5) and (6) of the Articles of Association;

(xvii) other functions and powers provided for in laws, administrative regulations, departmental regulations, the Hong Kong Listing Rules or the Articles of Association and granted at the general meetings.

Matters beyond the scope of authorization of the general meeting shall be submitted to the general meeting for deliberation.

A meeting of the Board of Directors may not be held without more than half of Directors being present. Resolutions made by the Board of Directors must be approved by more than half of all Directors. The voting on resolutions of the Board of Directors shall be based on one person, one vote.

Independent Non-executive Directors

The Board of Directors of the Company consists of nine Directors, including three Independent Non-executive Directors.

Secretary of the Board of Directors

The Company has a secretary of the Board of Directors, who shall be responsible for preparing for the Company’s general meetings of and meetings of the Board of Directors, the retention of documents, the management of the Company’s shareholder information, and handling information disclosure. Secretary of the Board of Directors shall abide by the relevant provisions of laws, administrative regulations, departmental regulations, the Hong Kong Listing Rules and the Articles of Association.

Board of Supervisors

The Company shall set up a Board of Supervisors. The Board of Supervisors consists of three Supervisors, and the Board of Supervisors has a chairman. The chairman of the Board of Supervisors shall be elected by a majority of all Supervisors. The chairman of the Board of Supervisors shall convene and preside over the meeting of the Board of Supervisors. If the chairman of the Board of Supervisors is unable or fails to perform his duties, more than half of the Supervisors shall jointly elect a Supervisor to convene and preside over the meeting of the Board of Supervisors.

The Board of Supervisors shall be composed of Shareholder representatives and an appropriate proportion of company employee representatives, with the proportion of employee representatives no less than one third of the Board. Employee representatives on the Board of Supervisors shall be democratically elected by employees through the employee representative congress, the employee congress, or any other means.

The Board of Supervisors shall exercise the following functions and powers:

(i) to review and give written opinions on the periodic reports of the Company prepared by the Board of Directors;

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- (ii) to examine the Company’s financial matters;
- (iii) to supervise the performance by the directors and senior management of their duties to the Company and propose the dismissal of the directors and senior management personnel who violates laws, administrative regulations, the Articles of Association or the resolutions of the general meeting;
- (iv) to demand rectification from the directors and senior management when the acts of such persons are harmful to the Company’s interests;
- (v) to propose the convening of extraordinary general meetings; to convene and preside the general meetings in the event that the Board of Directors fails to perform its duties to convene and preside the general meetings in accordance with the Company Law;
- (vi) to submit proposals to the general meeting;
- (vii) to file lawsuits against Directors and senior management in accordance with relevant provisions of the Company Law;
- (viii) in case of any irregularities identified in the operation of the Company, an investigation can be conducted, and if necessary, to engage professionals such as accounting firms or law firms to assist its work, with expenses being borne by the Company;
- (ix) any other powers stipulated in the Articles of Association or granted by the general meeting of shareholders.

The Supervisors may attend the meetings of the Board of Directors, query or provide suggestions on the resolution matters of the Board meeting.

General Manager

The Company has one general manager who shall be appointed or dismissed by the Board of Directors. The general manager shall be accountable to the Board of Directors and exercise the following functions and powers:

- (i) to be in charge of the production, operation and management of the Company, to organize the implementation of the resolutions of the Board of Directors, and to report to the Board of Directors;
- (ii) to organize the implementation of the Company’s annual business plans and investment plans;
- (iii) to draft plans for the establishment of the Company’s internal management bodies;
- (iv) to draft the basic management system of the Company;

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- (v) to formulate the specific rules and regulations of the Company;
- (vi) to propose to the Board of Directors to appoint or dismiss financial manager of the Company;
- (vii) to decide to appoint or dismiss management personnel other than those required to be appointed or dismissed by the Board of Directors;
- (viii) such other functions and powers conferred by the Articles of Association or the Board of Directors.

Reserve Fund

In distributing its current-year after-tax profits, the Company shall allocate 10% of its profit to its statutory reserve fund. Allocations to the Company’s statutory reserve fund may be waived once the cumulative amount of funds therein exceeds 50% of the Company’s registered capital.

