聚水潭

聚水潭集團股份有限公司

JST Group Corporation Limited

(A company incorporated in the Cayman Islands with limited liability)

Stock Code : 6687

GLOBAL OFFERING

Joint Sponsors, Overall Coordinators, Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers

CICC 中金公司

J.P.Morgan

(in alphabetical order)

Joint Bookrunner and Joint Lead Manager

富途證券

Important: *If you have doubt about any of the contents in this Prospectus, you should obtain independent professional advice.*

聚水潭

JST Group Corporation Limited
聚水潭集團股份有限公司

(A company incorporated in the Cayman Islands with limited liability)

GLOBAL OFFERING

Number of Offer Shares under the Global Offering	**:**	**68,166,200 Offer Shares (subject to the Offer Size Adjustment Option and the Over-allotment Option)**
Number of Hong Kong Offer Shares	**:**	**6,816,700 Offer Shares (subject to reallocation and the Offer Size Adjustment Option)**
Number of International Offer Shares	**:**	**61,349,500 Offer Shares (subject to reallocation, the Offer Size Adjustment Option and the Over-allotment Option)**
Offer Price	**:**	**HK$30.60 per Offer Share, plus brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015% (payable in full on application in Hong Kong dollars, subject to refund)**
Nominal value	**:**	**US$0.0001 per Share**
Stock code	**:**	**6687**

Joint Sponsors, Overall Coordinators, Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers

CICC 中金公司 J.P.Morgan

(in alphabetical order)

Joint Bookrunner and Joint Lead Manager

富途證券

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this Prospectus, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Prospectus.

A copy of this Prospectus, having attached thereto the documents specified in the section headed "Appendix V—Documents Delivered to the Registrar of Companies in Hong Kong and Available on Display", has been registered by the Registrar of Companies in Hong Kong as required by section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Securities and Futures Commission and the Registrar of Companies in Hong Kong take no responsibility for the contents of this Prospectus or any other document referred to above.

The Offer Price will be HK$30.60 per Offer Share. Applicants for Hong Kong Offer Shares are required to pay, on application (subject to the application channel), the Offer Price of HK$30.60 for each Hong Kong Offer Share together with brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.00565%.

The Offer Shares 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 offered, sold, pledged, or transferred within the United States, except that Offer Shares may be offered, sold or delivered to QIBs in reliance on an exemption from registration under the U.S. Securities Act provided by, and in accordance with the restrictions of, Rule 144A or another exemption from the registration requirements of the U.S. Securities Act. The Offer Shares may be offered, sold or delivered outside of the United States in offshore transactions in accordance with Regulation S.

Prior to making an investment decision, prospective investors should consider carefully all of the information set out in this Prospectus, including the risk factors set out in the section headed "Risk Factors".

The Overall Coordinators (for themselves and on behalf of the Underwriters) may, with our consent, reduce the number of Offer Shares being offered under the Global Offering and/or the Offer Price stated in this Prospectus at any time on or prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such a case, an announcement will be published on the websites of the Stock Exchange at www.hkexnews.hk and our Company at jushuitan.com and the offer will be canceled and relaunched at the revised number of Offer Shares and/or the revised Offer Price in accordance with the requirements under Rule 11.13 of the Listing Rules (which include the issue of a supplemental prospectus or a new prospectus (as appropriate)), as soon as practicable following the decision to make such reduction, and in any event we will announce the decision to make such reduction not later than the morning of the day which is the last day for lodging applications under the Hong Kong Public Offering. Details of the arrangement will then be announced by us as soon as practicable. For further information, see "Structure of the Global Offering" and "How to Apply for Hong Kong Offer Shares".

The obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement are subject to termination by the Joint Global Coordinators and the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) if certain grounds arise prior to 8:00 a.m. on the Listing Date. See "Underwriting—Underwriting Arrangements and Expenses – Hong Kong Public Offering – Grounds for Termination."

ATTENTION

We have adopted a fully electronic application process for the Hong Kong Public Offering. We will not provide printed copies of this prospectus to the public in relation to the Hong Kong Public Offering.

This prospectus is available at the website of the Stock Exchange at **www.hkexnews.hk** and our website at **jushuitan.com**. If you require a printed copy of this prospectus, you may download and print from the website addresses above.

October 13, 2025

IMPORTANT NOTICE TO INVESTORS:
FULLY ELECTRONIC APPLICATION PROCESS

We have adopted a fully electronic application process for the Hong Kong Public Offering. We will not provide printed copies of this prospectus to the public in relation to the Hong Kong Public Offering.

This prospectus is available at the website of the Stock Exchange at www.hkexnews.hk under the "*HKEXnews > New Listings > New Listing Information*" section, and our website at jushuitan.com. If you require a printed copy of this prospectus, you may download and print from the website addresses above.

To apply for the Hong Kong Offer Shares, you may:

(1) **apply online via the White Form eIPO** service or at **www.eipo.com.hk**; or

(2) apply electronically through the **HKSCC EIPO** channel and cause HKSCC Nominees to apply on your behalf by instructing your broker or custodian who is a HKSCC Participant to give electronic application instructions via HKSCC's FINI system to apply for the Hong Kong Offer Shares on your behalf.

We will not provide any physical channels to accept any application for the Hong Kong Offer Shares by the public. The contents of this Prospectus are identical to the Prospectus as registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

If you are an intermediary, **broker** or **agent**, please remind your customers, clients or principals, as applicable, that this prospectus is available online at the website addresses above.

Please refer to the section headed "How to Apply for Hong Kong Offer Shares" in this prospectus for further details of the procedures through which you can apply for the Hong Kong Offer Shares electronically.

Your application through the **White Form eIPO** service or the **HKSCC EIPO** channel service must be for a minimum of 100 Hong Kong Offer Shares and in one of the numbers set out in the table.

If you are applying through the **White Form eIPO** service, you may refer to the table below for the amount payable for the number of Shares you have selected. You must pay the respective amount payable on application in full upon application for Hong Kong Offer Shares.

If you are applying through the **HKSCC EIPO** channel, your broker or custodian may require you to pre-fund your application in such amount as determined by the broker or custodian, based on the applicable laws and regulations in Hong Kong. You are responsible for complying with any such pre-funding requirement imposed by your broker or custodian with respect to the Hong Kong Offer Shares you applied for.

JST Group Corporation Limited
(HK$30.60 per Hong Kong Offer Share)
NUMBER OF HONG KONG OFFER SHARES THAT MAY BE APPLIED FOR AND PAYMENTS

No. of Hong Kong Offer Shares applied for	Amount payable(2) on application	No. of Hong Kong Offer Shares applied for	Amount payable(2) on application	No. of Hong Kong Offer Shares applied for	Amount payable(2) on application	No. of Hong Kong Offer Shares applied for	Amount payable(2) on application
	HK$		*HK$*		*HK$*		*HK$*
100	3,090.85	1,500	46,362.90	8,000	247,268.81	90,000	2,781,774.09
200	6,181.73	2,000	61,817.20	9,000	278,177.41	100,000	3,090,860.10
300	9,272.58	2,500	77,271.50	10,000	309,086.01	200,000	6,181,720.20
400	12,363.44	3,000	92,725.81	20,000	618,172.02	300,000	9,272,580.30
500	15,454.29	3,500	108,180.10	30,000	927,258.04	400,000	12,363,440.40
600	18,545.17	4,000	123,634.40	40,000	1,236,344.05	500,000	15,454,300.50
700	21,636.02	4,500	139,088.71	50,000	1,545,430.06	1,000,000	30,908,601.00
800	24,726.88	5,000	154,543.00	60,000	1,854,516.05	1,500,000	46,362,901.50
900	27,817.74	6,000	185,451.61	70,000	2,163,602.06	2,000,000	61,817,202.00
1,000	30,908.61	7,000	216,360.20	80,000	2,472,688.08	3,408,300(1)	105,345,784.79

(1) Maximum number of Hong Kong Offer Share you may apply for.

(2) The amount payable is inclusive of brokerage, SFC transaction levy, the Stock Exchange trading fee and AFRC transaction levy. If your application is successful, brokerage will be paid to the Exchange Participants (as defined in the Listing Rules) and the SFC transaction levy, the Stock Exchange trading fee and AFRC transaction levy are paid to the Stock Exchange (in the case of the SFC transaction levy and in the case of the AFRC transaction levy, collected by the Stock Exchange on behalf of the SFC and the AFRC respectively).

No application for any other number of the Hong Kong Offer Shares will be considered and any such application is liable to be rejected.

If there is any change in the following expected timetable of the Hong Kong Public Offering, we will issue an announcement in Hong Kong to be published on the websites of the Stock Exchange at www.hkexnews.hk and our Company at jushuitan.com.

Hong Kong Public Offering commences	9:00 a.m. on Monday, October 13, 2025
Latest time for completing electronic applications under the **White Form eIPO** service through the designated website at **www.eipo.com.hk**[2]	11:30 a.m. on Thursday, October 16, 2025
Application lists for the Hong Kong Public Offering open[3]	11:45 a.m. on Thursday, October 16, 2025
Latest time for (a) completing payment for the **White Form eIPO** applications by effecting internet banking transfer(s) or PPS payment transfer(s) and (b) giving **electronic application instructions to HKSCC**[4]	12:00 noon on Thursday, October 16, 2025

If you are instructing your broker or custodian who is a HKSCC Participant to give **electronic application instructions** via FINI to apply for the Hong Kong Offer Shares on your behalf, you are advised to contact your broker or custodian for the earliest and latest time for giving such instructions which may be different from the latest time as stated above, as this may vary by broker or custodian.

Application lists close[3]	12:00 noon on Thursday, October 16, 2025

Announcement of the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocations of the Hong Kong Offer Shares to be published on the website of our Company at **jushuitan.com** and the website of the Stock Exchange at **www.hkexnews.hk** no later than 11:00 p.m. on[5] . . . . .Monday, October 20, 2025

Results of allocations in the Hong Kong Public Offering (with successful applicants' identification document numbers, where appropriate) to be available through a variety of channels, including:

* in the announcement to be posted on our website at **jushuitan.com** and the website of the Stock Exchange at **www.hkexnews.hk**, respectively . . . . .no later than 11:00 p.m. on Monday, October 20, 2025

* from the designated results of allocations website at **www.iporesults.com.hk** (alternatively: **www.eipo.com.hk/eIPOAllotment**) with a "search by ID" function from . . . . .11:00 p.m. on Monday, October 20, 2025 to 12:00 midnight on Sunday, October 26, 2025

* from the allocation results telephone enquiry by calling +852 2862 8555 between 9:00 a.m. and 6:00 p.m. on . . . . Tuesday, October 21, 2025, Wednesday, October 22, 2025, Thursday, October 23, 2025 and Friday, October 24, 2025

Despatch of Share certificates in respect of wholly or partially successful applications, or deposit of Share certificate into CCASS, on or before[6] . . . . .Monday, October 20, 2025

Despatch of **White Form** e-Refund payment instructions and refund cheques on or before[7] . . . . .Tuesday, October 21, 2025

Dealings in the Shares on the Stock Exchange expected to commence at . . . . .9:00 a.m. on Tuesday, October 21, 2025

Notes:

(1) All dates and times refer to Hong Kong dates and times.

(2) You will not be permitted to submit your application under the **White Form eIPO** service through the designated website at **www.eipo.com.hk** after 11:30 a.m. on the last day for submitting applications. If you have already submitted your application and obtained an application reference number the designated website prior to 11:30 a.m., you will be permitted to continue the application process (by completing payment of the application monies) until 12:00 noon on the last day for submitting applications, when the application lists close.

(3) If there is a "black" rainstorm warning signal, a tropical cyclone warning signal number 8 or above, and/or Extreme Conditions in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Thursday, October 16, 2025, the application lists will not open and close on that day. See the section headed "How to Apply for Hong Kong Offer Shares—E. Severe Weather Arrangements" in this Prospectus.

(4) Applicants who apply for Hong Kong Offer Shares by giving electronic application instructions to HKSCC via FINI System should refer to the section headed "How to Apply for Hong Kong Offer Shares—A. Application for Hong Kong Offer Shares—2. Application Channels" in this Prospectus.

(5) None of the websites or any of the information contained on the websites forms part of this Prospectus.

(6) The Share certificates will only become valid evidence of title at 8:00 a.m. on the Listing Date, which is expected to be Tuesday, October 21, 2025, provided that the Global Offering has become unconditional in all respects at or before that time. Investors who trade Shares on the basis of publicly available allocation details or prior to the receipt of the Share certificates or prior to the Share certificates becoming valid do so entirely at their own risk.

(7) **White Form** e-Refund payment instructions/refund checks will be issued in respect of wholly or partially unsuccessful applications pursuant to the Hong Kong Public Offering.

The above expected timetable is a summary only. For details of the structure of the Global Offering, including its conditions, and the procedures for applications for Hong Kong Offer Shares, see "Structure of the Global Offering" and "How to Apply for Hong Kong Offer Shares", respectively.

If the Global Offering does not become unconditional or is terminated in accordance with its terms, the Global Offering will not proceed. In such a case, our Company will make an announcement as soon as practicable thereafter.

IMPORTANT NOTICE TO INVESTORS

This Prospectus is issued by us solely in connection with the Hong Kong Public Offering and does not constitute an offer to sell or a solicitation of an offer to buy any security other than the Hong Kong Offer Shares offered by this Prospectus pursuant to the Hong Kong Public Offering. This Prospectus may not be used for the purpose of, and does not constitute, an offer or a solicitation of an offer to subscribe for or buy, any security in any other jurisdiction or in any other circumstances. No action has been taken to permit a public offering of the Offer Shares or the publication of this Prospectus in any jurisdiction other than Hong Kong. The publication of this Prospectus and the offering and sale of the Offer Shares 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 Prospectus to make your investment decision. We have not authorized anyone to provide you with information that is different from what is contained in this Prospectus. Any information or representation not made in this Prospectus must not be relied on by you as having been authorized by us, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, any of the Underwriters, any of our or their respective directors, officers or representatives, or any other person or party involved in the Global Offering.

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

There are risks associated with any investment. Some of the particular risks in investing in our Shares are set out in the section headed "Risk Factors" in this Prospectus. You should read that section carefully before you decide to invest in our Shares.

Various expressions used in this section are defined in the sections headed "Definitions" and "Glossary of Technical Terms" in this Prospectus.

WHO WE ARE

Jushuitan (聚水潭) is China's largest e-commerce SaaS ERP provider in terms of relevant revenue in 2024, with a market share of 24.4%, exceeding the combined market share of the second through the fifth largest players, according to CIC. The size of the e-commerce SaaS ERP market in China in terms of merchant spending was RMB3.1 billion in 2024, according to CIC. We also ranked first in China's e-commerce operation SaaS market in terms of total SaaS revenue in 2024 with a market share of 8.7%. In addition, we are China's second largest e-commerce SaaS provider in terms of relevant revenue in 2024, taking up 7.1% of the market share, according to CIC. The e-commerce SaaS market in China consists of (i) e-commerce operation SaaS, and (ii) online store set-up and management SaaS. E-commerce operation SaaS market in China mainly encompasses (i) ERP, (ii) CRM, (iii) sales and marketing management, and (iv) others, such as data analytics, human capital management and financial management. For details, please see "Industry Overview – E-Commerce SaaS Market in China."

Leveraging the industry insights we accumulated in the past over 25 years by our founder, we have developed cloud-based e-commerce SaaS products, and are able to facilitate the connection of merchants with over 400 e-commerce platforms in China and across the world, as compared to an industry average of less than 200 e-commerce platforms according to CIC. Our offerings provide customers of different kinds and sizes a unified and intuitive way to monitor, operate and manage their businesses, and make data-driven intelligent decisions that help them excel in the fast-evolving e-commerce industry. In 2024, we served 88.4 thousand SaaS customers across various categories, as compared to an industry average of less than 20 thousand customers in 2024, according to CIC. In 2024, our net dollar retention rate was 115%.

Our operations are supported by a technology infrastructure that ensures our products stay reliable under large spikes in traffic. For instance, we successfully processed approximately 1.6 billion orders during the Double 11 Festival in 2024, an industry-leading record and powerful testament to the robustness of our technology infrastructure. We have also built a development platform with a scalable architecture and rich development toolkits for our engineers to facilitate timely launch and iteration of our products. We are able to embrace the latest industry trends, meet diverse needs under varied scenarios and maintain our leadership.

We have built a nationwide customer service network, which consists of our sales personnel, implementation engineers, and after-sales service team. We believe that our customer service network is a core competence to effectively acquire and retain customers, leading to long-term customer relationships and increasing operating productivity. Through the combination of our sales and marketing efforts and word-of-mouth referrals from customers, we believe that we are well positioned to expand sustainably and acquire new customers efficiently. Meanwhile, our customer service network enables us to cross-sell additional products and services to our customers. In 2022, 2023, 2024 and the six months ended June 30, 2025, our customers that purchased two or more of Jushuitan products contributed 30.6%, 33.0%, 37.7% and 39.3% of our total SaaS revenue for the same periods, respectively.

We offer a broad range of SaaS products and services in one-stop, helping our customers seamlessly upgrade capabilities, improve performance and grow their cross-platform businesses, while greatly reducing installation and operation costs.

- *Jushuitan ERP* is our cornerstone SaaS product, serving the core demands of merchants associated with their fulfillment of e-commerce orders across major platforms. Our *Jushuitan ERP* is designed for simplicity and ease of use. Merchants can easily integrate, synchronize and coordinate all of their stores, orders, products, inventories, and other operating or financial data from various platforms through *Jushuitan ERP*, enjoying a streamlined cross-platform commerce experience. Key features that our *Jushuitan ERP* provides include (i) Order Management System (“OMS”), which enables real-time synchronization and centralized management of orders across multiple shops on e-commerce platforms, (ii) Warehousing Management System (“WMS”), which visualizes the warehousing management process by providing real-time stock and logistics information, (iii) Procurement Management System (“PMS”), which helps merchants to optimize their procurement management by connecting manufacturers, suppliers and merchants in one system, and (iv) Distribution Management System (“DMS”), which enables centralized management of orders from different channels – direct sales, online distribution and offline distribution. According to CIC, *Jushuitan ERP* has become the most popular e-commerce SaaS ERP brand among Chinese merchants.

- With ERP at the core, we have further expanded product and service offerings to include other e-commerce operation SaaS products, and became a one-stop e-commerce SaaS provider. Our comprehensive SaaS tools serve various needs of e-commerce participants to equip them with financial accounting, management reporting and analytics, workflow management, and wholesale market procurement, among others. For example, our Jushengsuan automatically prepares daily, weekly, monthly, quarterly and annual financial statements for merchants, which cover various types of costs and expenses in e-commerce businesses. With our products, they are better equipped in coordinating internal resources and collaborating with external partners, including suppliers, distributors, logistics and warehousing service providers.

Our business has experienced rapid growth along with the success of our customers. Our total revenue and ARR reached RMB909.8 million and RMB1,098.1 million in 2024, respectively, each representing a CAGR of 31.9% and 33.6% from 2022 to 2024. Our core business and financial performance are shown in the following chart:

Note: (1) in China's e-commerce SaaS ERP sector and in terms of revenue.