Where the statutory reserve fund is not sufficient to cover any loss made by the Company in the previous year, the current year’s profit shall be used to cover such loss before any allocation is made to the statutory reserve fund pursuant to the preceding paragraph.

After an allocation to the statutory reserve fund has been made from the after-tax profit of the Company, and subject to the adoption of a resolution by the general meeting, an allocation may be made to the discretionary reserve fund.

After the Company has covered its losses and made allocations to the reserve funds, any remaining after-tax profit shall be distributed to the shareholders in proportion to their respective shareholdings. Where the general meeting, in violation of the preceding paragraph, distributes profits to the shareholders before covering Company’s losses and making an allocation to the Company statutory reserve fund, the profits so distributed must be returned to the Company. Profits shall not be distributed to Shares held by the Company.

Company reserve funds shall be used to cover Company’s losses, expand production and operations, or converted to increase the Company’s registered capital. However, the capital reserve fund shall not be used to cover Company’s losses.

Upon conversion of statutory reserve funds into capital, the remaining balance of the reserve fund shall be no less than 25% of the Company’s registered capital prior to the conversion.

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FURTHER INFORMATION ABOUT OUR COMPANY

Incorporation of Our Company

Our Company was established as a limited liability company in the PRC on April 1, 2016 and was converted into a joint stock company with limited liability on December 28, 2023 under the laws of the PRC. As of the Latest Practicable Date, the registered share capital of our Company is RMB300,000,000.

Our Company has established a place of business in Hong Kong at Room 1920, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong and has been registered as a non-Hong Kong company in Hong Kong under Part 16 of the Companies Ordinance on February 21, 2024. Ms. Leung Wing Han Sharon (梁穎嫻), one of our joint company secretaries, has been appointed as our agent for the acceptance of service of process in Hong Kong whose correspondence address is the same as our place of business.

As our Company was established in the PRC, our corporate structure and Articles of Association are subject to the relevant laws and regulations of the PRC. A summary of the relevant provisions of our Articles of Association is set out in “Appendix III – Summary of Articles of Association.”

Changes in the Share Capital of Our Company

On April 1, 2016, our Company was incorporated with a registered capital of RMB1,000,000.

The following sets out the changes in the share capital of our Company during the two years immediately preceding the date of this Document:

On November 27, 2023, the registered capital of our Company increased from RMB129,182,478 to RMB135,271,888 by way of share subscription by Hubei High Quality, our Series Cross-over Pre-[REDACTED] Investors and Zhuhai Fuqian.

On December 8, 2023, pursuant to the promoters’ agreement dated December 8, 2023 entered into by all the then Shareholders, all promoters approved the conversion of RMB1,618,411,728.42 in the audited net assets value of our Company as of November 30, 2023 into 300,000,000 Shares of our Company with the registered capital of our Company as RMB300,000,000.

For more details, see “History, Development and Corporate Structure – Establishment and Development of Our Company.” Save as aforesaid, as of the Latest Practicable Date, there had been no alterations of our share capital within the two years preceding the date of this Document.

Changes in the Share Capital of our Subsidiaries

A summary of the corporate information and the particulars of our major subsidiaries are set out in the Accountants’ Report in Appendix I to this Document.

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The following sets out the changes in the share capital of the Company’s subsidiaries during the two years immediately preceding the date of this Document:

On November 17, 2023, the issued share capital of Runying Technology Limited (潤盈科技有限公司) was increased from HK\$1 to HK\$1,000,000.

On November 24, 2023, the issued share capital of HK Light Source Technology Co., Limited (香港通鳴科技有限公司) was increased from HK\$1 to HK\$10,000.

On November 28, 2023, Shenzhen Xunpeng was established in the PRC as an indirectly wholly-owned subsidiary of our Company with registered capital of RMB1,000,000.

On December 22, 2023, the issued share capital of Kaiyu (HK) Technology Co., Limited (香港愷域科技有限公司) (formerly known as HK Tongming Technology Co., Limited (香港太宇科技有限公司)) was increased from HK\$1 to HK\$10,000.

On January 31, 2024, the registered capital of Shenzhen Xunpeng was increased from RMB1,000,000 to RMB2,000,000.

On March 21, 2025, Hangzhou Shusheng was established in the PRC as a wholly-owned subsidiary of our Company with registered capital of RMB1,000,000.