OUR MARKET OPPORTUNITY

The e-commerce market in China has witnessed significant advancement and has been evolving rapidly. According to CIC, in 2024, the number of e-commerce merchants has exceeded 27 million and online retail sales of physical goods has reached RMB13.9 trillion, representing 28.4% of total consumption in China. With the increasing diversification of e-commerce platforms and emergence of innovative business models, more than half of China's merchants now run their businesses across multiple platforms.

However, cross-platform operations without integrated software products can be chaotic and inefficient.

- Merchants and other participants may have to log into multiple independent systems to manage their large volumes of SKUs and orders, creating an unsmooth and fragmented operation experience. Additionally, merchants often lack a tool for centralized and real-time management of orders, stock information and after-sales services.

- China's e-commerce industry landscape is extremely scattered with a large number of players participating in each part, such as e-commerce suppliers, merchants, and third-party logistics and warehousing service providers. Most participants often utilize disparate management software, making it difficult to interconnect and share data between themselves, and therefore compromising overall efficiencies.

Integrated cloud-based solutions thus became critical in helping e-commerce merchants streamline their operations and form a whole picture of their cross-platform business. As of June 30, 2025, Jushuitan e-commerce SaaS has connected with over 400 e-commerce platforms in China and across the world, representing one of the broadest platform coverages in the e-commerce SaaS industry in China, according to CIC. When using our products, merchants establish connectivity of their online stores on each e-commerce platform to our ERP products. As a result, merchants can easily integrate, synchronize and coordinate all of their online stores, orders, products, inventories, and other operating or financial information from various e-commerce platforms in one place, enjoying a streamlined cross-platform commerce management experience.

Merchants in China's e-commerce market are increasingly willing to pay for digital solutions that can help their e-stores thrive and succeed. According to CIC, Chinese e-commerce merchants' IT spending reached a total of RMB137.7 billion in 2024, which is expected to further grow to RMB252.9 billion by 2029. According to CIC, the penetration rate of e-commerce SaaS ERP among these merchants was at a relatively low level of 1.6% in 2024 and is expected to grow steadily. We believe there are extensive opportunities for us to increase the penetration of our e-commerce SaaS products among the diverse base of e-commerce merchants, and our current customer base only represents a small proportion of our target customers.

Our Values to Customers

We strive to provide e-commerce SaaS products that help customers to navigate among the intensified challenges and to expand. As such, *Jushuitan* has cemented its position as the go-to solution for e-commerce merchants in China. In particular, key values that we bring to our customers include:

- ***Choice of Solution for Cross-platform E-Commerce Growth:*** Our integrated e-commerce SaaS products include core e-commerce operation features, robust and secure infrastructure, and analysis and forecasting tools. We are able to fulfill e-commerce business across e-commerce platforms for customers in one-stop, helping them quickly seize opportunities such as live-streaming e-commerce and fostering their scaling up;

- ***Flexibility and Simplicity for Efficient Operation:*** Our SaaS products are fully cloud-based and are easy-to-use in nature, greatly reducing the upfront or local installation costs and automatically upgrading day-to-day operation capabilities for customers. Our products provide real-time stock and logistics information, and is able to automatically generate procurement plans advising both procurement timing and quantities. In addition, we provide real-time synchronization and centralized management of orders across multiple shops on e-commerce platforms for merchants to better manage their orders. As a result, we are able to help customers significantly reduce the risk of stock-outs, minimize overstocking, and improve the accuracy and efficiency of order management;

- ***Enabling Customers' Long-Term Success:*** We have built a responsive and extensible customer service network of over 2,000 experienced experts, consisting of sales personnel, engineers and after-sale service teams. With our nationwide coverage, our success network helps customers find the best-suited products for their needs, provides hands-on product training, system debugging and solutions for complex use cases, and offers prompt after-sale service; and

- ***Connection to a Wide Group of Industrial Partners:*** We have connected our customers with various industrial partners to form a close and cohesive network. As of June 30, 2025, *Jushuitan* e-commerce SaaS has connected with over 400 e-commerce platforms in China and across the world, as well as over 800 global logistics and warehousing service providers. Through introducing a wide group of industrial partners to our customers, we also form a self-reinforcing, win-win collaboration for the industry that greatly contributes to our customers' sustainable growth.

OUR OFFERINGS

We offer cloud-based SaaS products, providing our customers with an extensive, unified and intuitive way to monitor, operate and manage their businesses in the fast-evolving e-commerce industry. Our comprehensive offerings primarily include: (i) e-commerce SaaS ERP products, and (ii) other e-commerce operation SaaS products. In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, our revenue generated from e-commerce SaaS ERP products amounted to RMB457.1 million, RMB600.3 million, RMB765.0 million, RMB357.1 million and RMB427.9 million, respectively, accounting for 87.4%, 86.1%, 84.0%, 84.7% and 81.7% of our total revenues in the same periods, respectively. In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, our revenue generated from other e-commerce operation SaaS products amounted to RMB40.8 million, RMB69.6 million, RMB112.5 million, RMB49.5 million and RMB78.6 million, respectively, accounting for 7.8%, 10.0%, 12.4%, 11.8% and 15.0% of our total revenues in the same periods, respectively.

The following chart sets forth the core product matrix of our SaaS products:

Products	Key features	Fee model
Jushuitan ERP – Enterprise version	• Order Management System ("OMS") • Warehousing Management System ("WMS") • Procurement Management System ("PMS") • Distribution Management System ("DMS") • On-site deployment and other value-added services and online supports	Charged either (i) on an annual subscription basis or (ii) based on the number of orders processed on the products
Jushuitan ERP – Professional version	• Order Management System ("OMS") • Procurement Management System ("PMS") • Distribution Management System ("DMS") • Initial on-site deployment services and online support	Charged on an annual subscription basis
Jushengsuan	• Management reporting and analytics	Charged on an annual subscription basis
Other products	• Financial accounting • Workflow management • Wholesale market procurement management	Charged on an annual subscription basis

The following table sets forth a breakdown of our revenue and gross profit margin by product category:

	For the Year Ended December 31,									For the six months ended June 30,					
	2022			2023			2024			2024			2025		
	Revenue	Percentage of total revenue (%)	Gross profit margin (%)	Revenue	Percentage of total revenue (%)	Gross profit margin (%)	Revenue	Percentage of total revenue (%)	Gross profit margin (%)	Revenue	Percentage of total revenue (%)	Gross profit margin (%)	Revenue	Percentage of total revenue (%)	Gross profit margin (%)
										(unaudited)					
	(RMB in thousands, except for percentages)														
SaaS	497,935	95.2	53.3	669,874	96.1	63.4	877,530	96.4	69.9	406,581	96.5	68.1	506,535	96.7	73.2
Sales of supportive equipment	17,697	3.4	25.8	17,813	2.6	27.5	18,002	2.0	33.6	9,582	2.3	35.3	7,931	1.5	29.0
Promotion service fees	6,998	1.3	46.6	8,746	1.3	52.5	13,596	1.5	71.3	4,173	1.0	49.5	8,387	1.6	81.2
Others	448	0.1	65.8	758	0.1	59.9	622	0.1	62.8	637	0.2	79.3	789	0.2	67.5
Total	**523,078**	**100.0**	**52.3**	**697,191**	**100.0**	**62.3**	**909,750**	**100.0**	**68.5**	**420,973**	**100.0**	**66.4**	**523,642**	**100.0**	**71.8**

In addition to SaaS products, we also generated revenue from: (i) sales of supportive equipment, which consisted of a range of e-commerce supportive equipment, such as PDAs; (ii) promotion service fees, which consisted of commissions we charged for the promotion services provided by our sales force for products of other companies; and (iii) others, which mainly include warehousing consulting services, materials used in implementation and short message services that we have strategically suspended in 2022.

The following table sets forth a breakdown of our SaaS revenue by fee model:

	For the Year Ended December 31,						For the six months ended June 30,			
	2022		*2023*		*2024*		*2024*		*2025*	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*
							(unaudited)			
	(in thousands, except for percentages)									
By annual subscription	256,393	51.5	376,683	56.2	544,896	62.1	249,246	61.3	317,705	62.7
By volume of orders processed	235,408	47.3	285,073	42.6	323,222	36.8	152,915	37.6	173,929	34.4
Others*	6,134	1.2	8,118	1.2	9,412	1.1	4,420	1.1	14,901	2.9
Total	**497,935**	**100.0**	**669,874**	**100.0**	**877,530**	**100.0**	**406,581**	**100.0**	**506,535**	**100.0**

* Primarily refers to the insignificant SaaS revenue generated from customization services that we provide based on our standard SaaS products to SaaS customers catering to their specific needs. Such revenue was recognized over time.

For details, see "Business—Our Offerings."

KEY OPERATING METRICS AND FINANCIAL RATIO

The following table sets forth certain of our key operating metrics for the periods indicated. These operating metrics are commonly adopted in our industry, and the calculation methodology relating to these operating metrics is consistent with the industry norm.

	For the Year Ended December 31,			For the six months ended June 30,	
	2022	2023	2024	2024	2025
Total SaaS Customers (in thousands)	45.7	62.2	88.4	66.1	92.6
Total SaaS Billings (RMB in thousands)(1)	740,713	1,047,516	1,301,692	598,961	698,692
Including:					
Charged by volume of order processed	331,195	447,525	479,263	218,592	225,708
Charged by subscription					
With a subscription period shorter than 2 years	221,599	322,328	438,473	222,542	241,074
With a subscription period of 2 years or longer	187,919	277,663	383,956	157,827	231,910
Accumulated SaaS Billings (RMB in thousands)(2)	1,825,998	2,333,652	2,906,177	2,203,446	2,653,658
Including:					
Accumulated SaaS billings charged by subscription	673,780	979,687	1,401,285	959,226	1,282,953
Accumulated SaaS billings charged by volume	1,152,218	1,353,965	1,504,892	1,244,220	1,370,705
SaaS Revenue Recognition Rate(3)	27%	29%	30%	18%	19%
Net Dollar Retention Rate(4)	105%	114%	115%	N/A(5)	N/A(5)
Annual Retention Rate(6)	86.5%	86.0%	83.6%	N/A(5)	N/A(5)
Number of Orders Processed (in billions)	16.6	23.8	33.0	14.6	18.2
Monthly Average SaaS Revenue per Customer (RMB in thousands)	0.9	0.9	0.8	1.0	0.9

Notes:

(1) Total Saas billings refer to the total SaaS billings newly recorded in a given year/period.

(2) Accumulated SaaS billings refer to the sum of total amount of billings in a given year/period, and the contract liabilities as of the beginning of such year/period.

(3) SaaS revenue recognition rate is a fraction, the denominator of which is accumulated SaaS billings for a given year/period, and the numerator of which is the amount of SaaS revenue recognized for the same year/period.

(4) A net dollar retention rate above 100% reflects that we have generated increased revenue from the relevant customers retained over such periods.

(5) Net dollar retention rate and annual retention rate for the six months ended June 30, 2024 and 2025 are not applicable as we only evaluate such metrics on an annual basis.

(6) Annual retention rate is a fraction, the denominator of which is the number of total SaaS customers in the previous year of a given year and the numerator of which is the number of total SaaS customers in the previous year of a given year that remained as our customers in the given year.

OUR CUSTOMERS AND SUPPLIERS

With our SaaS products focused on e-commerce industry, our customers are primarily e-commerce merchants across various e-commerce platforms. We have accumulated a broad and solid customer base, which has expanded rapidly since our inception. The total number of our SaaS customers increased throughout the Track Record Period, being 45.7 thousand, 62.2 thousand, 88.4 thousand and 92.6 thousand as of December 31, 2022, 2023, 2024 and June 30, 2025, respectively. During the Track Record Period, we did not have any substantial reliance on any single customer. Our top five customers in each of 2022, 2023, 2024 and the six months ended June 30, 2025 in aggregate only accounted for 1.2%, 1.2%, 1.0% and 1.3% of our total revenues in the respective period. Our largest customer in each of 2022, 2023, 2024 and the six months ended June 30, 2025 accounted for 0.3%, 0.5%, 0.5% and 0.6% of our total revenue for the respective period. For details, see "Business—Customers and Customer Support—Our Customers." We serve a diverse range of merchants across numerous industries. Our current customer base includes merchants of apparel, shoes and bags, home products, food and beverages, sports and entertainment, along with others.

During the Track Record Period, our suppliers primarily include cloud service providers, sales agents and hardware suppliers. Our top five suppliers in each period during the Track Record Period in aggregate accounted for 72.6%, 66.3%, 85.0% and 84.7% of our total purchases in 2022, 2023, 2024 and the six months ended June 30, 2025, respectively. Our largest supplier in each period during the Track Record Period accounted for approximately 39.3%, 36.3%, 50.3% and 51.7% of our total purchases in 2022, 2023, 2024 and the six months ended June 30, 2025, respectively. For details, see "Business—Suppliers and Procurement." Such supplier provides IaaS cloud services on which our SaaS products and related services are premised. We do not believe we have a material reliance on such supplier, because there are sufficient alternative cloud service providers in the market can provide comparable services in a timely manner.

OUR STRENGTHS

We believe the following strengths differentiate us from our competitors:

- Pioneer in China's e-commerce SaaS industry;
- Strong technology and R&D capability;
- Well-established customer service network enabled large and loyal customer base; and
- A management team dedicated to long-term value.

For details, see "Business—Our Strengths."

OUR STRATEGIES

In order to fulfill our mission to empower enterprises to maximize their full potential through collaboration, we propose to implement the following strategies:

- Continue to enhance and expand our product offerings;
- Continue to strengthen the relationships with existing customers and grow our customer base;
- Strengthen our monetization efforts;
- Capture international opportunities; and
- Explore strategic investment opportunities.

For details, see "Business—Our Strategies."

COMPETITION

We face competition from other e-commerce SaaS ERP providers in China. E-commerce SaaS ERP providers compete to acquire market share in many ways, such as acquiring and maintaining more customers, increasing the order processing speed, strengthening the capability to connect to more e-commerce platforms and maintaining high product quality. The principal competitive factors in our industry include e-commerce and ERP industry know-how, advanced and user-friendly product offerings, expansion of solutions and features, technical capabilities, sales and marketing capabilities, implementation and customer service and industry-wide coordination. We believe we are well-positioned to compete effectively on the basis of the foregoing factors.

We are the largest e-commerce SaaS ERP provider in China in terms of relevant revenue in 2024, taking up to 24.4% of the market share, exceeding the combined market share of the second through the fifth largest players, according to CIC. E-commerce SaaS ERP is a fast-growing sector in the whole e-commerce SaaS market, taking up 24.3% of market shares in 2024 and is expected to take up 28.6% of market in 2029. We are also China's second largest e-commerce SaaS provider in terms of relevant revenue in 2024, taking up 7.1% of the market share. Nevertheless, some of our existing or future competitors may have longer operating histories, larger customer bases, greater name recognition and broader global footprint as well as greater financial, technical and other resources. Moreover, as our business grows, we may also compete with other e-commerce operation SaaS providers. See "Risk Factors—Risks Relating to Our Business and Industry —We operate in a competitive market and may not be able to compete successfully against our existing and future competitors." For more information on the competitive landscape of our industry, see "Industry Overview."

RISK FACTORS

There are certain risks relating to an investment in our Shares. These risks can be characterized as (i) risks relating to our business and industry; (ii) risks relating to doing business in regions where we operate, and (iii) risks relating to the Global Offering. We believe that the most significant risks we face include the following:

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

- If we fail to maintain our relationships with e-commerce platforms or adapt ourselves to emerging e-commerce platforms, or if e-commerce platforms otherwise curtail or inhibit our ability to integrate or operate our products with their platforms, our business and prospects may be materially and adversely affected;

- Adverse changes in the macro-economy may negatively affect the e-commerce market and the demand for our products;

- The development of the internet and e-commerce industry is subject to various factors beyond our control;

- We invest heavily in our research and development, and such investment may negatively impact our profitability in the short term and may not generate the results we expect to achieve;

- If we fail to maintain and grow our customer base, keep our customers engaged through our products and solutions, and expand our business, our business growth may not be sustainable;

- We operate in a competitive market and may not be able to compete successfully against our existing and future competitors;
- We may not be able to achieve or subsequently maintain profitability;
- We recorded net current liabilities and deficits in equity during the Track Record Period; and
- Our historical growth rates may not be indicative of our future growth, and, if we are unable to manage our growth or execute our strategies effectively, our business and prospects may be materially and adversely affected.

For details, see "Risk Factors."

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

Summary of Consolidated Statements of Comprehensive Income or Loss

	For the Year Ended December 31,						For the six months ended June 30,			
	2022		2023		2024		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*
							(unaudited)			
	(in thousands, except for percentages)									
Revenue	523,078	100.0	697,191	100.0	909,750	100.0	420,973	100.0	523,642	100.0
Cost of sales	(249,565)	(47.7)	(262,585)	(37.7)	(286,899)	(31.5)	(141,593)	(33.6)	(147,573)	(28.2)
Gross profit	**273,513**	**52.3**	**434,606**	**62.3**	**622,851**	**68.5**	**279,380**	**66.4**	**376,069**	**71.8**
Selling and marketing expenses	(314,310)	(60.1)	(343,999)	(49.3)	(369,921)	(40.7)	(170,556)	(40.5)	(189,002)	(36.1)
General and administrative expenses	(98,079)	(18.8)	(131,430)	(18.9)	(90,489)	(9.9)	(45,089)	(10.7)	(49,006)	(9.4)
Research and development expenses	(234,327)	(44.8)	(233,913)	(33.6)	(239,798)	(26.4)	(112,096)	(26.6)	(115,379)	(22.0)
Provision for impairment loss on financial assets	(25)	(0.0)	(137)	(0.0)	(150)	(0.0)	(10)	(0.0)	(581)	(0.1)
Other income	22,055	4.2	32,896	4.7	15,096	1.7	3,358	0.8	3,793	0.8
Other gains/(losses) – net	(18,522)	(3.5)	2,565	0.4	318	0.0	(2,948)	(0.7)	1,194	0.2
Operating (loss)/income	**(369,695)**	**(70.7)**	**(239,412)**	**(34.3)**	**(62,093)**	**(6.8)**	**(47,961)**	**(11.3)**	**27,088**	**5.2**
Finance income	1,485	0.3	6,726	1.0	6,495	0.7	5,437	1.3	4,891	0.9
Finance costs	(103,717)	(19.8)	(13,650)	(2.0)	(1,079)	(0.1)	(631)	(0.2)	(355)	(0.1)
Finance (costs)/income – net	(102,232)	(19.5)	(6,924)	(1.0)	5,416	0.6	4,806	1.1	4,536	0.8

	For the Year Ended December 31,						For the six months ended June 30,			
	2022		2023		2024		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*
							(unaudited)			
	(in thousands, except for percentages)									
Loss on convertible redeemable preferred shares	–	–	(225,435)	(32.3)	(18,526)	(2.0)	(14,301)	(3.4)	(72,512)	(13.8)
Share of net (loss)/gain of investments accounted for using equity method	(35,152)	(6.7)	(18,252)	(2.6)	(4,438)	(0.5)	(2,747)	(0.7)	585	0.1
Loss before income tax	**(507,079)**	**(96.9)**	**(490,023)**	**(70.3)**	**(79,641)**	**(8.8)**	**(60,203)**	**(14.3)**	**(40,303)**	**(7.7)**
Income tax credit/(expense)	–	–	–	–	90,224	9.9	(136)	(0.0)	759	0.1
(Loss)/profit for the year/period	**(507,079)**	**(96.9)**	**(490,023)**	**(70.3)**	**10,583**	**1.2**	**(60,339)**	**(14.3)**	**(39,544)**	**(7.6)**
(Loss)/profit attributable to:										
Equity owners of the Company	(505,335)	(96.6)	(486,555)	(69.8)	12,152	1.4	(58,845)	(14.0)	(41,146)	(7.9)
Non-controlling interests	(1,744)	(0.3)	(3,468)	(0.5)	(1,569)	(0.2)	(1,494)	(0.3)	1,602	0.3
	(507,079)	**(96.9)**	**(490,023)**	**(70.3)**	**10,583**	**1.2**	**(60,339)**	**(14.3)**	**(39,544)**	**(7.6)**

Non-IFRS Measure

To supplement our consolidated financial statements presented in accordance with IFRS, we use adjusted net (loss)/profit (non-IFRS measure) as additional financial measures, which are not required by, or presented in accordance with IFRS. We believe that this non-IFRS measure facilitate comparisons of operating performance from year to year and company to company by eliminating potential impacts of certain items, such as share-based payments for employees, interest expense on financial liabilities to investors, loss on convertible redeemable preferred shares and listing expenses. We believe that this measure provide useful information to investors in understanding and evaluating our consolidated results of operations in the same manner as they help our management. However, presentation of adjusted net (loss)/profit (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of this non-IFRS measure has limitations as an analytical tool, and investors should not consider them in isolation from, or as a substitute for analysis of, our results of operations or financial conditions as reported under IFRS.

We define adjusted net (loss)/profit (non-IFRS measure) as (loss)/profit for the year/period by adding back (i) share-based payments for employees which is a non-cash item, (ii) interest expense on financial liabilities to investors, which is non-cash in nature, (iii) loss on convertible redeemable preferred shares, which is non-cash in nature. Convertible redeemable preferred shares will be converted into equity upon Listing; and (iv) listing expenses related to this Global Offering. The following table reconciles our adjusted net (loss)/profit (non-IFRS measure) presented in accordance with IFRS, namely (loss)/profit for the year/period.

	For the Year Ended December 31,			For the Six Months Ended June 30,	
	2022	**2023**	**2024**	**2024**	**2025**
				(unaudited)	
	(RMB in thousands)				
(Loss)/profit for the year/period	**(507,079)**	**(490,023)**	**10,583**	**(60,339)**	**(39,544)**
Share-based payments for employees	24,561	21,272	10,728	11,133	8,208
Interest expense on financial liabilities to investors	103,146	12,362	–	–	–
Loss on convertible redeemable preferred shares	–	225,435	18,526	14,301	72,512
Listing expenses	–	25,273	9,151	1,461	5,779
Adjusted net (loss)/profit (non-IFRS measure)	**(379,372)**	**(205,681)**	**48,988**	**(33,444)**	**46,955**

Driven by the expansion of our customer base and our successful customer retention, our revenue increased by 33.3% from RMB523.1 million in 2022 to RMB697.2 million in 2023, and our revenue increased by 30.5% from RMB697.2 million in 2023 to RMB909.8 million in 2024. Our revenue subsequently increased by 24.4% from RMB421.0 million for the six months ended June 30, 2024 to RMB523.6 million during the same period in 2025. We typically require prepayments from our customers before we grant them access to our SaaS products, and we typically charge service fees either on (i) an annual subscription package that offers unlimited or maximum volume, or (ii) based on the volume of orders processed on the products. Revenue from provision of SaaS services is recognized in the period in which the services are rendered. Under the limited volume model, customers first purchase certain number of volume, and consumed the volume upon usage. Related revenue is recognized upon the consumption.

Our gross profit increased by 58.9% from RMB273.5 million in 2022 to RMB434.6 million in 2023, with gross profit margin grown from 52.3% in 2022 to 62.3% in 2023. Our gross profit increased by 43.3% from RMB434.6 million in 2023 to RMB622.9 million in 2024, with gross profit margin grown from 62.3% in 2023 to 68.5% in 2024. Our gross profit subsequently increased by 34.6% from RMB279.4 million for the six months ended June 30, 2024 to RMB376.1 million during the same period in 2025, with gross profit margin grown from 66.4% in the six months ended June 30, 2024 to 71.8% during the same period in 2025. The increase of our gross profit margin was primarily driven by economies of scale as the growth of our revenue outpaced the increase of our cost of sales, and that our recurring customers accounted for an increasing portion, which typically require less implementation costs compared to new customers.

Our loss for the year decreased by 3.4% from RMB507.1 million in 2022 to RMB490.0 million in 2023, with the net loss margin narrowed from 96.9% in 2022 to 70.3% in 2023 primarily due to our narrowed operating loss margin from 70.7% in 2022 to 34.3% in 2023. Our loss for the year in 2023 of RMB 490.0 million shifted to a net profit of RMB10.6 million in 2024, with the net loss margin of 70.3% in 2023 turning into a net profit margin of 1.2% in 2024, primarily due to our narrowed operating loss margin from 34.3% in 2023 to 6.8% in 2024, and our increased income tax credit from nil in 2023 to RMB90.2 million in 2024. The decrease in operating loss margin from 2022 to 2023 and from 2023 to 2024 was primarily attributable to (i) our improved gross profit margin as a result of economies of scale, and (ii) our improved operating efficiency, reflected by a decrease of selling and marketing expenses, general and administrative expenses and research and development expenses in terms of percentage to revenue. Accordingly, we narrowed a loss of RMB60.3 million for the six months ended June 30, 2024 to RMB39.5 million for the six months ended June 30, 2025, primarily driven by the increasing revenue contribution from our SaaS products from RMB406.6 million in the six months ended June 30, 2024 to RMB506.5 million during the same period in 2025, mainly because revenue from our existing customers continues to accumulate under our business model, while new customers are also steadily added.

Our adjusted loss (non-IFRS measure) decreased from RMB379.4 million in 2022 to RMB205.7 million in 2023, which was primarily attributable to the increase of gross profit from RMB273.5 million to RMB434.6 million. For similar reasons, the adjusted loss (non-IFRS measure) in 2023 shifted to an adjusted profit (non-IFRS measure) of RMB49.0 million in 2024, which was primarily attributable to (i) the increase of gross profit from RMB434.6 million to RMB622.9 million, as well as (ii) the tax credit of RMB90.2 million recorded in 2024, primarily due to the recognition of previously unrecognized tax losses. Our adjusted loss (non-IFRS measure) shifted from RMB33.4 million in the six months ended June 30, 2024 to adjusted profit (non-IFRS measure) of RMB47.0 million during the same period in 2025, primarily attributable to increased gross profit of RMB376.1 million in the six months ended June 30, 2025 from gross profit for the period of RMB279.4 million during the same period in 2024.

For details, see "Financial Information—Description of Key Statement of Comprehensive Income or Loss Items."

Summary of Consolidated Balance Sheets

	As of December 31,			As of June 30,
	2022	2023	2024	2025
	(RMB in thousands)			
ASSETS				
Total non-current assets	672,720	594,038	635,493	700,394
Total current assets	785,792	1,149,074	1,579,832	1,180,513
LIABILITIES				
Total non-current liabilities	1,958,789	996,970	1,166,756	1,254,236
Total current liabilities	1,012,790	4,419,363	4,698,065	4,309,814
Non-controlling interests	(3,171)	(6,639)	(8,208)	(6,606)
Net liabilities	**(1,513,067)**	**(3,673,221)**	**(3,649,496)**	**(3,683,143)**
Net current liabilities	**(226,998)**	**(3,270,289)**	**(3,118,233)**	**(3,129,301)**

Our net current liabilities remained relatively stable from RMB3,270.3 million as of December 31, 2023 to RMB3,118.2 million as of December 31, 2024, RMB3,129.3 million as of June 30, 2025, and further to RMB3,135.4 million as of August 31, 2025.

The significant increase of our net current liabilities from RMB227.0 million as of December 31, 2022 to RMB3,270.3 million as of December 31, 2023 was mainly due to the reclassification of convertible redeemable preferred shares from non-current liabilities to current liabilities. As of December 31, 2023, we recorded convertible redeemable preferred shares of RMB3,127.9 million in our current liabilities. According to an amendment to IAS 1, "Classification of Liabilities as Current or Non-current" effective for reporting periods beginning on or after January 1, 2024, all convertible redeemable preferred shares were classified as current liabilities as of December 31, 2023.

For details, see "Financial Information—Discussion of Selected Items from the Consolidated Balance Sheets—Current assets and liabilities."

As of December 31, 2022, 2023, 2024 and June 30, 2025, we recorded net liabilities of RMB1,513.1 million, RMB3,673.2 million, RMB3,649.5 million and RMB3,683.1 million, respectively. We expect to achieve a positive net asset position upon completion of the Global Offering, after which convertible redeemable preferred shares will be redesignated from liabilities to equity, and taking into consideration the net proceeds from the Global Offering.

Our net liabilities increased from RMB1,513.1 million as of December 31, 2022 to RMB3,673.2 million as of December 31, 2023, primarily driven by (i) the issuance of conversion redeemable preferred shares amounted to RMB3,127.9 million in 2023 in relation to the Reorganization, and (ii) our net loss of RMB490.0 million in 2023. Our net liabilities remained relatively stable from RMB3,673.2 million as of December 31, 2023 to RMB3,649.5 million as of December 31, 2024, and to RMB3,683.1 million as of June 30, 2025.

Summary of Consolidated Statement of Cash Flow

	For the Year Ended December 31,			For the Six Months Ended June 30,	
	2022	**2023**	**2024**	**2024**	**2025**
				(unaudited)	
			(RMB in thousands)		
Net cash generated from operating activities	78,711	210,381	279,170	1,902	159,929
Net cash (used in)/generated from investing activities	(174,415)	280,984	(77,252)	16,076	32,599
Net cash used in financing activities	(12,852)	(20,665)	(13,175)	(7,767)	(547,133)
Net (decrease)/increase in cash and cash equivalents	**(108,556)**	**470,700**	**188,743**	**10,211**	**(354,605)**
Effect of exchange rate changes	622	(32)	(794)	134	160
Cash and cash equivalents at beginning of the year	534,593	426,659	897,327	897,327	1,085,276
Cash and cash equivalents at end of the year	**426,659**	**897,327**	**1,085,276**	**907,672**	**730,831**

Our net operating cash inflows increased from RMB78.7 million in 2022 to RMB210.4 million in 2023, and further increased to RMB279.2 million in 2024, and we recorded net operating cash inflows of RMB159.9 million for the six months ended June 30, 2025, improved from net operating cash inflows of RMB1.9 million for the same period in 2024, illustrating our improving profitability and operating efficiency. The fluctuations of our net cash (used in)/generated from investing activities during the Track Record Period were primarily in relation to our redemption and purchase of wealth management product and time deposits as a result of our treasury management.

BUSINESS SUSTAINABILITY AND PATH TO PROFITABILITY

Industry Background

SaaS products typically require substantial initial investment in (i) product development and (ii) customer acquisition and retention to drive market acceptance. Specifically, SaaS service providers need to make significant upfront investment in product development and subsequent continued optimization and upgrade of products to meet customers' evolving needs. Meanwhile, SaaS service providers need to drive the market acceptance of these products through acquiring and retaining a vast and loyal customer base from which they can continue to generate recurring revenues.

For these reasons, it takes a longer time for SaaS service providers to achieve breakeven. According to CIC, it is common for SaaS companies around the world, including in the United States and China, to remain loss-making for approximately 15 years before becoming profitable.

China's e-commerce SaaS market has experienced significant growth in recent years, driven by merchants' increasingly complex and ever-changing needs in their daily operation and management. For details of the evolvement of e-commerce SaaS ERP in China, see "Industry Overview—E-commerce SaaS ERP Market in China—The Evolvement of E-commerce SaaS ERP in China." As we see the evolving industry landscape and market opportunities, we believe that the e-commerce SaaS industry still has significant runway for growth, both in terms of the numbers of merchants adopting e-commerce SaaS products and in terms of their usages of such products.

Our Historical Performance

We have achieved significant growth during the Track Record Period, which helps cement our long-term sustainable market leadership. Our total revenues increased by 33.3% from RMB523.1 million in 2022 to RMB697.2 million in 2023, and further increased by 30.5% to RMB909.8 million in 2024. Our total revenue subsequently increased by 24.4% from RMB421.0 million for the six months ended June 30, 2024 to RMB523.6 million during the same period in 2025. Meanwhile, we typically require prepayment from customers in full before we grant them access to use our SaaS products, and revenue from provision of SaaS services is recognized over the period in which the services are rendered, either over the contract term for revenue generated on an unlimited or maximum volume subscription model, or upon consumption for revenue generated on a limited volume model. As a result, we have recorded healthy billings and robust operating cash flows, illustrating our sustainable operations. In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, our total SaaS billings were RMB740.7 million, RMB1,047.5 million, RMB1,301.7 million, RMB599.0 million and RMB698.7 million, respectively. In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, our SaaS revenue recognition rates (i.e., SaaS revenue recognized for each period divided by accumulated SaaS billings for the same period) were 27%, 29%, 30%, 18% and 19%, respectively, providing sustainable future revenue streams. Our net cash generated from operating activities increased from RMB78.7 million in 2022 to RMB210.4

million in 2023, and further to RMB279.2 million in 2024, and we recorded net operating cash inflows of RMB159.9 million for the six months ended June 30, 2025, improved from net operating cash inflows of RMB1.9 million for the same period in 2024, illustrating our improving profitability and operating efficiency.

Our revenue growth during the Track Record Period was primarily attributable to our continuous efforts to expand and retain our customers. The total number of our SaaS customers increased throughout the Track Record Period, being 45.7 thousand, 62.2 thousand, 88.4 thousand and 92.6 thousand as of December 31, 2022, 2023, 2024 and June 30, 2025, respectively. We have also been constantly innovating and improving our products to ensure that all of our customers have access to the latest technologies and features, cementing our strong brand reputation and market leadership.

Furthermore, a significant portion of our cost of revenue consists of implementation service costs primarily associated with new customers. Therefore, driven by our efforts in retaining customers and increasing their spendings, revenue recognized from existing customers is expected to constitute a greater proportion of our revenue, thereby improving our profitability. In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, our revenue generated from existing customers accounted for 81.9%, 83.0%, 84.0%, 92.7% and 93.1% of our total SaaS revenues, respectively. In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, our gross profit margin for new customers was 24.2%, 38.0%, 49.0%, 32.9% and 43.8%, respectively, and our gross profit margin for existing customers was 59.7%, 68.6%, 73.9%, 68.8% and 74.5%, respectively. We also aim to enhance the efficiency of our implementation services, in particular, through providing customer assistance remotely and promoting internal knowledge sharing to boost our implementation efficiency. As a result, we recorded increasing gross profit margins during the Track Record Period, being 52.3% in 2022, 62.3% in 2023, 68.5% in 2024, 66.4% in the six months ended June 30, 2024 and 71.8% during the same period in 2025.

In 2022 and 2023, we recorded net loss amounting to RMB507.1 million and RMB490.0 million, respectively, and our adjusted net loss (non-IFRS measure) amounted to RMB379.4 million and RMB205.7 million in the same periods, respectively. In 2022 and 2023, our net loss margin narrowed from 96.9% to 70.3%, and our adjusted net loss margin (non-IFRS measure) narrowed from 72.5% to 29.5%. Our loss position narrowed in 2023 and we achieved net profit and adjusted net profit in 2024. In 2024 and the six months ended June 30, 2025, we recorded net profit of RMB10.6 million and net loss of RMB39.5 million, respectively, and adjusted net profit (non-IFRS measure) of RMB49.0 million and RMB47.0 million, respectively. Our net profit in 2024 was also attributable to the tax credit of RMB90.2 million recorded in 2024, primarily due to the recognition of previously unrecognized tax losses. In addition, despite our rapid revenue growth, we recorded narrowing operating loss during the Track Record Period, being RMB369.7 million in 2022, RMB239.4 million in 2023, RMB62.1 million in 2024 with a narrowed operating loss margin of 70.7% in 2022, 34.3% in 2023 and 6.8% in 2024, respectively. In addition, we recorded operating loss of RMB48.0 million in the six months ended June 30, 2024, and we recorded operating income of RMB27.1 million during the same period in 2025, illustrating our improving profitability.

In addition, during the Track Record Period, we incurred the significant amount of (i) finance costs, which mainly consist of interest expense on financial liabilities to investors, and (ii) loss on convertible redeemable preferred shares, both of which will be terminated upon the Global Offering. In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, we incurred finance income/(cost)—net of RMB(102.2) million, RMB(6.9) million, RMB5.4 million, RMB4.8 million and RMB4.5 million, respectively. In 2023, 2024 and the six months ended June 30, 2024 and 2025, we incurred loss on convertible redeemable preferred shares amounted to RMB225.4 million, RMB18.5 million, RMB14.3 million and RMB72.5 million, respectively.

Moreover, we recorded accumulated loss of RMB1,586.0 million, RMB2,072.6 million, RMB2,060.4 million and RMB2,101.6 million as of December 31, 2022, 2023, 2024 and June 30, 2025, respectively. Our accumulated loss as of these dates were attributable primarily to our loss incurred in the past. The increase in our accumulated loss from 2022 to 2023 was because we were still at a loss-making position. In 2024 and the six months ended June 30, 2025, as we turned profit-making, our accumulated loss decreased accordingly. As a result of the accumulated loss, and the accounting treatment of the financial liabilities to investors and convertible redeemable preferred share as liabilities during the Track Record Period, we were in a negative equity position during the Track Record Period. Considering our sufficient working capital and healthy operating cash flow, we have not sought new equity financings since our Series C financing in 2020. We expect to achieve a positive equity position upon completion of the Global Offering, after which convertible redeemable preferred shares will be redesignated from financial liabilities to equity, and taking into consideration the net proceeds from the Global Offering.

Our Path to Profitability

We recorded operating income and adjusted net profit in the first half of 2025. Going forward, we plan to enhance our long-term profitability primarily by further (i) expanding our customer base, by (a) enhancing sales and marketing capabilities, (b) capturing the market growth leveraging our competitive strengths against our peers, and (c) further optimizing our products, (ii) retaining our customers and increasing their spending by (a) focusing on customer success and satisfaction, and (b) strengthening cross-selling and up-selling efforts, and (iii) managing expenses and enhancing operational efficiency by (a) improving gross profit margin through increasing spending from existing customers and optimize implementation efficiency, (b) improving sales and marketing efficiency through promoting cross-selling and up-selling opportunities and enhancing brand and market recognition, and (c) improving operational efficiency through economies of scale. As our business grows and with our enhanced brand recognition, we expect to achieve economies of scale and network effect, which would enable us to acquire new customers more cost-efficiently. Specifically, as a result of our efforts in retaining customers and increasing their spendings, revenue recognized from existing customers is expected to constitute a greater proportion of our revenue, while the cost of implementation services associated with existing customers is significantly lower than new customers, thereby driving sustainable profitability. In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, our gross profit margin for new customers was 24.2%, 38.0%, 49.0%, 32.9% and 43.8%, respectively, and our gross profit margin for existing customers was

59.7%, 68.6%, 73.9%, 68.8% and 74.5%, respectively. We will also enhance our operating efficiency and manage our expenses more efficiently, which will further improve our profitability. As a result of these efforts, we have achieved significant improvement in our profitability and turned profit-making in 2024. For details, see “Business—Business Sustainability and Path to Profitability.”