Resolutions of our Shareholders

Pursuant to the Shareholders’ resolutions passed on February 28, 2024 and May 6, 2025, among other things, it was resolved, among others, and the following was approved (subject to the relevant regulatory approval, filing and registration):

- (a) the [REDACTED] by our Company of the H Shares of nominal value of RMB1.00 each and such H Shares being [REDACTED] on the Hong Kong Stock Exchange;
- (b) the number of H Shares to be [REDACTED] shall not be more than [REDACTED]% of the total issued share capital of our Company as enlarged by the [REDACTED], and the grant to the [REDACTED] (or their representatives) of the [REDACTED] of not more than [REDACTED]% of the number of H Shares [REDACTED] pursuant to the [REDACTED];
- (c) upon completion of the [REDACTED], [REDACTED] Unlisted Shares in aggregate will be converted into H Shares on a one-for-one basis;
- (d) subject to the completion of the [REDACTED], the granting of a general mandate to the Board to repurchase H Shares [REDACTED] on the Stock Exchange with an aggregate number of not exceeding [REDACTED]% of the number of the total [REDACTED] H Shares (excluding any treasury shares) as at the date of the resolution granting the general mandate;

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- (e) subject to the completion of the [REDACTED], the granting of a general mandate to the Board to allot, issue Shares, or sell and/or transfer Shares out of treasury that are held as treasury shares at any time within a period up to the date of the conclusion of the next annual general meeting of the Shareholders or the date on which the Shareholders pass a special resolution to revoke or change such mandate, whichever is earlier, upon such terms and conditions and for such purposes and to such persons as the Board in their absolute discretion deem fit, and to make necessary amendments to the Articles of Association, provided that, the number of Shares to be issued shall not exceed 20% of the number of the Shares in issue (excluding any treasury shares) as at the date of the resolution granting the general mandate;
- (f) subject to the completion of the [REDACTED], the adoption of the Articles of Association which shall become effective on the [REDACTED], and authorization to the Board or its authorized individual(s) to amend the Articles of Association in accordance with the requirements of the relevant laws and regulations and the Listing Rules; and
- (g) authorization of the Board or its authorized individual(s) to handle all matters relating to, among other things, the [REDACTED], the [REDACTED] and [REDACTED] of the H Shares.

Explanatory Statement on Repurchase of Our Own Securities

The following paragraphs include, among others, certain information required by the Stock Exchange to be included in this Document concerning the repurchase of our own securities.

(a) Reasons for repurchase

The Board considered that the repurchase of the Shares would be beneficial to and in the best interests of the Company and its Shareholders as a whole. It can strengthen the investors’ confidence in the Company and promote a positive effect on maintaining the Company’s reputation in the capital market. Such repurchases will only be made when the Board believes that such repurchases will benefit the Company and its Shareholder as a whole.

Following a repurchase of Shares, the Company may cancel any repurchased Shares and/or hold them as treasury shares subject to, among others, market conditions and its capital management needs at the relevant time of the repurchases, which may change due to evolving circumstances.

(b) Exercise of the general mandate to repurchase Shares

Subject to the passing of the special resolution approving the grant of the general mandate to repurchase H Shares at annual general meetings, the Board will be granted general mandate to repurchase H Shares until the end of the relevant period. The general mandate to repurchase Shares would expire on the earlier of:

- (i) the conclusion of the next annual general meeting of the Company of which time it shall lapse unless, by special resolutions passed at that meeting, the authority is renewed, either conditionally or subject to conditions; or

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- (ii) the revocation or variation of the mandate under the resolution by a special resolution at any general meeting of the Company.

Furthermore, we need to complete registration and approval procedures with relevant government authorities for the actual grant of the repurchase mandate to the Board, as applicable. The exercise in full of the general mandate to repurchase H Shares (on the basis of [REDACTED] H Shares in [REDACTED] as of the [REDACTED] and no H Shares will be allotted and [REDACTED] or repurchased by the Company on or prior to the date of the next annual general meeting to be held after the [REDACTED]) would result in a maximum of [REDACTED] H Shares being repurchased by the Company during the relevant period, being the maximum of [REDACTED]% of the H Shares in [REDACTED] (excluding any treasury shares) as of the [REDACTED].