Taking into account (i) the fact that SaaS products typically require substantial initial investment in product development and customer acquisition and retention to drive market acceptance, and such costs and expenses often exceed the profit generated from recurring revenue stream in the initial period, resulting in a loss-making position, (ii) the outlook of China’s e-commerce SaaS market in which we operate, (iii) we recorded net profit in 2024 and our historical business growth and expansion plans aiming for long-term growth as described above, (iv) our healthy billings and robust operating cash flows, and the fact that customers prepayment are subsequently recognized in our revenue, and (v) our efforts to and plans to continue to enhance our financial performance as detailed above, our Directors believe that our Group has a sustainable business.

For details, see “Business—Business Sustainability and Path to Profitability.”

Driven by our business growth, the number of our total SaaS customers, total SaaS billings and accumulated SaaS billings all increased during the Track Record Period, illustrating our healthy billings from prepayments by a growing customer base. The average SaaS billings per customer slightly decreased from RMB9.1 thousand in the six months ended June 30, 2024 to RMB7.5 thousand during the same period in 2025, primarily due to the increased number of customers purchasing lower-priced SaaS ERP products. Our net dollar retention rate was 105%, 114%, 115% in 2022, 2023 and 2024, respectively, indicating that we generated increased revenue from customers in the previous year and retained in a given year. Our net dollar retention rate increased from 2022 to 2024, primarily due to increased consumer demands. Accumulated SaaS billings refer to the sum of total amount of billings in a given year, and the contract liabilities as of the beginning of such period. SaaS revenue recognition rate refers to SaaS revenue recognized for each year divided by accumulated SaaS billings as of the end of such year. Our SaaS revenue recognition rate was 27%, 29% and 30% in 2022, 2023 and 2024, respectively, providing sustainable future revenue streams. As our customer base grows and billings increase, the prepayment from customers is subsequently recognized in our revenue over the contract period or upon consumption. Our annual retention rate decreased from 86.5% in 2022 to 86.0% in 2023, and further decreased to 83.6% in 2024, primarily because of the increase of number of customers purchasing the professional version SaaS ERP that typically have smaller scale of business operations and less customer stickiness, which generally result in lower retention rates as compared to customers purchasing the enterprise version SaaS ERP.

The following table sets forth the movement of our total SaaS billings during the Track Record Period:

	For the Year Ended December 31,			For the Six Months Ended June 30,	
	2022	2023	2024	2024	2025
	(RMB in thousands)				
Unrecognized billings as of January 1	1,150,403	1,363,305	1,700,754	1,700,754	2,072,264
New billings	740,713	1,047,516	1,301,692	598,961	698,692
Contract liabilities recognized as revenue	(497,935)	(669,874)	(877,530)	(406,581)	(506,535)
VAT	(29,876)	(40,193)	(52,652)	(24,394)	(30,392)
Unrecognized billings as of the end of the year	1,363,305	1,700,754	2,072,264	1,868,740	2,234,029

The following table sets forth certain of our key financial ratios for the years/periods indicated.

	For the Year Ended/ As of December 31,			For the Six Months Ended/As of June 30,	
	2022	2023	2024	2024	2025
				(unaudited)	
Total revenue growth (%)	20.7	33.3	30.5	N/A	24.4
Gross profit margin (%)	52.3	62.3	68.5	66.4	71.8
Net (loss)/profit margin (%)	(96.9)	(70.3)	1.2	(14.3)	(7.6)
Adjusted net (loss)/profit margin (non-IFRS measure) (%)	(72.5)	(29.5)	5.4	(7.9)	9.0
Quick ratio	0.8	0.3	0.3	N/A	0.3

The decrease in our quick ratio from 0.8 as of December 31, 2022 to 0.3 as of December 31, 2023, was primarily due to the increase in our total current liabilities, which was mainly attributable to the reclassification of convertible redeemable preferred shares from non-current liabilities to current liabilities. As of the same reason, our quick ratio remained at a relatively low level during the Track Record Period. We do not expect to record any further convertible redeemable preferred shares as such preferred shares will be re-designated from liabilities to equity as a results of the automatic conversion into ordinary shares upon the completion of the Global Offering.

DIVIDENDS

As advised by our Cayman Islands legal advisor, under Cayman Islands law, a position of accumulated loss and deficits in equity does not necessarily restrict our Company from declaring and paying dividends to our Shareholders out of either our profit or our share premium account, provided this would not result in our Company being unable to pay its debts as they fall due in the ordinary course of business. As we are a holding company incorporated under the laws of the Cayman Islands, the payment and amount of any future dividends will also depend on the availability of dividends received from our subsidiaries. Any dividends we pay will be determined at the absolute discretion of our Board, taking into account factors including our actual and expected results of operations, cash flow and financial position, general business conditions and business strategies, expected working capital requirements and future expansion plans, legal, regulatory and other contractual restrictions, and other factors that our Board deems to be appropriate. Our Shareholders may approve, in a general meeting, any declaration of dividends, which must not exceed the amount recommended by our Board. Throughout the Track Record Period, we did not pay or declare any dividend. Currently, we do not have a formal dividend policy or a fixed dividend distribution ratio.

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 and compliance.

FUTURE PLANS AND USE OF PROCEEDS

We estimate the net proceeds of the Global Offering which we will receive, assuming an Offer Price of HK$30.60 per Offer Share, will be approximately HK$1,937.6 million, after deduction of underwriting fees and commissions and other estimated expenses payable by us in connection with the Global Offering and assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised. In line with our strategies, we intend to use the proceeds from the Global Offering for the purposes and in the amounts set forth below:

- Approximately 55%, or HK$1,065.6 million, will be used for enhancing our research and development capabilities to enrich our product offerings over the next five years.

- Approximately 25%, or HK$484.4 million, will be used for strengthening our sales and marketing capabilities over the next five years.

- Approximately 10%, or HK$193.8 million, will be used for strategic investments over the next five years.

- Approximately 10%, or HK$193.8 million, will be used for general corporate purposes.

For details, please see "Future Plans and Use of Proceeds."

OUR CONTROLLING SHAREHOLDERS

Immediately following the completion of the Capitalization Issue and the Global Offering (on the basis that all the Preferred Shares are converted into Shares on a one-to-one basis and assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised), Mr. Luo, our chairman of the Board, executive Director and CEO, will control the voting rights of approximately 39.37% of the total issued share capital of our Company, including:

(i) the voting rights of the Shares, representing approximately 19.16% of the total issued share capital of our Company, held by Black Tea Limited, a wholly-owned company of HD Luo Limited, which is in turn wholly-owned by Mr. Luo; and

(ii) by virtue of the Voting Proxy Agreement (as summarized in "Relationship With Our Controlling Shareholders" in this Prospectus), the voting rights of the Shares, representing approximately 20.22% in aggregate of the total issued share capital of our Company, which includes 11.40%, 5.43% and 3.39% held by (a) Popogo Limited, (b) Taurus Lee Limited, and (c) Nico and Winco Limited respectively.

Accordingly, Mr. Luo, HD Luo Limited and Black Tea Limited are the Controlling Shareholders of our Company. For details, please see "Relationship with Our Controlling Shareholders."

OUR PRE-IPO INVESTORS

Since the establishment of our Company, we have undergone seven rounds of financing from the Pre-IPO Investors, raising over RMB600 million in total. For further details of the identity and background of the Pre-IPO Investors, and the principal terms of the Pre-IPO Investments, see "History, Reorganization and Corporate Structure—Pre-IPO Investments"

GLOBAL OFFERING STATISTICS

All statistics in this table are based on the assumption that (1) the Global Offering has been completed and 68,166,200 Shares are issued pursuant to the Global Offering; (2) options granted under the Offer Size Adjustment Option and the Over-Allotment Option are not exercised; and (3) 426,038,600 Shares are in issue immediately upon the completion of the Capitalization Issue and Global Offering and the 1,565,118 Preferred Shares are converted into Shares on a one-to-one basis by way of re-designation and re-classification upon Listing.

	Based on the Offer Price of HK$30.60 per Share
Market capitalization of our Shares[(1)]	HK$13.0 billion
Unaudited pro forma adjusted consolidated net tangible assets per Share[(2)]	HK$2.07

(1) The calculation of market capitalization is based on 426,038,600 Shares expected to be in issue immediately upon completion of the Capitalization Issue and Global Offering, assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised.

(2) See Appendix II to this Prospectus for further details regarding the assumptions used and the calculation method.

LISTING EXPENSES

Based on the Offer Price of HK$30.60 per Offer Share, the total listing expenses (including underwriting commissions) payable by our Company are estimated to be approximately HK$148.3 million (equivalent to approximately RMB135.4 million), or 7.1% of our gross proceeds, assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised. These listing expenses comprise of (i) HK$75.7 million of underwriting-related expenses (including but not limited to commissions and fees); and (ii) HK$72.6 million of non-underwriting-related expenses, including HK$42.8 million of fees and expenses of legal advisors and accountant and HK$29.8 million of other fees and expenses.

As of June 30, 2025, we have incurred listing expenses of RMB40.2 million (equivalent to HK$43.7 million) for the Global Offering, as being charged to our consolidated statements of comprehensive loss. We estimate that of the total listing expenses (including underwriting commissions, assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised and based on an Offer Price of HK$30.60 per Offer Share), HK$62.3 million is expected to be charged to our consolidated statement of comprehensive income and HK$86.0 million is expected to be charged against equity upon the Global Offering.

APPLICATION FOR LISTING ON THE STOCK EXCHANGE

We have applied for listing under Chapter 8 of the Listing Rules and satisfied the market capitalization/revenue test under Rule 8.05(3) of the Listing Rules. We have applied to the Stock Exchange for the granting of the listing of, and permission to deal in, the Shares in issue and to be issued (i) pursuant to the Capitalization Issue and the Global Offering (including any Shares which may be issued pursuant to the exercise of the Offer Size Adjustment Option and/or the Over-allotment Option), and (ii) under the Pre-IPO Share Option Scheme.

Under section 44B(l) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, if the permission for the Shares to be listed on the Stock Exchange pursuant to this Prospectus has been refused before the expiration of three weeks from the date of the closing of the Global Offering or such longer period not exceeding six weeks as may, within the said three weeks, be notified to us by or on behalf of the Stock Exchange, then any allotment made on an application in pursuance of this Prospectus shall, whenever made, be void.

RECENT DEVELOPMENTS

Recent Business Updates and No Material Adverse Change

Our Directors confirm that, as of the date of this Prospectus, there has been no material adverse change in our business operations, financial or trading position, indebtedness, mortgage, contingent liabilities, guarantees or prospects since June 30, 2025, the end of the period reported on the Accountant's Report included in Appendix I to this Prospectus.

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

"%"	per cent
"Accountant's Report"	the Accountant's report prepared by PricewaterhouseCoopers, details of which are set out in Appendix I to this Prospectus
"affiliate(s)"	with respect to any specified person, any other person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person
"AFRC"	Accounting and Financial Reporting Council (會計及財務匯報局)
"Articles of Association" or "Articles"	the fourth amended and restated articles of association of our Company conditionally adopted by special resolution on October 5, 2025, with effect from the Listing Date, as amended from time to time, a summary of which is set out in Appendix III to this Prospectus
"associate(s)"	has the meaning ascribed thereto under the Listing Rules
"Audit Committee"	the audit committee of the Board
"Board", "Board of Directors" or "our Board"	the board of Directors of our Company
"Business Day"	any day on which banks in Hong Kong are generally open for normal banking business and which is not a Saturday, Sunday or public holiday in Hong Kong
"BVI"	the British Virgin Islands
"Cayman Companies Act" or "Companies Act"	the Companies Act, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time
"Cayman Registrar"	the Registrar of Companies of the Cayman Islands

"Capitalization Issue"	the issue of Shares on the Listing Date by way of the capitalization of certain sums standing to the credit of the share premium account of our Company to the holders of the Shares whose names appear on the register of members of our Company at the close of business on the business day preceding the Listing Date in proportion to their then existing respective shareholdings
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC
"CEO"	chief executive officer of our Company
"China" or "the PRC"	the People's Republic of China, except where the context requires otherwise and only for the purposes of this Prospectus and for geographical reference only, excluding the Hong Kong Special Administrative Region, the Macao Special Administrative Region and Taiwan Region
"CIC"	China Insights Industry Consultancy Limited, the industry consultant of our Company
"CIC Report"	an independent market research report commissioned by us and prepared by CIC for the purpose of this Prospectus
"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"	JST Group Corporation Limited (聚水潭集團股份有限公司), an exempted company with limited liability incorporated under the laws of the Cayman Islands on August 2, 2021
"Compliance Adviser"	Guotai Junan Capital Limited, our compliance adviser

"connected person(s)"	has the meaning ascribed thereto under the Listing Rules
"connected transaction(s)"	has the meaning ascribed thereto under the Listing Rules
"Controlling Shareholder(s)"	has the meaning ascribed thereto under the Listing Rules and unless the context otherwise requires, refers to Mr. Luo, HD Luo Limited and Black Tea Limited, as further detailed in the section headed "Relationship With Our Controlling Shareholders" in this Prospectus
"core connected person(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
"CSRC"	the China Securities Regulatory Commission (中國證券監督管理委員會)
"Director(s)"	the director(s) of our Company
"ESOP Trust"	the trust established by the Company to facilitate the administration of the Pre-IPO Share Option Scheme
"ESOP Trustee"	JST Incentive Plan Limited, which is wholly owned by Trident Trust Company (HK) Limited as the trustee of the ESOP Trust
"Extreme Conditions"	extreme conditions caused by a super typhoon as announced by the government of Hong Kong
"FINI"	"Fast Interface for New Issuance", the online platform operated by HKSCC that is mandatory for admission to trading and, where applicable, the collection and processing of specified information on subscription in and settlement for the Listing
"General Rules of HKSCC"	the terms and conditions regulating the use of HKSCC's services, as may be amended or modified from time to time and where the context so permits, shall include the HKSCC Operational Procedures
"Global Offering"	the Hong Kong Public Offering and the International Offering

"Governmental Authority(ies)"	any governmental, regulatory, or administrative commission, board, body, authority, or agency, or any stock exchange, self-regulatory organization, or other non-governmental regulatory authority, or any court, judicial body, tribunal, or arbitrator, in each case whether national, central, federal, provincial, state, regional, municipal, local, domestic, foreign, or supranational
"Group", "our Group", "the Group", "our", "we" or "us"	our Company and our subsidiaries from time to time or, where the context so requires, in respect of the period prior to our Company becoming the holding company of its present subsidiaries, such subsidiaries as if they were subsidiaries of our Company at the relevant time
"HKSCC"	Hong Kong Securities Clearing Company Limited, a wholly owned subsidiary of Hong Kong Exchanges and Clearing Limited
"**HKSCC EIPO**"	the application for the Hong Kong Offer Shares to be issued in the name of HKSCC Nominees and deposited directly into CCASS to be credited to your designated HKSCC Participant's stock account through causing HKSCC Nominees to apply on your behalf, including by instructing your broker or custodian who is a HKSCC Participant to give electronic application instructions via HKSCC's FINI system to apply for the Hong Kong Offer Shares on your behalf
"HKSCC Nominees"	HKSCC Nominees Limited, a wholly-owned subsidiary of HKSCC
"HKSCC Operational Procedures"	the operational procedures of HKSCC, containing the practices, procedures and administrative or other requirements relating to HKSCC's services and the operations and functions of CCASS, FINI or any other platform, facility or system established, operated and/or otherwise provided by or through HKSCC, as from time to time in force
"HKSCC Participant"	a participant admitted to participate in CCASS as a direct clearing participant, a general clearing participant or a custodian participant
"Hong Kong", "Hong Kong SAR" or "HK"	the Hong Kong Special Administrative Region of the People's Republic of China

"Hong Kong dollars" or "HK dollars" or "HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong Offer Shares"	the 6,816,700 Shares being initially offered by our Company for subscription at the Offer Price pursuant to the Hong Kong Public Offering, subject to reallocation and the Offer Size Adjustment Option as described in the section headed "Structure of the Global Offering" in this Prospectus
"Hong Kong Public Offering"	the offer of the Hong Kong Offer Shares for subscription by the public in Hong Kong at the Offer Price (plus brokerage fee of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%) on the terms and subject to the conditions described in the section headed "Structure of the Global Offering – The Hong Kong Public Offering" in this Prospectus
"Hong Kong Share Registrar"	Computershare Hong Kong Investor Services Limited
"Hong Kong Stock Exchange" or "Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Hong Kong Takeovers Code" or "Takeover 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
"Hong Kong Underwriters"	the underwriters of the Hong Kong Public Offering as set out in the section headed "Underwriting – Hong Kong Underwriters" in this Prospectus
"Hong Kong Underwriting Agreement"	the underwriting agreement dated October 10, 2025, relating to the Hong Kong Public Offering entered into by and among our Company, Mr. Luo, HD Luo Limited, Black Tea Limited, China International Capital Corporation Hong Kong Securities Limited, J.P. Morgan Securities (Far East) Limited, J.P. Morgan Securities (Asia Pacific) Limited and the Hong Kong Underwriters, as further described in the section headed "Underwriting – Underwriting Arrangements and Expenses – Hong Kong Public Offering" in this Prospectus

"IFRS"	the International Financial Reporting Standards, which include standards, amendments and interpretations as issued from time to time by the International Accounting Standards Board
"Independent Third Party(ies)"	any entity(ies) or person(s) who, to the best of our Directors' knowledge, information and belief having made all reasonable enquiries, is not a connected person of our Company within the meaning ascribed thereto under the Listing Rules
"International Offer Shares"	the 61,349,500 Shares being initially offered for subscription under the International Offering, together, where relevant, with any additional Shares which may be issued by our Company pursuant to the exercise of the Offer Size Adjustment Option and/or the Over-allotment Option, subject to reallocation as described in the section headed "Structure of the Global Offering" in this Prospectus
"International Offering"	the conditional placing of the International Offer Shares at the Offer Price outside the United States in offshore transactions in accordance with Regulation S and in the United States to QIBs only in reliance on Rule 144A or any other available exemption from the registration requirements under the U.S. Securities Act, as further described in the section headed "Structure of the Global Offering" in this Prospectus
"International Underwriters"	the group of international underwriters of the International Offering, expected to enter into the International Underwriting Agreement to underwrite the International Offering
"International Underwriting Agreement"	the underwriting agreement relating to the International Offering and expected to be entered into by, among others, our Company and the International Underwriters on or about Friday, October 17, 2025, as further described in the section headed "Underwriting – Underwriting Arrangements and Expenses – International Offering" in this Prospectus