(c) Source of funds

In repurchasing its Shares, the Company intends to apply funds from the Company’s internal resources (which may include surplus funds and retained profits) legally available for such purpose in accordance with the Articles of Association and the applicable laws, rules and regulations of the PRC.

The Company is empowered by its Articles of Association to repurchase its Shares. Any shares to be repurchased will be canceled or kept as treasury shares if allowed by the Articles of Association and applicable laws and regulations. The Company may not purchase securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

(d) Suspension of repurchase

A listed company shall not repurchase its shares on the Stock Exchange at any time after inside information has come to its knowledge until the information is made publicly available. In particular, during the period of one month immediately preceding the earlier of: (i) the date of the board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the company’s results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and (ii) the deadline for the issuer to announce its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules), until the date of the results announcement, the company may not repurchase its shares on the Stock Exchange unless there are exceptional circumstances.

(e) Close associates and core connected persons

None of our Directors or, to the best of their knowledge having made all reasonable inquiries, any of their close associates have a present intention, in the event the general mandate to repurchase Shares is approved, to sell any Shares to our Company.

No core connected person of our Company has notified our Company that they have a present intention to sell Shares to our Company, or have undertaken to do so, if the general mandate to repurchase Shares is approved.

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A [REDACTED] company shall not knowingly purchase its shares on the Stock Exchange from a core connected person (namely a director, supervisor, chief executive or substantial shareholder of the company or any of its subsidiaries, or a close associate of any of them), and a core connected person shall not knowingly sell their interest in shares of the company to it.

(f) Status of repurchased Shares

Subject to the Articles of Association, the Listing Rules and any other applicable laws and regulations, the Shares repurchased by the Company will be canceled or kept as treasury shares.

(g) Takeover implications

If, as a result of any repurchase of Shares, a Shareholder’s proportionate interest in the voting rights of our Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of our Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

Save as aforesaid, our Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the general mandate to repurchase Shares.

(h) Interim measures

For any treasury shares of the Company deposited with [REDACTED] pending resale on the Stock Exchange, the Company shall, upon approval by the Board, implement the below interim measures which include (without limitation):

- (i) procuring its broker not to give any instructions to [REDACTED] to vote at general meetings for the treasury shares deposited with [REDACTED];
- (ii) in the case of dividends or distributions (if any and where applicable), withdrawing the treasury shares from [REDACTED], and either re-register them in its own name as treasury shares or cancel them, in each case before the relevant record date for the dividend or distributions; or
- (iii) taking any other measures to ensure that it will not exercise any Shareholders’ rights or receive any entitlements which would otherwise be suspended under the applicable laws if those Shares were registered in its own name as treasury shares.

(i) General

The Company did not hold any treasury shares as of the Latest Practicable Date and will not hold any treasury shares upon [REDACTED].

If the general mandate to repurchase Shares were to be carried out in full at any time, there may be a material and adverse impact on our working capital or gearing position (as compared with the position

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disclosed in our most recent published audited accounts). However, our Directors do not propose to exercise the general mandate to repurchase Shares to such an extent as would have a material and adverse effect on our working capital or gearing position.

Our Directors have undertaken to the Stock Exchange that they will exercise the general mandate to repurchase Shares in accordance with the Listing Rules and the applicable laws in the PRC. Neither the Explanatory Statement on Repurchase of Our Own Securities nor the proposed share repurchase has any unusual feature.

FURTHER INFORMATION ABOUT OUR BUSINESS

Summary of Material Contract

We have entered into the following contract (not being contract entered into in the ordinary course of business) within the two years immediately preceding the date of this Document that is or may be material:

(a) [REDACTED].

Intellectual Property Rights

Trademarks

As of the Latest Practicable Date, we had registered the following trademarks which we consider to be or may be material to our business:

No.	Trademark	Place of Registration	Class	Registration Number	Date of registration	Expiry date
1	迅鵲	China	42	35602487	September 7, 2019	September 6, 2029
2	迅羚	China	41	35608401	September 7, 2019	September 6, 2029
3	迅羚	China	42	35591892	August 21, 2019	August 20, 2029
4	迅鯨	China	9	35599841	September 14, 2019	September 13, 2029
5	迅鵲	China	36	35591880	August 21, 2019	August 20, 2029
6	迅燕	China	41	35585182	August 21, 2019	August 20, 2029
7	迅鵲	China	35	35591866	August 21, 2019	August 20, 2029
8	迅鵲	China	9	35585132	October 28, 2019	October 27, 2029
9	迅燕	China	9	35611071	September 7, 2019	September 6, 2029
10	迅鯨	China	41	35587160	November 7, 2019	November 6, 2029
11	迅鵲	China	41	35585175	August 21, 2019	August 20, 2029
12	迅鵲	China	9	35591856	August 21, 2019	August 20, 2029
13	迅燕	China	35	35595522	August 21, 2019	August 20, 2029
14	迅羚	China	36	35597025	September 14, 2019	September 13, 2029
15	迅鵲	China	41	35608502	September 7, 2019	September 6, 2029
16	迅鵲	China	36	35587151	August 21, 2019	August 20, 2029
17	迅燕	China	42	35602482	August 21, 2019	August 20, 2029
18	迅策科技	China	35	26190683	August 21, 2018	August 20, 2028
19	迅策科技	China	42	26183842	August 21, 2018	August 20, 2028
20	迅策科技	China	36	26202588	August 21, 2018	August 20, 2028

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No.	Trademark	Place of Registration	Class	Registration Number	Date of registration	Expiry date
21	华隐熵策	China	9	63190522	September 7, 2022	September 6, 2032
22	华隐熵策	China	36	63195084	August 28, 2022	August 27, 2032
23	华隐熵策	China	42	63198646	August 28, 2022	August 27, 2032
24	Huace data	China	9	62324247	July 21, 2022	July 20, 2032
25	Huace data	China	36	62313182	July 28, 2022	July 27, 2032
26	Huace data	China	42	62307688	July 21, 2022	July 20, 2032
27		China	42	22494954	September 21, 2018	September 20, 2028
28		China	9	22494800	February 14, 2018	February 13, 2028
29		China	42	22494907	February 14, 2018	February 13, 2028
30		China	42	27694166	October 28, 2018	October 27, 2028
31		Hong Kong	9	306245424	May 17, 2023	May 16, 2030

As of the Latest Practicable Date, we had applied for the following trademarks which we consider to be or may be material to our business:

No.	Trademark	Applicant	Class	Place of application	Application number	Application date
1.	迅策科技	Company	36	China	25452080	July 21, 2017
2.		Company	42	China	25458042	July 21, 2017
3.	迅策科技	Company	35	China	25458010	July 21, 2017
4.		Company	36	China	25459417	July 21, 2017

Patents

Please refer to section headed “Business – Intellectual Property” for our patents registered as of the Latest Practicable Date which we consider to be or may be material to our business.

Copyrights

For details of our software copyrights which we consider to be or may be material to our business, see “Business – Intellectual Property.”

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Domain Name

As of the Latest Practicable Date, we had registered the following internet domain names which we consider to be or may be material to our business:

No.	Domain Name	Owner	Registration Date
1.	xuncetech.cn	Company	September 21, 2016
2.	xunce360.com	Company	September 21, 2016
3.	xuncetech.com	Company	September 21, 2016
4.	xunce360.cn	Company	September 21, 2016
5.	kaiyufound.com	Shanghai Kaiyu	August 20, 2011
6.	quant360.com	Shanghai Kuanrui	October 15, 2015
7.	huacedata.com	Beijing Huayinshangce	August 9, 2021
8.	xunlikeji.com	Shanghai Xunli	March 1, 2022

FURTHER INFORMATION ABOUT OUR DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT AND SUBSTANTIAL SHAREHOLDERS

1. Interests of our Directors, Supervisors and Chief Executive in the Company and Our Associated Corporations

Immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised), so far as our Directors are aware, none of our Directors, Supervisors or chief executive has any interests or short positions in the shares, underlying shares and debentures of our Company or any associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to our Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein or which will be required to be notified to our Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules.

2. Interests of the Substantial Shareholders in the Shares

Save as disclosed in “Substantial Shareholders”, immediately following the completion of the [REDACTED] and without taking into account any H Shares which may be [REDACTED] pursuant to the exercise of the [REDACTED], our Directors are not aware of any other person who will have an interest or short position in our Shares or the underlying Shares which would fall to be disclosed to us and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who is, directly or indirectly, interested in 10% or more of the issued voting shares of our Company.