"Joint Bookrunners"	the joint bookrunners of the Listing as named in the section headed "Directors and Parties Involved in the Global Offering" in this Prospectus
"Joint Global Coordinators"	the joint global coordinators of the Listing as named in the section headed "Directors and Parties Involved in the Global Offering" in this Prospectus
"Joint Lead Managers"	the joint lead managers of the Listing as named in the section headed "Directors and Parties Involved in the Global Offering" in this Prospectus
"Joint Sponsors"	the joint sponsors of the Listing as named in the section headed "Directors and Parties Involved in the Global Offering" in this Prospectus
"Latest Practicable Date"	October 5, 2025, being the latest practicable date for the purpose of ascertaining certain information contained in this Prospectus prior to its publication
"Laws"	all laws, statutes, legislation, ordinances, rules, regulations, guidelines, opinions, notices, circulars, orders, judgments, decrees, or rulings of any Governmental Authority (including but not limited to the Stock Exchange and the SFC) of all relevant jurisdictions
"Listing"	the listing of our Shares on the Main Board of the Stock Exchange
"Listing Committee"	the listing committee of the Stock Exchange
"Listing Date"	the date, expected to be on or about Tuesday, October 21, 2025, on which the Shares are listed and on which dealings in the Shares are first permitted to take place on the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
"Main Board"	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with the Growth Enterprise Market of the Stock Exchange

"Memorandum" or "Memorandum of Association"	the fourth memorandum of association of our Company, conditionally adopted by special resolution on October 5, 2025, with effect from the Listing Date, as amended from time to time, a summary of which is set out in Appendix III to this Prospectus
"MOFCOM" or "Ministry of Commerce"	the Ministry of Commerce of the PRC (中華人民共和國商務部) (formerly known as the Ministry of Foreign Trade and Economic Cooperation of the PRC (中華人民共和國對外經濟貿易部))
"Mr. He"	Mr. He Xingjian (賀興建), executive Director and chief product officer of our Company
"Mr. Li"	Mr. Li Cansheng (李燦升), executive Director and chief security officer of our Company
"Mr. Luo"	Mr. Luo Haidong (駱海東), chairman of the Board, executive Director, CEO and a Controlling Shareholder
"Mr. Wang"	Mr. Wang Yu (王瑜), executive Director and chief marketing officer of our Company
"NDRC"	the National Development and Reform Commission (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
"NPC"	the National People's Congress of the PRC (中華人民共和國全國人民代表大會)
"ODI Rules"	the Administrative Measures for Overseas Investment by Enterprise (企業境外投資管理辦法) and other relevant rules
"Offer Price"	the offer price per Offer Share (exclusive of brokerage fee of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%), expressed in Hong Kong dollars, at which Hong Kong Offer Shares are to be subscribed for pursuant to the Hong Kong Public Offering and International Offer Shares are to be offered pursuant to the International Offering, of HK$30.60

"Offer Share(s)"	the Hong Kong Offer Shares and the International Offer Shares, together, where relevant, with any additional Shares to be issued by our Company pursuant to the exercise of the Offer Size Adjustment Option and/or the Over-allotment Option
"Offer Size Adjustment Option"	the option under the Hong Kong Underwriting Agreement, exercisable by the Company prior to the execution of the International Underwriting Agreement, pursuant to which the Company may issue and allot up to an aggregate of 10,224,900 additional Shares at the Offer Price, to cover additional market demand, if any, as described in the section headed "Structure of the Global Offering — Offer Size Adjustment Option"
"Overall Coordinators"	the overall coordinators of the Listing as named in the section headed "Directors and Parties Involved in the Global Offering" in this Prospectus
"Over-allotment Option"	the option expected to be granted by our Company to the International Underwriters, exercisable by the Joint Global Coordinators and the Overall Coordinators on behalf of the International Underwriters for up to 30 days from the day following the last day for the lodging of applications under the Hong Kong Public Offering, to require our Company to allot and issue up to 10,224,900 additional Shares (representing in aggregate approximately 15% of the Offer Shares initially being offered under the Global Offering assuming the Offer Size Adjustment Option is not exercised at all) or up to 11,758,600 additional Shares (representing in aggregate approximately 15% of the Offer Shares initially being offered under the Global Offering assuming the Offer Size Adjustment Option is exercised in full) to the International Underwriters to, among other things, cover over-allocations in the International Offering, if any, details of which are described in the section headed "Structure of the Global Offering – The International Offering – Over-allotment Option" in this Prospectus
"PBOC"	the People's Bank of China (中國人民銀行), the central bank of the PRC

"PRC Legal Advisor"	Commerce & Finance Law Offices, our legal advisor on PRC laws in connection with the Global Offering
"Preferred Shares"	preferred shares(s) in the share capital of the Company, collectively, the Series Angel Preferred Shares, the Series Pre-A Preferred Shares, the Series A Preferred Shares, the Series B1 Preferred Shares, the Series B2 Preferred Shares, the Series B3 Preferred Shares and the Series C Preferred Shares
"Pre-IPO Investment(s)"	the investment(s) in our Company undertaken by the Pre-IPO Investors prior to this initial public offering, the details of which are set out in the section headed "History, Reorganization and Corporate Structure" in this Prospectus
"Pre-IPO Investor(s)"	the investor(s) in our Company prior to this initial public offering, the details of which are set out in the section headed "History, Reorganization and Corporate Structure" in this Prospectus
"Pre-IPO Share Option Scheme"	the share option scheme of our Company, which was approved and adopted by way of the decision of the chairman of the Board on April 15, 2024, as authorized by a resolution of the shareholders of the Company dated June 8, 2023, the principal terms of which are set out in "Statutory and General Information – D. Pre-IPO Share Option Scheme" in Appendix IV to this Prospectus
"Prospectus"	this prospectus being issued in connection with the Hong Kong Public Offering
"QIB"	a qualified institutional buyer within the meaning of Rule 144A
"Regulation S"	Regulation S under the U.S. Securities Act
"Remuneration Committee"	the remuneration committee of the Board
"Renminbi" or "RMB"	Renminbi, the lawful currency of the PRC

"Reorganization"	the reorganization arrangements undertaken by our Group in preparation for the Listing, details of which are set out in the section headed "History, Reorganization and Corporate Structure – Reorganization" in this Prospectus
"RSU"	restricted stock unit
"Rule 144A"	Rule 144A under the U.S. Securities Act
"SAFE"	the State Administration of Foreign Exchange of the PRC (中華人民共和國國家外匯管理局)
"SAIC"	the State Administration for Industry and Commerce of the PRC (中華人民共和國國家工商行政管理總局), which has now been merged into the SAMR
"SAMR"	the State Administration for Market Regulation of the PRC (中華人民共和國國家市場監督管理總局)
"Series A Investors"	the holders of the Series A Preferred Shares
"Series A Preferred Shares"	the series A preferred shares of the Company with a par value of US$0.0001 per Share
"Series Angel Investors"	the holders of the Series Angel Preferred Shares
"Series Angel Preferred Shares"	the series Angel preferred shares of the Company with a par value of US$0.0001 per Share
"Series B1 Investors"	the holders of the Series B1 Preferred Shares
"Series B1 Preferred Shares"	the series B1 preferred shares of the Company with a par value of US$0.0001 per Share
"Series B2 Investors"	the holders of the Series B2 Preferred Shares
"Series B2 Preferred Shares"	the series B2 preferred shares of the Company with a par value of US$0.0001 per Share
"Series B3 Investors"	the holders of the Series B3 Preferred Shares
"Series B3 Preferred Shares"	the series B3 preferred shares of the Company with a par value of US$0.0001 per Share

"Series C Investors"	the holders of the Series C Preferred Shares
"Series C Preferred Shares"	the series C preferred shares of the Company with a par value of US$0.0001 per Share
"Series Pre-A Investors"	the holders of the Series Pre-A Preferred Shares
"Series Pre-A Preferred Shares"	the series Pre-A preferred shares of the Company with a par value of US$0.0001 per Share
"SFC"	the Securities and Futures Commission of Hong Kong
"SFO" or "Securities and Futures Ordinance"	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time
"Shanghai Jushuitan"	Shanghai Jushuitan Network Technology Co., Ltd. (上海聚水潭網絡科技有限公司), a limited liability company established under the laws of the PRC on September 26, 2014 and our wholly-owned subsidiary
"Share(s)"	ordinary shares in the share capital of our Company
"Share Option(s)"	the share option(s) granted or to be granted pursuant to the terms and conditions of the Pre-IPO Share Option Scheme
"Shareholder(s)"	holder(s) of our Share(s)
"STA"	the State Taxation Administration of the PRC (中華人民共和國國家稅務總局)
"Stabilizing Manager"	China International Capital Corporation Hong Kong Securities Limited
"State Council"	the State Council of the PRC (中華人民共和國國務院)
"Stock Exchange"	the Stock Exchange of Hong Kong Limited
"Stock Borrowing Agreement"	the stock borrowing agreement expected to be entered into between the Stabilizing Manager and Black Tea Limited on or around October 17, 2025

"subsidiary(ies)"	has the meaning ascribed thereto in section 15 of the Companies Ordinance
"substantial shareholder(s)"	has the meaning ascribed thereto under the Listing Rules
"Track Record Period"	the period comprising the three financial years ended December 31, 2022, 2023 and 2024, and the six months ended June 30, 2025
"treasury shares"	has the meaning ascribed thereto under the Listing Rules
"Underwriters"	the Hong Kong Underwriters and the International Underwriters
"Underwriting Agreements"	the Hong Kong Underwriting Agreement and the International Underwriting Agreement
"United States", "USA", "US" or "U.S."	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"US dollars", "U.S. dollars", "USD" or "US$"	United States dollars, the lawful currency of the United States
"U.S. Government"	the federal government of the United States, including its executive, legislative and judicial branches
"U.S. Persons"	U.S. persons as defined in Regulation S
"U.S. Securities Act"	the United States Securities Act of 1933, as amended, supplemented or otherwise modified from time to time
"VAT"	value-added tax
"**White Form eIPO**"	the application for Hong Kong Offer Shares to be issued in the applicant's own name, submitted online through the designated website of the **White Form eIPO** Service Provider at **www.eipo.com.hk**
"**White Form eIPO** Service Provider"	Computershare Hong Kong Investor Services Limited

Unless otherwise specified, all references in this Prospectus to any shareholdings in our Company following the completion of the Capitalization Issue and the Global Offering assume that the Offer Size Adjustment Option and the Over-allotment Option are not exercised.

The English names of the PRC entities, PRC laws or regulations, and the PRC governmental authorities referred to in this Prospectus are translations from their Chinese names and are for identification purposes only. If there is any inconsistency, the Chinese names shall prevail.

Certain amounts and percentage figures included in this Prospectus have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them.

This section contains definitions of certain terms used in this Prospectus in connection with our Company and our business. Some of these may not correspond to standard industry definitions.

"architecture"	the structure under which an information system's hardware, software, data and communication capabilities are put together
"annual recurring revenue" or "ARR"	revenue from our SaaS products in the last month of a given year multiplied by 12
"billings"	payments we received from customers for our products and services during a certain period (including applicable taxes)
"CAGR"	compound annual growth rate
"cloud-based"	applications, services or resources made available to users on demand via the internet from a cloud computing provider's servers with access to shared pools of configurable resources
"COVID-19"	coronavirus disease 2019, a disease caused by a novel virus designated as severe acute respiratory syndrome coronavirus 2
"DMS"	distribution management system
"Double 11 Festival"	the annual online promotional event over a period of time around November held by e-commerce platforms in China
"ERP"	enterprise resource planning system
"IaaS"	Infrastructure as a Service, a cloud computing model that provides on-demand access to computing resources such as servers, storage, networking, and virtualization
"IT"	information technology

"net dollar retention rate"	a fraction, the denominator of which is the revenue contribution by customers in the previous year of a given year and the numerator of which is the contribution by the same group of customers in such given year, expressed as a percentage
"OMS"	order management system
"on-premise software"	software installed and operated from organizations' in-house server and computing infrastructure
"PDA"	personal digital assistant, a hand-hold smart barcode scanner typically used in warehousing management
"PMS"	procurement management system
"R&D"	research and development
"SaaS"	software as a service, a cloud-based software delivery model in which the software provider develops and maintains cloud software application, provides automatic software updates, and makes software available to its customers via the internet on a pay-as-you-go or subscription basis
"SKU"	stock keeping unit
"uptime"	the guaranteed amount of time that a system is operational without interruptions or failures
"WMS"	warehousing management system

We have included in this Prospectus forward-looking statements. Statements that are not historical facts, including but not limited to statements about our intentions, beliefs, expectations or predictions for the future, are forward-looking statements.

This Prospectus contains forward-looking statements and information relating to us and our subsidiaries 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 Prospectus, 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 Prospectus, 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:

(1) our operations and business prospects;

(2) our ability to maintain relationship with, and the actions and developments affecting, our major customers, suppliers and other business partners;

(3) future developments, trends and conditions in the industries and markets in which we operate or plan to operate;

(4) general economic, political and business conditions in the markets in which we operate;

(5) changes to the regulatory environment in the industries and markets in which we operate;

(6) our ability to maintain the market leading positions;

(7) the actions and developments of our competitors;

(8) our ability to effectively contain costs and optimize pricing;

(9) the ability of third parties to perform in accordance with contractual terms;

(10) our ability to retain senior management and key personnel and recruit qualified staff;

(11) our business strategies and plans to achieve these strategies, including our product, service and geographic expansion plans;

(12) our ability to defend our intellectual rights and protect confidentiality;

(13) 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

(14) 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 Prospectus, 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 Prospectus 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 Prospectus 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 Prospectus.

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

An investment in our Shares involves significant risks. You should carefully consider all of the information in this Prospectus, including the risks and uncertainties described below, before making an investment in our 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 market price of our Shares could significantly decrease due to any of these risks, and you may lose all or part of your investment. 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 Prospectus.

RISKS RELATING TO OUR BUSINESS AND INDUSTRY

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

Our SaaS products and the market acceptance of our SaaS products are essential to our business success. Our ability to continue to attract and retain customers and increase sales depends largely on our ability to continue improving and enhancing the functions, performance, reliability, design, security, and scalability of our products. For further information on our products, see "Business—Our Offerings."

The industry in which we operate is characterized by dynamic industry trends, fast changing technologies, and rapid development and continued enhancement of SaaS products. To remain competitive, we must continue to stay abreast of the continuously evolving merchants' demand and preferences, industry trends and rapid technological developments.

Emergence of new e-commerce platforms, new e-commerce business models or new marketing channels may induce different operational demand by merchants. General market conditions and consumer behaviors may also affect our business. For example, changes in popularity of product categories in the e-commerce sector may change the way merchants need to operate their business because different product categories may require distinct operational skills due to the different requirements in warehousing, customer support, or other operational resources. Failure to capture the industry trends such as the foregoing could render our SaaS products less attractive to customers and limit our business growth. If we are not able to keep pace with the market dynamics in e-commerce or e-commerce SaaS markets, our business may be materially and adversely affected.

We have invested and intend to continue investing significant resources in advanced technologies, including distributed and parallel computing, real-time computing, cloud-native database and multi-level cache, to enhance our products in different business scenarios. Nevertheless, we may not be able to leverage new technologies effectively or adapt our products to meet customers' needs or emerging industry standards. If we are unable to adapt in a cost-effective and timely manner in response to changing market conditions, whether for technical, legal, financial or other reasons, our business may be materially and adversely affected. Our success will also depend partially on our ability to continuously identify, develop, acquire, protect or license advanced and new technologies that are valuable to our products and solutions. Failure to do so could render our existing products and solutions obsolete and unappealing, thereby adversely affecting our business prospects.

In addition, we will need to continuously modify and enhance our products in order to maintain the compatibility of our products. We may not be successful in either developing these modifications and enhancements or in bringing them to the market in a timely manner. Moreover, uncertainties regarding the timing and nature of the development in network platforms or technologies, or modifications to existing platforms or technologies, could increase our research and development expenses. Any failure of our products to operate effectively with future network platforms and technologies could reduce the demand for our products and solutions, result in customer dissatisfaction, and adversely affect our business, financial condition, results of operations and prospects.

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

Our success is closely tied to our ability to maintain strong relationships with e-commerce platforms, and the integration of our products with them is key to our success. As they evolve, our products and services must be promptly updated to ensure seamless integration and continued relevance. The technological advancements and business know-how in the e-commerce landscape evolve rapidly. If we lag, even momentarily, our products might lose their efficacy, causing friction for our users.

Furthermore, as e-commerce platforms diversify and specialize, we must ensure compatibility and connectivity with various types of e-commerce platforms in order to stay competitive. We may invest substantial human and technology resources in this regard, and we cannot guarantee that these efforts will generate our desired results.

In addition, maintaining business relationship with major e-commerce platforms in China are important to our business. For the years ended December 31, 2022, 2023, 2024 and the six months ended June 30, 2025, orders processed on our top three e-commerce platforms in each year/period during the Track Record Period accounted for 83%, 83%, 84% and 84% of total orders on our ERP products, respectively. Merchants use our products to manage their online stores on e-commerce platforms. If e-commerce platforms, especially the major e-commerce platforms, curtail or inhibit our ability to integrate or operate our products with their platforms, our services to merchants will be materially affected. For example, certain major e-commerce platforms or their related companies also offer ERP products to merchants. We believe that ERP products offered by e-commerce platforms are more complementary to than competitive with ERP products offered by third-party providers, including us. However, we cannot guarantee that e-commerce platforms will not offer competing ERP products in the future and restrict our connectivity with such e-commerce platforms.

Therefore, any failure to maintain our relationships with e-commerce platforms or adapt ourselves to emerging e-commerce platforms, or any curtailment or inhibition of our ability to connect our SaaS products and related services with the merchants' shops on such e-commerce platforms, could have a material adverse effect on our business and prospects. We may need to invest significant resources to adapt to these changes or develop workarounds, which could negatively impact our results of operation and financial performance.

Adverse changes in the macro-economy may negatively affect the e-commerce market and the demand for our products.

Since our SaaS products are offered to participants in the e-commerce industry, our operational and financial performances are subject to the developments of the internet and e-commerce industry. In particular, many of our customers are small- and medium-sized merchants that may be more vulnerable to macro economy fluctuations than large-scale companies. In extreme cases, many such small- and medium-sized merchants may experience large scale closure during economic downturns. The internet and e-commerce market may be affected by factors such as the macro-economy and consumers' disposable income, among others. Any such adverse changes in the macro-economy may negatively affect the e-commerce market, which may in turn affect the demand for our SaaS products and our ability to generate profits.

The development of the internet and e-commerce industry is subject to various factors beyond our control.

The development of the internet and e-commerce industry is subject to various factors beyond our control, such as changes in demographics of e-commerce consumers, consumer tastes and preferences, mobile internet penetration and usage, emergence of alternative channels or business models, seasonality and public policies. Negative development in the internet and e-commerce industry will adversely affect our business. Additionally, some changes in dynamics of the internet and e-commerce industry, such as emergence of new business models, may also affect our business adversely, if our offerings do not match customers' shifting needs or if our business model does not tone with such changed dynamics.

Our SaaS products are subject to third-party dependencies. In particular, we rely on one IaaS cloud service provider.

Our SaaS products and related services are subject to third-party dependencies, such as cloud service providers and telecommunications companies. For example, IaaS cloud services are important to our cloud-based SaaS products and provide the infrastructure for our SaaS products. Cloud server fees and technical service fees accounted for 20.8%, 28.8%, 33.1% and 34.2% of our cost of sales in 2022, 2023, 2024 and the six months ended June 30, 2025, respectively. We rely on a single IaaS cloud services provider, Supplier A, which may amplify the risks relating to the dependence on third-party IaaS cloud service providers. Supplier A was also our largest supplier in each period during the Track Record Period, accounting for approximately 39.4%, 36.3%, 50.3% and 51.7% of our total purchases in 2022, 2023, 2024 and the six months ended June 30, 2025, respectively. In addition, in each period during the Track Record Period, purchase from Supplier A accounted for over 90% of our total purchases of cloud services. Our reliance on such supplier may subject us to concentration and counterparty risks from such supplier. Our agreements with Supplier A are not exclusive. While we believe we maintain good business relationship with Supplier A, we cannot assure you that such relationships will not worsen in the future. In addition, if Supplier A were to adjust its business or to encounter difficulties in its operations, the operation of our SaaS products and business as a whole may be affected in turn as a result. According to CIC, there are several providers in the market that can provide comparable services to satisfy our business needs, and we do not anticipate significant migration costs. However, we cannot assure you that, in the event our business relationship with Supplier A were to deteriorate or the supply were to be terminated for any other reasons, we will be able to secure alternative suppliers for IaaS services promptly on commercially favorable terms. If any of the foregoing events occur, our business may be materially and adversely affected.

In addition, we cannot assure you that we will be able to maintain our relationships with our other major suppliers. Any material and adverse change in our relationship with major suppliers could impact the availability, reliability, or performance of our platform, which could negatively impact our business and financial performance. If we are unable to prevent or mitigate the risks associated with interruptions, performance issues, or security issues, our business, financial performance, and reputation may be materially and adversely affected. We may not have full or effective control over the third-party suppliers to prevent such incidents, and the third-party suppliers may not be willing or be able to provide sufficient indemnification or compensation, if at all, for any loss and expenses that we suffer as a consequence.

We invest heavily in our research and development, and such investment may negatively impact our profitability in the short term and may not generate the results we expect to achieve.

We have committed significant resources to research and development of our SaaS products, which are tailored to meet the unique needs of participants in the e-commerce industry. In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, we recorded research and development expenses of RMB234.3 million, RMB233.9 million, RMB239.8 million, RMB112.1 million and RMB115.4 million, respectively. While we believe that this investment is essential to maintain our competitive edge and continue to develop innovative products and solutions, it may negatively impact our profitability in the short term. Our research and development efforts may require substantial upfront costs without generating corresponding revenue, which could lead to a decrease in our profitability or even loss 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 successful or marketable products or enhancements thereof, or that may require significant additional investment to become commercially viable. Such outcomes could have a negative impact on our financial performance and may limit our ability to compete effectively in the industry in which we operate.

Therefore, our investment in research and development may not generate the results we expect to achieve, and our profitability 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 investors and maintain our market position.

If we fail to maintain and grow our customer base, keep our customers engaged through our products and solutions, and expand our business, our business growth may not be sustainable.

To achieve the sustainable growth of our business, we must continuously attract new customers, retain existing customers and increase their spending on our products and solutions. This requires a thorough understanding of our customers' evolving needs in their changing businesses, timely launching new products and improving our existing products to keep our customers engaged. If we fail to correctly and promptly identify our customers' demands or continuously provide them with products and solutions that add value to their businesses, our customers may be reluctant to increase their spending on our products and solutions, and as a result, the growth of our business may be stalled.

In addition, our future success largely depends on our ability to develop and expand our SaaS business. During the Track Record Period, revenue generated from our SaaS products increased by 34.5% from RMB497.9 million in 2022 to RMB669.9 million in 2023 and further increased by 31.0% to RMB877.5 million in 2024. The revenue generated from our SaaS products subsequently increased by 24.6% from RMB406.6 million in the six months ended June 30, 2024 to RMB506.5 million during the same period in 2025. We cannot assure you that we will achieve similar growth rates for our SaaS business in the future. Despite our efforts in researching and developing technology-driven SaaS products, we cannot assure you that our existing and future SaaS products will sustain the current level of popularity. Customers may not choose or continue to use our SaaS products if our SaaS products become outdated or if our competitors offer superior and customer-friendly products and solutions. As a result, our SaaS business may not grow at a rate we anticipate or at all, which may, in turn, materially and adversely affect our business, results of operations, financial condition and prospects.

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

We face competition in various aspects of our business, including research and development capabilities, customer services and retention, talents, brand awareness, commercial relationships and financial, technical, marketing and other resources. Our competitors may be able to develop products better received by participants in the e-commerce industry or may be able to respond more quickly and effectively to new opportunities and changing technologies, regulations, and customers' needs. In addition, our existing and future competitors may quickly expand their customer base and sales network by enlarging their sales and support team. This could cause us to lose potential sales, which may have a material adverse impact on our results of operation and financial condition. If we are unable to compete successfully against our current or potential competitors, our business, financial condition, and results of operations may be materially and adversely impacted.

We may not be able to achieve or subsequently maintain profitability.

In 2022, 2023 and the six months ended June 30, 2025, we recorded net loss of RMB507.1 million, RMB490.0 million and RMB39.5 million, respectively. Our historical loss-position was mainly due to our substantial initial investment in (i) product development and (ii) customer acquisition and retention to drive market acceptance. As a result of (i) increasing revenue generated from recurring customers, which typically require less implementation costs compared to new customers, (ii) the improvement of our sales and marketing efficiency, and (iii) our upfront efforts in research and development which enabled us to achieve revenue growth without incurring significant additional research and development investment, our profitability significantly improved in the first half of 2025. For details, see "Business — Business Sustainability and Path to Profitability." If we cannot obtain sufficient capital to meet our capital needs, we may not be able to execute our growth strategies, and our business, financial condition and prospects may be materially and adversely affected. Accordingly, we may not be able to achieve or subsequently maintain profitability in the future. We also expect our costs and expenses to significantly increase in future periods as we continue to expand our business and operations. In addition, we expect to incur substantial costs and expenses as a result of being a public company. If we are unable to generate adequate revenues and manage our costs and expenses, we may continue to incur significant loss in the future and our net loss may increase compared to prior years, and we may not be able to achieve or subsequently maintain profitability.

We recorded net current liabilities and deficits in equity during the Track Record Period.

As of December 31, 2022, 2023, 2024 and June 30, 2025, we recorded deficits in equity of RMB1,513.1 million, RMB3,673.2 million, RMB3,649.5 million and RMB3,683.1 million, primarily due to (i) the recognition of financial liabilities to investors amounted to RMB1,200.7 million as of December 31, 2022, representing the paid-in capital with preferred rights held by certain investors, (ii) convertible redeemable preferred shares amounted to RMB3,127.9 million and RMB3,143.9 million as of December 31, 2023 and 2024, respectively, which will be terminated upon the Global Offering, and (iii) the significant amount of contract liabilities amounted to RMB1,286.1 million, RMB1,604.5 million, RMB1,955.0 million and RMB2,107.6 million as of December 31, 2022, 2023, 2024 and June 30, 2025, respectively, because we typically require prepayments from our customers before we grant them access to our SaaS products. As of December 31, 2022, 2023, 2024 and June 30, 2025, we recorded net current liabilities of RMB227.0 million, RMB3,270.3 million, RMB3,118.2 million and RMB3,129.3 million, respectively.

We cannot assure you that we will not record net current liabilities or deficits in equity in the future. A net current liabilities or deficits in equity position would expose us to liquidity risk. If we cannot obtain necessary funds to finance our operations, we may default on our payment liabilities, and our business, liquidity, financial condition, results of operations and prospects could be materially and adversely affected.

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

We experienced rapid growth in our revenue during the Track Record Period. Our revenue increased from RMB523.1 million in 2022 to RMB697.2 million in 2023, and further increased to RMB909.8 million in 2024, representing a CAGR of 31.9%. Our revenue subsequently increased by 24.4% from RMB421.0 million in the six months ended June 30, 2024 to RMB523.6 million during the same period in 2025. The total number of our SaaS customers increased throughout the Track Record Period, being 45.7 thousand, 62.2 thousand, 88.4 thousand and 92.6 thousand as of December 31, 2022, 2023, 2024 and June 30, 2025, respectively, with growing demands in our products.

While our business has grown in the past, we cannot assure you that we are able to sustain our historical growth rate for various reasons, including uncertainty of our continuous launch of new products and solutions and intensified competition in our industry. Our revenue, expenses and operating results may vary from period to period due to factors beyond our control. As a result of these, and other factors, we cannot assure you that our future revenues will increase or that we will achieve and/or subsequently maintain profitability. Accordingly, investors should not rely on our historical results as an indication of our future financial or operating performance.

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

Any developments in the internet and e-commerce industry, or changes in dynamics of the industry, may affect the demand of our products.

Since our SaaS products are offered to participants in the e-commerce industry, our operational and financial performances are subject to the dynamic developments of the internet and e-commerce industry. The internet and e-commerce market may be affected by various factors including the macro-economy, consumers' disposable income, changes in demographics, consumer tastes and preferences, mobile internet penetration and usage, emergence of alternative channels or business models, seasonality and public policies. Many of these factors are beyond our control. Any developments in the internet and e-commerce market may in turn affect the demand for our SaaS products and our ability to generate profits. Some changes in dynamics of the internet and e-commerce industry may also affect our business adversely, if our offerings do not match customers' shifting needs or if our business model does not tone with such changed dynamics.

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

Unauthorized access or use of customer data could expose us to regulatory actions, litigation, investigations, remediation obligations, damage to our reputation and brand, supplemental disclosure obligations, loss of customer confidence in the security of our products, destruction of information, indemnity obligations, and resulting fees, costs, expenses, loss of revenues, and other potential liabilities. We devote significant financial and personnel resources to implementing and maintaining security measures. If these measures are compromised as a result of third-party action, including intentional misconduct by computer hackers, employee error, malfeasance, or otherwise, and someone obtains unauthorized access to or use of our customers' data, our reputation could be damaged, our business may suffer, and we could incur significant liabilities as well as incur significant costs to remediate any incidents.

Cybersecurity challenges, including threats to our own IT infrastructure or those of our customers or third-party providers, are often targeted at companies such as ours and may take a variety of forms ranging from individual and groups of hackers to sophisticated organizations, including state-sponsored actors. Key cybersecurity risks range from viruses, worms, and other malicious software programs to "mega breaches", any of which can result in unauthorized disclosure of confidential information and intellectual property and compromised data. As the techniques used to obtain unauthorized access or sabotage systems change frequently and generally are not identified until they are launched against a target, we may be unable to anticipate these techniques or to implement adequate preventative measures.

In addition, if a high-profile security breach occurs with respect to an industry peer, our customers and potential customers may generally lose trust in the security of e-commerce SaaS products, or in cloud applications for enterprises in general. Any or all of these issues could negatively affect our ability to attract new customers, cause existing customers to elect to terminate or not renew their subscriptions, result in reputational damage, require us to compensate our customers for certain loss, or result in lawsuits, regulatory fines, or other action or liabilities, which could materially and adversely affect our business, financial condition and results of operations. See "Regulation—Regulations on Internet Information Security and Privacy Protection."

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

We believe that maintaining, promoting and enhancing our Jushuitan brands is critical to our business. Maintaining and enhancing our brands depends largely on our ability to continue to provide high-quality, well-designed, useful, reliable, and innovative products and solutions, which we may not be able to achieve at all times.

Errors, defects, disruptions or other performance issues with our infrastructure may harm our reputation and brands, and we may introduce new solutions or terms of service which may not be well received by our customers. Additionally, if our customers have a negative experience using our solutions or service, such an encounter may affect our brands and reputation within the industry.

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

We believe our focus on customer service and support is critical to onboarding new customers, retaining our existing customers and growing our business. Therefore, we have invested heavily in improving the quality of customer service and support, such as in training of our support team. If we are unable to maintain high quality of customer service consistently, we may lose our existing customers.

In addition, our ability to attract new customers is highly dependent on our reputation and on referrals from our existing customers. Failure to maintain customer services with high quality consistently, or any market perception to the same effect, could adversely affect our reputation and the number of customer referrals that we receive.

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

In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, we recorded selling and marketing expenses of RMB314.3 million, RMB344.0 million, RMB369.9 million RMB170.6 million and RMB189.0 million, respectively. If we fail to conduct our sales and marketing activities cost-effectively, we may incur considerable marketing expenses, which could adversely affect our business and operating results. Additionally, our brand promotion and marketing activities may not be well received by customers and may not result in the levels of sales that we anticipate. Meanwhile, we are compelled to enhance our marketing approaches and experiment with new marketing methods to keep pace with industry developments and customer preferences. Due to the technical nature of SaaS products, we mainly rely on our direct sales and regional sales agents to conduct marketing activities and drive sales of our SaaS products and related services. Failure to introduce new marketing approaches in a cost-effective manner could reduce our market share and materially and adversely affect our financial condition, results of operations and profitability.

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

We have plans to expand our business into various regions and countries overseas, which exposes us to various risks and challenges. These risks include, but are not limited to, changes in political environment, laws and regulations, economic conditions, and cultural differences. Any failure to handle these risks effectively could result in disruptions to the execution of our business plans and operations, increase in costs, and damage to our reputation. In addition, our plans for business development overseas may require significant investments in marketing, research and development, and human resources, which may not yield the expected return on investment. The timing of our expansion plans may also be affected by factors beyond our control, such as changes in economic conditions, political environment, or delays in obtaining necessary licenses and permits. Furthermore, we may be subject to additional regulatory requirements in foreign countries, which may increase our compliance costs and subject us to legal and regulatory risks. These requirements may also limit our ability to operate in certain regions or countries, which could negatively impact our growth prospects. 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.

Our results of operations are subject to substantial seasonal fluctuations due to a number of factors that could adversely affect our business.

Our SaaS products and solutions are used by participants in the e-commerce industry, which is subject to seasonal trends and fluctuations. Our results of operations may be affected by various seasonal factors, including, but not limited to, the e-commerce shopping festivals and holidays. For example, during shopping festivals or public holidays, such as the Double 11 Festival, our customers typically experience a significant increase in sales volume, which may increase their demand for and usages of our products. We may experience peak level of revenue increases during or after such periods. As a result, our results of operations may not be comparable from quarter to quarter and have been and may continue to be subject to seasonality. Moreover, if we are unable to meet this increased demand, our revenue and financial performance may be negatively impacted.

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

Our SaaS products and related services rely on technology infrastructure and systems, including software, hardware, and network equipment. Any interruption, degradation, or failure of these systems or infrastructure could cause our platform to experience performance issues or become unavailable to our customers, which could lead to lost revenue, increased expenses, and damage to our reputation. In addition, our products are vulnerable to security breaches, cyberattacks, and other malicious activities that could result in the loss, theft, or unauthorized use of customer data or other sensitive information. Any such breach or attack could result in legal and regulatory liabilities, financial loss, and damage to our reputation. The user experiences of our SaaS products may be significantly and adversely impacted as a result. Our business depends on the performance and reliability of the internet infrastructure, on which we do not have control. We may not have access to alternative networks in the event of disruptions, failures or other problems with the internet infrastructure.

Defects or errors in our products or solutions will decrease or diminish demand for our products or solutions, and harm our business and results of operations.

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

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

Our trade secrets, trademarks, copyrights, patents, and other intellectual property rights are critical to our success. We rely on, and expect to continue to rely on, confidentiality agreements, noncompete agreements and other contractual arrangements with our employees and third parties, as well as a combination of patent, trademark, copyright, domain name, trade secrets and other proprietary rights protection laws to protect our intellectual properties. However, events beyond our control may pose threats to our intellectual property rights and the integrity of our products and brand. Effective protection of our trademarks, copyrights, domain names, patent rights, and other intellectual property rights is expensive and challenging. While we have taken measures to protect our intellectual property rights, including implementing a set of comprehensive internal policies to establish robust management over our intellectual property rights, and deploying a special team to guide, manage, supervise and monitor our daily work regarding intellectual property rights, we cannot assure you that such efforts are adequate to guard against any potential infringement and misappropriation. In addition, our intellectual property rights may be declared invalid or unenforceable if being challenged in the courts or before the related government intellectual property authorities.

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

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

Our competitors and other third parties may, with or without merit, bring legal claims against us for infringing on their patents, copyrights, trademarks or other intellectual property rights. The intellectual property laws, which cover the validity, enforceability and scope of protection of intellectual property rights, are evolving, and litigation is an increasingly popular means to resolve commercial disputes. Given the foregoing and the increasing competition in the market, we are exposed to heightened litigation risks. Any intellectual property lawsuits against us, whether successful or not, may harm our brand and reputation. During the Track Record Period, we were not subject to any intellectual property infringement claims that may have a material adverse impact on our business.

Sometimes defending intellectual property claims may be costly and may impose a significant burden on our management and resources. Further, we may not be able to successfully defend against all legal claims, and thus we may need to pay damages or be forced to cease using certain technologies or content that is critical to our products and solutions. Any consequential liabilities, expenses or any changes to our products or services that we have to make to limit future liabilities, may have a material adverse effect on our business, results of operations, and prospects.

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

We use open-source technology in some of our platform and expect to continue to use open-source software in the future. Although we monitor our use of open-source technology to avoid subjecting our products to conditions we do not intend to be bound, we may face allegations from others alleging ownership of, or seeking to enforce the terms of, an open-source license, including by demanding release of the open-source technology, derivative works, or our proprietary source code that was developed using such technology. These allegations could also result in litigation. The terms of many open source licenses may be subject to further interpretation by courts. There is a risk that these licenses could be construed in a way that imposes unanticipated conditions or restrictions on our ability to commercialize our products. In such an event, we may be required to seek licenses from third parties to continue commercially offering our products, to make our proprietary code generally available in source code form, to re-engineer our products or to discontinue the sale of our products if re-engineering could not be accomplished on a timely basis, any of which could adversely affect our business and revenue.

The use of open-source technology subjects us to a number of other risks and challenges. Open-source technology is subject to further development or modification by anyone. Others may develop such technology to compete with us, or render such software no longer useful. It is also possible for competitors to develop their own products and solutions using open-source technology, potentially reducing the demand for our products and solutions. If we are unable to successfully address these challenges, our business and operating results may be adversely affected, and our development costs may increase.

We may be involved in disputes arising from our operations, and the resulting customer complaints and legal proceeds against us may harm our reputation, which could adversely affect our business, prospects, results of operations and financial condition.

As a provider of SaaS products, we may face disputes with customers, suppliers, partners, or other third parties. These disputes may arise from issues related to our products, services, intellectual property rights, contracts, or other matters, and may lead to legal proceedings or arbitration. We may not be able to successfully defend against such legal claims at all times. Sometimes disputes or legal proceedings against us may be time-consuming, costly, and may harm our reputation. Even if we are ultimately successful in defending against such disputes or legal proceedings, they may distract management, disrupt our operations, and result in negative publicity, which may adversely affect our business and financial performance.

Moreover, customer complaints or negative reviews may harm our reputation and lead to reduced demand for our product. We may also face reputational harm from incidents of data breaches, cyberattacks, or other security breaches that may compromise the confidentiality, integrity, or availability of customer data. If we are unable to effectively manage these risks, our business and financial performance may be materially and adversely affected.