3. Interests of the Substantial Shareholders in Other Members of Our Group

So far as the Directors are aware, the following persons (other than members of our Group) are entitled to exercise, or control the exercise of, 10% or more of voting power at the general meetings of other members of our Group. For details, see “History, Development and Corporate Structure – Corporate Structure Immediately before Completion of the [REDACTED].”

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Name of subsidiary	Name of shareholder	Approximate percentage of interests in the subsidiary
Shanghai Xunli	Li Xiaofei (李小飛)	30%
Beijing Huayinshangce	Hua Kong Tsing Jiao Information Technology (Beijing) Co., Ltd. (華控清交信息科技(北京)有限公司)	31.04%
Shanghai Kaiyu	Zhou Hailang (周海浪) ⁽¹⁾	45.10%
	Shanghai Kaiyin Information Technology Partnership (Limited Partnership) (上海愷寅信息科技合夥企業(有限合夥))	13.97%
	Shanghai Songyu Information Technology Partnership (Limited Partnership) (上海嵩域信息科技合夥企業(有限合夥))	11.76%
	Shanghai Yukai Information Technology Partnership (Limited Partnership) (上海域愷信息科技合夥企業(有限合夥))	11.03%
Shanghai Kuanrui	Liu Xin (劉鑫) ⁽²⁾	28.52%
	Shanghai Liangjian Technology Partnership (Limited Partnership) (上海量箭科技合夥企業(有限合夥))	11.98%
Shanghai Fangchou	Liu Xin ⁽³⁾	40%
	Shanghai Shupaifang Technology Partnership (Limited Partnership) (上海數派方科技合夥企業(有限合夥))	20%
	Shanghai Kuanjian Technology Partnership (Limited Partnership) (上海寬箭科技合夥企業(有限合夥))	20%
Huace Alpha	Hua Kong Tsing Jiao Information Technology (Beijing) Co., Ltd. (華控清交信息科技(北京)有限公司)	39.32%
Huace Omega	Huang Min (黃民)	16.67%
	Gongqingcheng Sanying Investment Partnership (Limited Partnership)* (共青城三瀛投資合夥企業(有限合夥))	10%

Notes:

- (1) Shanghai Kaiyu is held directly by Zhou Hailang as to 8.35%, who is also the general partner of Shanghai Kaiyin Information Technology Partnership (Limited Partnership), Shanghai Songyu Information Technology Partnership (Limited Partnership) and Shanghai Yukai Information Technology Partnership (Limited Partnership). Therefore, Zhou Hailang is deemed to be interested in the equity interest held by Shanghai Kaiyin Information Technology Partnership (Limited Partnership), Shanghai Songyu Information Technology Partnership (Limited Partnership) and Shanghai Yukai Information Technology Partnership (Limited Partnership).
- (2) Shanghai Kuanrui is held directly by Liu Xin as to 16.54%, who is also the general partner of Shanghai Liangjian Technology Partnership (Limited Partnership). Therefore, Liu Xin is deemed to be interested in the equity interest held by Shanghai Liangjian Technology Partnership (Limited Partnership).
- (3) Liu Xin is the general partner of Shanghai Shupaifang Technology Partnership (Limited Partnership) and Shanghai Kuanjian Technology Partnership (Limited Partnership). Therefore, Liu Xin is deemed to be interested in the equity interest held by Shanghai Shupaifang Technology Partnership (Limited Partnership) and Shanghai Kuanjian Technology Partnership (Limited Partnership).

4. Service Contracts

Our Directors [have entered] into service contracts or appointment letters with our Company. The principal particulars of these service contracts and appointment letters comprise (a) a term of three years which is equivalent to the term of the Board; and (b) termination provisions in accordance with their respective terms. Our Directors may be re-appointed subject to Shareholders' approval. The service contracts and appointment letters can be renewed pursuant to our Articles of Association and applicable rules.

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Each of our Supervisors [has entered] into a contract with our Company. Each contract contains provisions relating to compliance with relevant laws and regulations, observation of our Articles of Association and resolution of disputes by means of arbitration.