Further developments in laws and regulations related to the e-commerce and/or cloud services industry may affect the demand for our services and have an impact on our business.

The future success of our business depends upon the continued popularity of e-commerce and related cloud services, which are partially attributable to the favorable laws, regulations and policies that promote these industries. Further developments in these laws or regulations may affect the value of our products and services and/or require us to modify our products in order to comply with these developments. For example, we receive merchants' authorization fees from certain e-commerce platforms (after deducting applicable technology support fees by the e-commerce platforms) and subsequent refund of such amount to merchants (the "**Relevant Arrangement**"). For details, see "Business—Our Offerings—E-Commerce SaaS ERP Products—Relationship with E-commerce Platforms." As advised by our PRC Legal Advisor, the Relevant Arrangement is in compliance with applicable PRC laws and regulations in all material respects. However, if the Relevant Arrangement is deemed unlawful due to future changes in laws and regulations, our current business model and business relationship with e-commerce platforms and customers may be affected. As a result, we may need to devote additional resources to change our business model and arrangements to ensure compliance. In addition, relevant taxes, fees or other charges may be imposed for accessing the internet, e-commerce and or cloud services. These factors may affect the e-commerce, related cloud services or even internet communications industry in general and the demand for our products and services.

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

We, our shareholders, Directors, officers, employees, associates and business partners may be subject to negative media coverage and publicity from time to time. Such negative coverage in the media and publicity could change the market perception that we are a trustworthy service provider. In addition, to the extent our employees and business partners were noncompliant 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 investors and customers.

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

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

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

Our future success depends, in part, on our ability to continue to attract and retain highly skilled personnel specializing in research and development, product development, and sales and marketing, particularly with experience in the e-commerce market. In order to enhance the stability of our team, we are devoted to building a nurturing corporate culture and have offered various incentives and trainings to our highly skilled personnel. Nevertheless, we cannot assure you that we can attract or retain qualified personnel. The inability to do so or delays in hiring required personnel may cause significant harm to our business, financial condition and operating results. If we lose the services of any member of management or key personnel, we may not be able to locate suitable or qualified replacements, and may incur additional expenses to recruit and train new staff, which could severely disrupt our business and growth, thereby materially and adversely affecting our business, financial condition, results of operations and prospects.

Meanwhile, the size and scope of our business may require us to hire and retain a wide range of personnel with different portfolios of experiences, expertise and personal traits. Competition for talent and qualified personnel in our industry is intense, and the availability of suitable and qualified candidates is limited. Competition for these individuals could cause us to offer higher compensation and other benefits to attract and retain them. In addition, even if we were to offer higher compensation and other benefits, we cannot assure you that these individuals would choose to join or continue working for us. If we fail to attract and retain personnel with suitable managerial or other expertise, or to maintain an adequate labor force on a continuous and sustained basis, our financial position and results of operations could be materially and adversely affected.

We have granted share-based awards in the past under our share incentive plan and may continue to grant share-based awards in the future, which may cause shareholding dilution to our existing shareholders and result in increased share-based payments for employees and have an adverse effect on our financial performance.

We have adopted the Pre-IPO Share Option Scheme and issued 311,780 Shares (which will be adjusted proportionally to 31,178,000 Shares immediately following the Capitalization Issue) underlying the Share Options which have been granted to specific participants to the ESOP Trustee appointed to administer the Pre-IPO Share Option Scheme prior to the Listing. See "History, Reorganization and Corporate Structure—Issue of Shares for Employee Incentive."

We believe the share-based compensation is of significant importance to our ability to attract and retain key personnel and employees, and we may continue to grant share-based compensation awards in the future. As a result, our expenses associated with share-based compensation may increase, which may have a material and adverse effect on our financial performance. Our ability to attract or retain highly skilled employees may be adversely affected by declines in the perceived value of our equity or equity awards. Furthermore, there are no assurances that the number of shares reserved for issuance under our share incentive plans will be sufficient to grant equity awards adequate to recruit new employees and to compensate existing employees. In case we decide to reserve and issue additional shares under our share incentive plans, your interests in our Company will be further diluted by such issuance.

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

We received government grants of RMB13.8 million, RMB24.6 million, RMB14.1 million, RMB2.4 million and RMB2.0 million in 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively. In addition, we have benefited from preferential tax treatments from the PRC government during the Track Record Period. For example, some of our subsidiaries qualified as high and new technology enterprises and accordingly were entitled to a preferential income tax rate of 15%. Certain subsidiaries of ours in the PRC were qualified as "Small Low-Profit Enterprise". "Small Low-Profit Enterprise" was entitled to a preferential income tax rate that was calculated in accordance with the two-tiered profits tax rates regime. From January 1, 2021 to December 31, 2022, the first RMB1 million of the taxable income of qualified entities are taxed at 2.5%, and the taxable income above RMB1 million and less than RMB3 million are taxed at 10%. Thus the subsidiaries were subject to a preferential income tax rate of 5% or 10% in 2020 and 2.5% or 10% in 2021 and 2022. From January 1, 2023 to December 31, 2027, Small Low-Profit Enterprise with taxable income less than RMB 3.0 million are taxed at 5%. See Note 12 to the Accountant's Report included in Appendix I to this Prospectus 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 result of operations may be materially and adversely affected.

We utilize regional sales agents to market and promote our products and solutions. If we are unable to develop and maintain successful relationships with our regional sales agents, our business, prospects, results of operations and financial condition could be adversely affected.

To date, we have utilized our regional sales agents to market and sell our SaaS products in Fujian province and Jinhua city in Zhejiang province. As of June 30, 2025, we had two sales agents for SaaS products. Our revenue generated from customers reached by the sales agents accounted for approximately 18.8%, 17.7%, 18.1%, 18.0% and 17.7% of our total revenue in 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively. We believe it is important to identify, develop, and maintain stable relationships with our sales agents in order to drive our revenue growth. Our agreements with our existing sales agents for SaaS products are exclusive, meaning our sales agents are contractually prohibited from serving any businesses similar to ours in the respective regions they are engaged for.

While we intend to continue dedicating resources to identifying, developing and maintaining stable relationships with our sales agents, we cannot assure you that our existing or prospective sales agents will strictly comply with the exclusivity or other terms of our agreements with them. They may also cease marketing our products with limited or no notice. If we fail to identify additional sales agents in a timely and cost-effective manner, or at all, or we are not able to independently market our SaaS products and related services in the local communities of the regions where we engage the sales agents, our business, results of operations, and financial condition could be adversely affected.

Additionally, if our sales agents do not effectively market and sell our products and solutions, or fail to meet the needs of our customers, our reputation among prospective and existing customers and ability to grow our business may also be adversely affected.

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 seek to establish risk management and internal control systems consisting of an organizational framework, policies, procedures and risk management methods that are appropriate for our business operations, and seek to continue to improve these systems. For further information, see "Business—Risk Management and Internal Control." Our risk management and internal controls depend on their effective implementation by our employees. Due to the significant size of our operations, we cannot assure you that such implementation will not involve any human errors or mistakes, which may materially and adversely affect our business and results of operations. As we are likely to offer a broader and more diverse range of services and solutions in the future, the diversification of our service offerings will require us to continue to enhance our risk management capabilities. If we fail to timely adapt our risk management policies and procedures to our changing business, our business, results of operations and financial condition could be materially and adversely affected.

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

As part of our business strategy, we have pursued, and intend to continue to pursue, selective strategic investments and acquisitions of businesses and assets that complement our existing business and help us execute our growth strategies.

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:

- failure to achieve the intended objectives, benefits or revenue-enhancing opportunities;

- nonoccurrence 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;

- regulatory requirements 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 these risks successfully may have a material and adverse effect on our financial condition and results of operations. Investments and acquisitions may require a significant amount of capital, which would decrease the amount of cash available for working capital or capital expenditures. In addition, if we use our equity securities to pay for investments and acquisitions, we may dilute the value of our securities. If we borrow funds to finance investments and acquisitions, such debt instruments may contain restrictive covenants that could, among other things, restrict us from distributing dividends. Moreover, acquisitions may also generate significant amortization expenses related to intangible assets. 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.

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

As of December 31, 2022, 2023, 2024 and June 30, 2025, we recorded trade and other receivables of RMB102.5 million, RMB98.9 million, RMB190.4 million and RMB237.9 million, respectively. Our trade receivables represent the amounts due from our customers for the products sold or services performed in our ordinary course of business. Our other receivables consist primarily of receivables due from e-commerce platforms. We may not be able to collect all such trade receivables due to a variety of factors that are beyond our control. For example, if any of our customers experience financial difficulties in settling the trade receivables, our corresponding trade receivables recoverability might be adversely affected. We may be subject to credit risks on our trade and other receivables if the actual recoverability of trade and other receivables is lower than the expected level, which could adversely affect our cash flow and our ability to meet our working capital requirements, thereby adversely affecting our business, financial condition and results of operations.

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

Our results of operations are affected by changes in the fair value of our financial assets. Specifically, as of December 31, 2022, 2023, 2024 and June 30, 2025, (i) our financial assets at fair value through profit or loss were RMB219.5 million, RMB131.8 million, RMB121.0 million and RMB123.0 million, respectively, and (ii) our financial assets at fair value through other comprehensive income were RMB170.0 million, nil, nil and RMB101.0 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 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 and liabilities is based on valuation techniques and various assumptions of inputs that are unobservable which inherently involve a certain degree of uncertainty. See Note 3.3 to the Accountant's Report included in Appendix I to this prospectus 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.

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

Our results of operations are affected by changes in the fair value of our financial liabilities. Specifically, as of December 31, 2022, 2023, 2024 and June 30, 2025, (i) our financial liabilities to investors amounted to RMB1,200.7 million, nil, nil and nil, respectively, and (ii) our convertible redeemable preferred shares were nil, RMB3,127.9 million, RMB3,143.9 million and RMB2,675.3 million, respectively. The fair value of financial liabilities classified in levels 1 and 2 is determined based on observable inputs, while the determination of the fair value of level 3 financial liabilities is based on valuation techniques and various assumptions of inputs that are unobservable which inherently involve a certain degree of uncertainty. See Note 3.3 to the Accountant's Report included in Appendix I to this prospectus 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 and liabilities, which may in turn affect on our financial position and results of operations.

We may face risk regarding investment in associates, our results of operations might be affected by the share of results of associates and related liquidity risk if no dividend is declared by those associates.

We recorded investments accounted for using equity method of RMB117.8 million, RMB99.5 million, RMB84.9 million and RMB53.2 million as of December 31, 2022, 2023, 2024 and June 30, 2025, respectively. However, our investment in associates may not guarantee a share of profits, and any loss incurred by such associate shall be apportioned among our Group and other shareholders of the associate. If the associate does not perform as expected or does not generate sufficient revenue in any financial year, our return of investment in associates, financial performance and financial position, could be materially and adversely affected.

There can be no assurance that our investment in associates will achieve the results intended and we may be subject to liquidity risk. Our investments in an associate are not as liquid as other investment products as there is no cash flow until dividends are received even if such associate reported profits under the equity accounting. Furthermore, the possibility to promptly sell one or more of our interests in the associate in response to changing economic, financial and investment conditions is uncertain. The market is affected by various factors, such as general economic conditions, availability of financing, interest rates and supply and demand, many of which are beyond our control. We cannot predict whether we will be able to sell any of our interests in such associate for the price or on the terms set by us, or whether any price or other terms offered by a prospective purchaser would be acceptable to us. Therefore, the illiquidity nature of our investment in associates may significantly limit our ability to respond to adverse changes in the performance of such associate. In addition, if there is no share of results or dividends from the associate, we will also be subjected to liquidity risk and our financial condition or result or operations could be materially affected.

Going forward, from time to time, we may evaluate various investment opportunities, including investment in other associates or joint ventures in relation to associates. Any future investment in associates may entail numerous risks, such as increased cash requirements and additional indebtedness or contingent or unforeseen liabilities.

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

As of December 31, 2022, 2023, 2024 and June 30, 2025, we had contract liabilities of RMB1,286.1 million, RMB1,604.5 million, RMB1,955.0 million and RMB2,107.6 million, respectively. Our contract liabilities mainly arise from the advance payments made by customers while the underlying services are yet to be provided. If we cannot fulfill our obligations under these contracts, the amount of contract liabilities will not be recognized as revenue, and we may have to return the advance payment made by our customers. In addition, failing to fulfill our contractual obligations could put us in breach of contract with customers. As a result, we may be required to reimburse or compensate customers for their losses and our agreements could be terminated. Any such breach could also damage our reputation. As a result, our results of operations, liquidity and financial position may be materially and adversely affected.

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

We face various risks in connection with our business, and may lack adequate insurance coverage or have no relevant insurance coverage. As of the Latest Practicable Date, we had not obtained any business liability or disruption insurance to cover our operations. We have determined that the costs of insuring against these risks, and the difficulties associated with acquiring such insurances on commercially reasonable terms render these insurances impractical for our business. However, any uninsured business disruptions may result in our incurring substantial costs and the diversion of resources, which could have an adverse effect on our business and results of operations.

Legal defects 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, certain of our leased properties from third parties had title defects, including four leased properties for which the relevant lessors had not provided us with valid title certificates or relevant authorization documents evidencing the right to lease the property to us. Such leased properties are used as our offices or staff accommodations, our major fixed assets are not located in such leased properties. 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 or government authorities. 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 government authorities, 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, 69 of our leased properties had not been registered with the relevant PRC government authorities. We have attempted to register such lease agreements, the unregistration was primarily due to the lack of cooperation from our lessors in registering the relevant lease agreements. Pursuant to the relevant PRC laws and regulations, failure to register such lease agreements with relevant PRC government authorities does not affect the effectiveness of the lease agreements. While the relevant PRC government authorities may order us to register the lease agreements within a prescribed time limit, if we fail to do so within the prescribed time limit, the relevant PRC government authorities may further subject us to a fine ranging from RMB1,000 to RMB10,000 for each lease agreement. See "Business—Properties".

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

Our failure to obtain requisite approvals, licenses or permits applicable to our business or further amendments or developments in government policies or regulations may have a material and adverse impact on our business, financial condition and operational results.

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

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

Our business could be adversely affected by natural disasters or outbreaks of epidemics. These natural disasters, outbreaks of contagious diseases and other adverse public health developments in any market where we operate could severely disrupt our business operations by damaging our network infrastructure or information technology system or impacting the productivity of our workforce, which may adversely affect our financial condition and results of operations. For example, our and our customers' business operations were adversely affected by the COVID-19 outbreak. In 2022, the operation of many participators in the e-commerce platform and the logistic network was affected, and the transaction volume of the e-commerce industry shrunk due to the declined consumer demands. Accordingly, e-commerce merchants decreased their IT budget amidst the challenging economic environment, which in turn negatively affected our growth in 2022. As a result, we experienced a slowdown in total SaaS billings with a year-on-year increase rate of 3.4% from 2021 to 2022, as compared to a CAGR of 32.6% from 2022 to 2024.

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

As a company operating in 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. There have been heightened tensions in international economic relations. For example, in 2025, the United States has imposed multiple rounds of tariffs on a wide range of goods imported from multiple countries, including China, and China has responded with retaliatory tariffs. These policies have adversely affected the global economy and financial markets. As relevant policies are rapidly evolving, it may be difficult to evaluate their potential future impacts. Geopolitical conflicts like this may also lead to volatility in financial markets, fluctuations in currency exchange rates, disruptions in cross-border trades and increased procurement costs. In extreme cases, such conflicts could result in economic downturns that materially and adversely impact our operations. If any new tariffs, legislation and/or regulations are implemented, or if existing trade agreements are renegotiated or, in particular, if any government takes retaliatory trade actions due to the recent global trade tension, such changes could have an adverse effect on the business, financial condition and results of operations of us, our customers and our business partners. We may need to closely monitor and assess these risks, and take appropriate measures to mitigate them, such as diversifying our customer base, hedging our foreign exchange risk, and adapting our business strategies to changing market conditions. However, 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.

On October 28, 2024, the U.S. Department of the Treasury issued a final rule on outbound investment, or the Outbound Investment Rule, to implement the executive order of August 9, 2023, which became effective on January 2, 2025. The Outbound Investment Rule imposes investment prohibition and notification requirements on U.S. persons for a wide range of investments in entities associated with China (including Hong Kong and Macau), collectively defined as "Covered Foreign Persons," that are engaged in activities relating to three sectors: (i) semiconductors and microelectronics, (ii) quantum information technologies, and (iii) artificial intelligence systems. U.S. persons subject to the Outbound Investment Rule are prohibited from making, or required to report, certain investments in Covered Foreign Persons, which are defined as "covered transactions." We believe we are not a "Covered Foreign Person" as defined in the Outbound Investment Rule. However, if we were to be deemed a Covered Foreign Person due to changes in our business operations or amendments to relevant laws and regulations, our ability to raise capital and our stock price may be negatively affected.

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 industry 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; 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 issue additional equity or debt securities, or to obtain additional credit facility. The issuance of additional equity or equity-linked securities could dilute our shareholders' shareholdings. Any incurrence of indebtedness will also lead to increased debt service obligations, and could result in operating and financing covenants that may restrict our operations or our ability to pay dividends to our shareholders.

RISKS RELATING TO DOING BUSINESS IN REGIONS WHERE WE OPERATE

Failure to meet any requirement to obtain approval from the CSRC or other PRC governmental authorities could delay the Global Offering, and any failure to obtain such approval, if required, could materially and adversely affect our business, operating results, and reputation, as well as the trading price of our Shares.

The Regulations on Mergers and Acquisitions of Domestic Companies by Foreign Investors (關於外國投資者併購境內企業的規定) (the "M&A Rules"), adopted by six PRC regulatory agencies in 2006 and amended in 2009, purport to require offshore special purpose vehicles that are controlled by PRC companies or individuals and that have been formed for the purpose of seeking a public listing on an overseas stock exchange through acquisitions of PRC domestic companies or assets to obtain CSRC approval prior to publicly listing their securities on an overseas stock exchange. Whether the CSRC approval is required or how long it will take for us to obtain such approval may be subject to further interpretation and application of such regulations. Any failure to obtain or a delay in obtaining CSRC approval for this Listing may subject us to sanctions imposed by the CSRC and other PRC regulatory authorities, which could include fines and penalties on our operations in China, restrictions or limitations on our ability to pay dividends outside of China, and other forms of sanctions that may materially and adversely affect our business, financial condition, and results of operations.

Our PRC Legal Advisor has advised us that, based on its understanding of the current PRC laws and regulations, we will not be required to submit an application to the CSRC for the approval under the M&A Rules for the Listing because (i) the CSRC currently has not issued any definitive rule or interpretation concerning whether offerings and listings like this Listing are subject to the M&A Rules; and (ii) our wholly-owned PRC subsidiaries were established by means of direct investment and not through a merger or acquisition of a "PRC domestic company" owned by PRC companies or individuals as defined under the M&A Rules.

However, the M&A Rules may be subject to further interpretation and implementation, our PRC Legal Advisor has further advised us that its opinions summarized above are subject to any new laws, rules and regulations or detailed implementations and interpretations in any form relating to the M&A Rules. We cannot assure you that relevant PRC governmental authorities, including the CSRC, would reach the same conclusion as our PRC Legal Advisor, and hence, we may face regulatory actions or other sanctions from them.