Save as disclosed above, we have not entered into, and do not propose to enter into, any service contracts with any of our Directors or Supervisors in their respective capacities as Directors or Supervisors (other than contracts expiring or determinable by the employer within one year without any payment of compensation (other than statutory compensation)).

5. Directors’ and Supervisors’ Remuneration

Save as disclosed in “Directors, Supervisors and Senior Management” and “Appendix I — Accountants’ Report — Notes to The Historical Financial Information — 10. Directors’ and Supervisors’ Remuneration” for the years ended December 31, 2022, 2023, 2024 and the six months ended June 30, 2025, none of our Directors or Supervisors received other remunerations or benefits in kind from us.

6. Disclaimers

Save as disclosed in this Document:

- (a) save as disclosed in “History, Development and Corporate Structure,” none of our Directors or Supervisors has any direct or indirect interest in the promotion of our Company, or in any assets which have within the two years immediately preceding the date of this Document been acquired or disposed of by or leased to any member of our Group, or are proposed to be acquired or disposed of by or leased to any member of our Group;
- (b) without taking into account any H Shares which may be taken up under the [REDACTED], none of our Directors is aware of any person (not being a Director, Supervisor or chief executive of our Company) who will, immediately following completion of the [REDACTED] and the conversion of Unlisted Shares into H Shares, be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at Shareholders’ meetings of any member of our Group;
- (c) none of our Directors, their respective close associates (as defined under the Listing Rules) or Shareholders who own more than 5% of the number of issued shares of our Company have any interests in the five largest customers or the five largest suppliers of our Group; and
- (d) none of our Directors or Supervisors is materially interested in any contract or arrangement subsisting at the date of this Document which is significant in relation to the business of our Group taken as a whole.

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OTHER INFORMATION

Estate Duty

Our Directors have been advised that no material liability for estate duty is likely to fall on our Company or our subsidiary under the laws of the PRC.

Litigation

As of the Latest Practicable Date, no member of our Group was involved in any litigation, arbitration, administrative proceedings or claims of material importance, and, so far as we are aware, no litigation, arbitration, administrative proceedings or claims of material importance are pending or threatened against any member of our Group.

Sole Sponsor

The Sole Sponsor has made an [REDACTED] on our behalf to the Listing Committee for the [REDACTED] of, and permission to deal in, our H Shares. All necessary arrangements have been made to enable the securities to be admitted into [REDACTED].

The Sole Sponsor confirms that it satisfies the independence criteria applicable to sponsors set out in Rule 3A.07 of the Listing Rules. Pursuant to the engagement letter entered into between our Company and the Sole Sponsor, we have agreed to pay the Sole Sponsor a fee of HKD2,000,000 to act as the sponsor of our Company in connection with the proposed [REDACTED] on the Stock Exchange.

Preliminary Expenses

Our Company did not incur any material preliminary expenses.

Qualification of Experts

The qualifications of the experts who have given opinions and/or advice in this Document are as follows:

Name	Qualification
Guotai Junan Capital Limited	Licensed to conduct Type 6 (advising on corporate finance) regulated activity as defined under SFO
BDO Limited	Certified Public Accountants and Registered Public Interest Entity Auditor
King & Wood Mallesons	PRC legal advisor to our Company
Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.	Industry consultant

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Consents of Experts

Each of the experts referred to in “Qualification of Experts” in this Appendix has given and has not withdrawn its respective written consents to the issue of this Document with the inclusion of their certificates, letters, opinions or reports and the references to its names included herein in the form and context in which it is respectively included.

None of the experts named above has any shareholding interest in our Company or any of our subsidiaries or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

Compliance Adviser

We have appointed Somerley Capital Limited as our Compliance Adviser upon the [REDACTED] in compliance with Rule 3A.19 of the Hong Kong Listing Rules.

Taxation of Holders of H Shares

The sale, purchase and transfer of H Shares registered with our Hong Kong branch register of members will be subject to Hong Kong stamp duty. The current rate charged on each of the purchaser and seller is 0.1% of the consideration of or, if higher, of the fair value of our H Shares being sold or transferred.

No Material Adverse Change

Save as disclosed in the “Summary — Recent Development and No Material Adverse Change” and “Financial Information — No Material Adverse Change” to this Document, our Directors confirm that, as of the date of this Document, there has been no material adverse change in our financial position or prospects since June 30, 2025 and there has been no event that materially and adversely affected the data set out in the accountants’ reports in Appendix I to this Document since June 30, 2025.

Binding Effect

This Document shall have the effect, if any [REDACTED] is made pursuant hereto, of rendering all persons concerned bound by all the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

Miscellaneous

Save as disclosed in this Document:

- (a) within the two years preceding the date of this Document: (i) we have not issued nor agreed to issue any share or loan capital fully or partly paid either for cash or for a consideration other than cash; and (ii) no commissions, discounts, brokerage fee or other special terms have been granted in connection with the issue or sale of any shares of our Company;

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- (b) no share or loan capital of our Company is under option or is agreed conditionally or unconditionally to be put under option;
- (c) we have not issued nor agreed to issue any founder shares, management shares or deferred shares;
- (d) there are no arrangements under which future dividends are waived or agreed to be waived;
- (e) there are no procedures for the exercise of any right of pre-emption or transferability of subscription rights;
- (f) there are no contracts for hire or hire purchase of plant to or by us for a period of over one year which are substantial in relation to our business;
- (g) there have been no interruptions in our business which may have or have had a significant effect on our financial position in the last 12 months;
- (h) there are no restrictions affecting the remittance of profits or repatriation of capital by us into Hong Kong from outside Hong Kong;
- (i) no part of the equity or debt securities of our Company, if any, is currently [REDACTED] on or dealt in on any stock exchange or [REDACTED] system, and no such [REDACTED] or permission to [REDACTED] on any stock exchange other than the Hong Kong Stock Exchange is currently being or agreed to be sought;
- (j) our Company has no outstanding convertible debt securities or debentures;
- (k) our Company is a joint stock limited company and is subject to the PRC Company Law; and
- (l) our Company has adopted a code of conduct regarding Directors’ and Supervisors’ securities transactions on terms as required under the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Hong Kong Listing Rules.

Bilingual Document

The English language and Chinese language versions of this Document are being published separately, in reliance upon the exemption provided by section 4 of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

Promoters

The promoters of our Company are all of the 39 then shareholders of our Company as at December 8, 2023 before our conversion into a joint stock limited liability company. Save as disclosed in this Document, within the two years immediately preceding the date of this Document, no cash, securities or benefit has been paid, allotted or given, or is proposed to be paid, allotted or given to the promoters named above in connection with the [REDACTED] or the related transactions described in this Document.

APPENDIX V

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG AND AVAILABLE ON DISPLAY

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

The documents attached to the copy of this Document delivered to the Registrar of Companies in Hong Kong for registration were:

- (a) the written consents referred to in “Appendix IV – Statutory and General Information – Other Information – Consents of Experts”; and
- (b) a copy of [each of] the material contracts referred to in “Appendix IV – Statutory and General Information – Further Information about our Business – Summary of Material Contract.”

DOCUMENTS AVAILABLE ON DISPLAY

Copies of the following documents will be available on display on the website of the Stock Exchange at www.hkexnews.hk and our website at www.xuncetech.com during a period of 14 days from the date of this Document:

- (a) the Articles of Association;
- (b) the Accountants’ Report prepared by BDO Limited, the text of which is set forth in Appendix I to this Document;
- (c) the audited consolidated financial statements of our Group for the years ended December 31, 2022, 2023, 2024 and the six months ended June 30, 2025;
- (d) the report prepared by BDO Limited on the unaudited [REDACTED] financial information of our Group as at June 30, 2025, the text of which is set forth in Appendix II to this Document;
- (e) the material contracts in “Appendix IV – Statutory and General Information – Further Information about our Business – Summary of Material Contract”;
- (f) the written consents referred to in “Appendix IV – Statutory and General Information – Other Information – Consents of Experts”;
- (g) the service contracts referred to in “Appendix IV – Statutory and General Information – Further Information about our Directors, Supervisors, Senior Management and Substantial Shareholders – 4. Service Contracts”;
- (h) the legal opinions issued by King & Wood Mallesons, our PRC Legal Advisor, in respect of, among other things, the general matters and property interests of our Group under the PRC law;
- (i) the industry report issued by Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.; and
- (j) a copy of the PRC Company Law, the PRC Securities Law and the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies, together with unofficial English translations thereof.