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

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

Our PRC Legal Advisor conducted consultation via the hotline published by the Cyberspace Administration of China (the "CAC") on a named basis on behalf of us on May 8, 2023 with the staff of the China Cybersecurity Review Technology and Certification Center (中國網絡安全審查技術與認證中心) (the "CCRC", which is currently known as China Cybersecurity Review, Certification and Market Regulation Big Data Center (中國網絡安全審查認證和市場監管大數據中心)). The CCRC is a competent authority on this consultation, as it is entrusted with acceptance and review of application materials by the Cybersecurity Review Office under the CAC and to set up a hotline for consultation regarding the cybersecurity review, according to the official announcement by the CAC. Based on such consultation, the enterprises seeking listing in Hong Kong are not required to take the initiative to apply for a cybersecurity review, as Hong Kong is a part of the PRC and does not belong to the "foreign country" as stipulated in the Review Measures. However, the Review Measures and the Data Security Regulations are subject to further interpretation, application and enforcement. We will closely monitor the legislative process and seek guidance from relevant regulatory authorities in a timely manner to ensure our compliance with relevant laws and regulations applicable to us.

We may be subject to the approval, filing or other requirements of the CSRC or other PRC governmental authorities with respect to the Offering and Listing.

On February 17, 2023, the CSRC promulgated the Trial Administrative Measures of the Overseas Securities Offering and Listing by Domestic Companies (境內企業境外發行證券和上市管理試行辦法) (the "Trial Measures") and five supporting guidelines, which took effect on March 31, 2023. According to the Trial Measures, PRC domestic companies that seek to offer and list securities overseas, directly or indirectly, should fulfill the filing procedure and report relevant information to the CSRC. The Trial Measures provide that if the issuer both meets the following criteria, the overseas securities offering and listing conducted by such issuer will be deemed as an indirect overseas offering by PRC domestic companies: (i) 50% or more 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 fiscal year is accounted for by PRC domestic companies; and (ii) the main parts of the issuer's business activities are conducted in mainland China, or its main places of operations are located in mainland China, or the senior managers in charge of its operation and management are mostly Chinese citizens or domiciled 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.

On February 24, 2023, the CSRC and other relevant government authorities promulgated the Provisions on Strengthening the Confidentiality and Archives Administration of Overseas Securities Issuance and Listing by Domestic Enterprises (關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定) (the "Provision on Confidentiality"), which took effect on March 31, 2023. Pursuant to the Provision on Confidentiality, where a domestic enterprise provides or publicly discloses to the relevant securities companies, securities service institutions, overseas regulatory authorities and other entities and individuals, or provides or publicly discloses through its overseas listing subjects, documents and materials involving state secrets and working secrets of state organs, it shall report the same to the competent department with the examination and approval authority for approval in accordance with the law, and submit the same to the secrecy administration department of the same level for filing. Domestic enterprises providing accounting archives or copies thereof to entities and individuals concerned such as securities companies, securities service institutions and overseas regulatory authorities shall perform the corresponding procedures pursuant to the relevant provisions of the State. Moreover, working papers produced in the Chinese mainland by securities companies and securities service providers in the process of undertaking businesses related to overseas offering and listing by domestic companies shall be retained in the Chinese mainland.

However, the Trial Measures and Provision on Confidentiality may be subject to further interpretation, application and enforcement. In addition, if we fail to complete the filing procedure or conceal any material fact or falsify any major content in our filing documents, we may be subject to administrative penalties, such as an order to rectify, warnings, fines, and 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.

Changes and developments in the economic, political and social conditions, as well as government policies, could have a material effect on our business and prospects.

Our business, financial condition, results of operations and prospects are subject to economic, political, and legal developments in the region where we operate. In particular, factors such as consumer, corporate and government spending, business investment, level of economic development, and resource allocation could affect the growth of our business. The PRC government plays an important role in regulating industry development by imposing industry policies. For example, our financial condition and results of operations may be affected by government policies on the internet service industry or tax regulations applicable to us. Furthermore, the overall economic growth of China is affected by various factors, such as international, national, regional and local economic conditions, consumer demand, governmental regulations and policies, among others. According to CIC, China's economy is transitioning from a period of rapid growth to long-term stable growth. Substantially all of our revenue was derived from our businesses in the PRC during the Track Record Period. The developments in the business environment in China may materially affect our business.

The relevant laws and regulations may be subject to further interpretation and enforcement, which may affect the legal protections available to our business and our shareholders.

Our subsidiaries are subject to various laws and regulations generally applicable to companies in China. The PRC legal system is a civil law system based on written statutes. As other civil law countries, there is a limited volume of published court decisions, which may be cited for reference but are not binding on subsequent cases and have limited precedential value unless the Supreme People's Court otherwise provides. However, since some of these laws and regulations are relatively new, the relevant laws, regulations and rules may be subject to further interpretation and enforcement, which may materially affect our business and our ability to continue our operations, and may further affect the legal remedies and protections available to investors, which may, in turn, affect the value of your investment.

The laws and regulations concerning the internet information industry are developing and evolving. Although we have taken measures to comply with the laws and regulations that are applicable to our business operations, and to avoid conducting any noncompliant activities under the applicable laws and regulations, the relevant government authorities may promulgate new laws and regulations regulating the internet information industry in the future. As these laws and regulations are continually evolving in response to changing economic and other conditions, these laws and regulations may be subject to further interpretation and enforcement. Changes in current laws or regulations, or the imposition of new laws and regulations regarding our industries in our geographic markets may adversely affect our industries and our financial condition and results of operations. In addition, we cannot assure you that our practice would not be deemed to violate any new laws or regulations relating to internet information service. Moreover, developments in the internet information industry may lead to further legal or regulatory scrutiny on the industries where we operate in the future, or in the interpretation and application of existing laws, regulations and policies that may affect internet information platforms, which could materially affect our business and operations.

The M&A Rules and certain other PRC regulations establish certain procedures for some acquisitions of Chinese companies by foreign investors, which may affect us to pursue growth through acquisitions in China.

The M&A Rules and some other established regulations and rules concerning mergers and acquisitions, set some procedures and requirements for merger and acquisition activities by foreign investors, including requirements, in some instances, that the MOFCOM be notified in advance of any change-of-control transaction in which a foreign investor takes control of a PRC domestic enterprise. Moreover, the Anti-Monopoly Law requires that the SAMR shall be notified in advance of any concentration of undertaking if certain thresholds are triggered. In addition, the security review rules issued by the MOFCOM that became effective in September 2011 specify that mergers and acquisitions by foreign investors that raise “national defense and security” concerns, and mergers and acquisitions through which foreign investors may acquire de facto control over domestic enterprises that raise “national security” concerns, are subject to strict review by the MOFCOM, and the rules prohibit any activities attempting to bypass a security review. In the future, we may grow our business by acquiring complementary businesses. Complying with the requirements of the above-mentioned regulations and other relevant rules, and any required approval processes, including obtaining approval from the MOFCOM or its local counterparts, to complete such transactions may take some time, which may affect our ability to expand our business or maintain our market share.

We may be classified as a "PRC resident enterprise" for PRC enterprise income tax purposes, which could result in relevant tax consequences to us and our shareholders, and have a material adverse effect on our results of operations and the value of your investment.

Under the EIT Law and its implementation rules, an enterprise established outside of the PRC with a "de facto management body" within the PRC is considered a resident enterprise, and will be subject to the enterprise income tax on its global income at the rate of 25%. The implementation rules define the term "de facto management body" as the body that exercises full and substantial control over, and overall management of, the business, productions, personnel, accounts and properties of an enterprise. In April 2009, the STA issued a circular, known as Circular 82, which provides certain specific criteria for determining whether the "de facto management body" of a PRC-controlled enterprise that is incorporated offshore is located in China. Although this circular only applies to offshore enterprises controlled by PRC enterprises or PRC enterprise groups, not those that are not controlled by PRC enterprises or PRC enterprise groups like us, the criteria set forth in the circular may reflect the STA's general position on how the "de facto management body" test should be applied in determining the tax resident status of all offshore enterprises. According to Circular 82, an offshore incorporated enterprise controlled by a PRC enterprise or a PRC enterprise group will be regarded as a PRC tax resident by virtue of having its "de facto management body" in China, and will be subject to PRC enterprise income tax on its global income only if all of the following conditions are met: (i) the primary location of the day-to-day operational management is in the PRC, (ii) decisions relating to the enterprise's financial and human resource matters are made, or are subject to approval by organizations or personnel in the PRC, (iii) the enterprise's primary assets, accounting books, and records, company seals, and board and shareholder resolutions are located or maintained in the PRC, and (iv) at least 50% of voting board members or senior executives habitually reside in the PRC.

We currently take the position that we and our subsidiaries outside of China are not regarded as a PRC resident enterprises. However, the tax-resident status of an enterprise is subject to determination by the PRC tax authorities, and the term "de facto management body" may be subject to further interpretation and implementation. As substantially all of our management members are based in China, if the PRC tax authorities determine that our Company, or any of our subsidiaries outside of China, is a PRC resident enterprise for PRC enterprise income tax purposes, then our Company or such subsidiary could be subject to PRC tax at a rate of 25% on its world-wide income, which could materially reduce our net income. In addition, we will also be subject to PRC enterprise income tax reporting obligations. Moreover, if the PRC tax authorities determine that we are a PRC resident enterprise for enterprise income tax purposes, gains realized on the sale or other disposition of our Shares may be subject to PRC tax, and dividends we pay may be subject to PRC withholding tax, at a rate of 10% in the case of non-PRC enterprises or 20% in the case of non-PRC individuals, if such gains or dividends are deemed to be from PRC sources. Any PRC tax may be reduced or exempted under applicable tax treaties or similar arrangements. However, whether non-PRC shareholders of our company would be able to obtain the benefits of any tax treaties between their country of tax residence and the PRC in the event that we are treated as a PRC resident enterprise may be subject to further interpretation and implementation. Any such tax may reduce the returns on your investment in our Shares.

Fluctuations in exchange rates could result in foreign currency exchange loss.

The value of the currencies fluctuates, is subject to changes and depends, to a large extent, on domestic and international economic and political developments, as well as supply and demand in the local market. The markets and government policies may impact the exchange rate in the future, which is beyond our control. We may be affected by future exchange rate fluctuations and currency exchange regimes.

The proceeds from the Global Offering will be received in Hong Kong dollars. As a result, any appreciation of the RMB against the Hong Kong dollar may result in a decrease in the value of our proceeds from the Global Offering. Conversely, any depreciation of the RMB may adversely affect the value of, and any dividends payable on, our Shares in a foreign currency. In addition, there are limited instruments available for us to reduce our foreign currency risk exposure at reasonable costs. Moreover, we are also currently required to comply with the laws, regulations and procedures related to the currency exchange. All of these factors could materially and adversely affect our business, financial condition, and results of operations and prospects, and could reduce the value of, and dividends payable on, the Shares in foreign currency terms.

Our foreign exchange transactions may be subject to the regulations on foreign currency conversion, including dividend payments on our Shares.

We receive substantially all of our net revenue in RMB. Under our current corporate structure, our Company in the Cayman Islands relies on dividend payments, from our PRC subsidiaries, to fund any cash and financing requirements we may have. Under existing PRC foreign exchange regulations, payments of current account items, such as profit distributions and trade and service-related foreign exchange transactions, can be made in foreign currencies without prior approval from SAFE by complying with certain procedural requirements. Therefore, our PRC subsidiaries are able to pay dividends in foreign currencies to us without prior approval from SAFE by complying with certain procedures under PRC foreign exchange regulation. However, approval from, or registration with, appropriate governmental authorities is required where RMB is to be converted into foreign currency and remitted out of China to pay capital expenses, such as the repayment of loans denominated in foreign currencies. If we fail to comply with such laws, regulations and procedures, we may not be able to obtain sufficient foreign currencies to satisfy our foreign currency demands, and we may not be able to pay dividends in foreign currencies to our shareholders.

Our using the proceeds of the Global Offering to make loans or additional capital contributions to our PRC subsidiaries may be subject to the PRC regulation of loans to, and direct investments in, PRC entities by offshore holding companies, which may materially affect our liquidity and our ability to fund and expand our business.

According to the relevant PRC laws and regulations, any funds we transfer to our PRC subsidiaries, either as a shareholder loan or as an increase in registered capital, are subject to approval by, filing with, or registration with relevant governmental authorities in China and, capital contributions to our PRC subsidiaries are subject to registration with SAMR or its local branches in China. In addition, (i) any foreign loan procured by our PRC subsidiaries is required to be registered with SAFE, or its local branches or designated banks, and (ii) each of our PRC subsidiaries may not procure loans that exceed the difference between its registered capital and its total investment amount or do not meet certain criteria relating to its net asset. Any medium- or long-term loan to be provided by us to our PRC subsidiaries must be recorded and registered by the National Development and Reform Committee and the SAFE or its local branches or designated banks. We may not be able to complete such filing or registrations on a timely basis, if at all, with respect to future capital contributions or foreign loans by us directly to our PRC subsidiaries. If we fail to complete such filing or registration, our ability to use the proceeds of this offering, and to capitalize our PRC operations, may be negatively affected, which could adversely affect our liquidity and our ability to fund and expand our business.

On March 30, 2015, the SAFE promulgated the Circular on Reforming the Management Approach Regarding the Foreign Exchange Capital Settlement of Foreign-Invested Enterprises (關於改革外商投資企業外匯資本金結匯管理方式的通知), or SAFE Circular 19. SAFE Circular 19 took effect as of June 1, 2015. SAFE Circular 19 launched a nationwide reform of the administration of the settlement of the foreign exchange capitals of foreign-invested enterprises, which allows foreign-invested enterprises to settle their foreign exchange capital at their discretion, but continues to prohibit foreign-invested enterprises from using the RMB fund converted from their foreign exchange capitals for expenditures beyond their business scopes. On June 9, 2016, the SAFE promulgated the Circular on Reforming and Standardizing the Administrative Provisions on Capital Account Foreign Exchange (關於改革和規範資本項目結匯管理政策的通知), or SAFE Circular 16. On December 4, 2023, the SAFE promulgated the Notice of the State Administration of Foreign Exchange on Further Deepening Reform and Promoting the Facilitation of Cross border Trade and Investment (國家外匯管理局關於進一步深化改革促進跨境貿易投資便利化的通知), or SAFE Circular 28. SAFE Circular 19, SAFE Circular 16 and SAFE Circular 28 continue to prohibit foreign-invested enterprises from, among other things, using RMB funds converted from their foreign exchange capitals for expenditure beyond their business scope. Such funds shall not be directly or indirectly used for expenditures prohibited by national laws and regulations, investment in securities or other investment and wealth management (except for wealth management products and structured deposits with risk rating results not exceeding level 2), providing loans to non affiliated enterprises (except for situations where the business scope is clearly permitted and 4 specific areas are excluded) or purchasing residential properties for non self use (except for enterprises engaged in real estate development and leasing operations). The implementation of such circulars may affect our ability to transfer to, and use in, China the net proceeds from this offering, which may affect our business, financial condition and results of operations.

The indirect transfers of equity interests in our PRC resident enterprises through transfers made by our Shareholders or our non-PRC holding companies may be subject to PRC tax regulations.

On February 3, 2015, the STA promulgated the Public Announcement on Several Issues Concerning Enterprise Income Tax for Indirect Transfer of Assets by Non-Resident Enterprises (國家稅務總局關於非居民企業間接轉讓財產企業所得稅若干問題的公告) (the "Circular 7"), which provides comprehensive guidelines relating to, and has also heightened the Chinese tax authorities' scrutiny over, indirect transfers by a non-resident enterprise of assets (including equity interests) of a Chinese resident enterprise (the "Chinese Taxable Assets"). For example, Circular 7 states that where a non-resident enterprise transfers Chinese Taxable Assets indirectly, by disposing of equity interests in an overseas holding company directly or indirectly holding such Chinese Taxable Assets, and such transfer is deemed to be for the purpose of avoiding EIT payment obligations, and without any other bona fide commercial purpose, the transfer may be reclassified by the Chinese tax authorities as a direct transfer of Chinese Taxable Assets. Circular 7 also introduced safe harbors for internal group restructurings and the purchase and sale of equity interests through a public securities market. On October 17, 2017, the STA promulgated the Announcement on Matters Concerning Withholding and Payment of Income Tax of Non-Resident Enterprises from Source (國家稅務總局關於非居民企業所得稅源泉扣繳有關問題的公告) (the "STA Circular 37"), which came into force on December 1, 2017. STA Circular 37, among other things, simplifies the procedures of withholding and payment of income tax levied on non-resident enterprises.

Although Circular 7 contains certain exemptions, whether any exemptions under Circular 7 will be applicable to the transfer of our Shares, such as purchasing our Shares in the open market, and selling them in a private transaction, or vice versa, or to any future acquisition by us outside of China involving Chinese Taxable Assets, or whether the Chinese tax authorities classify such transactions by applying Circular 7 may be subject to further interpretation and implementation. If the Chinese tax authorities deem any transfer of our Shares by those of our Shareholders that are non-resident enterprises, or any future acquisitions by us outside of China involving Chinese Taxable Assets, to be subject to the foregoing regulations, our Shareholders or us may be subject to additional Chinese tax reporting obligations or tax liabilities. In addition, if we fail to comply with Circular 7 and STA Circular 37, the Chinese tax authorities may take action, including requesting us to provide assistance in their investigation, or may impose a penalty on us, which could have a negative impact on our business operations.

We may be subject to penalties, including affecting on our ability to inject capital into our PRC subsidiaries, and on our PRC subsidiaries' ability to distribute profits to us, if our PRC resident shareholders or beneficial owners fail to comply with relevant PRC foreign exchange regulations.

The SAFE has promulgated several regulations that require PRC residents and PRC corporate entities to register with, and obtain approval from, local branches of the SAFE in connection with their direct or indirect offshore investment activities. The Circular of the SAFE on Foreign Exchange Administration of Overseas Investment, Financing and Round-trip Investments Conducted by Domestic Residents through Special Purpose Vehicles (關於境內居民通過特殊目的公司境外投融資及返程投資外匯管理有關問題的通知) (the "SAFE Circular 37"), was promulgated by the SAFE in July 2014, requiring PRC residents or entities to register with SAFE or its local branch in connection with their establishment or control of an offshore entity established for the purpose of overseas investment or financing. These regulations apply to our shareholders who are PRC residents, and may apply to any offshore acquisitions that we make in the future.

Under these foreign exchange regulations, PRC residents who make, or have previously made, prior to the implementation of these foreign exchange regulations, direct or indirect investments in offshore companies, are required to register those investments. In addition, any PRC resident who is a direct or indirect shareholder of an offshore company is required to update the previously filed registration with the local branch of the SAFE, with respect to that offshore company, to reflect any material change involving its round-trip investment, capital variation, such as a change of PRC shareholders, the name of a company, terms of operation, an increase or decrease in capital, transfer or swap of shares, merger or division. If any PRC shareholder fails to make the required registration or to update the previously filed registration, the PRC subsidiary of that offshore parent company may be restricted from distributing its profits and the proceeds from any reduction in capital, share transfer or liquidation to its offshore parent company, and the offshore parent company may also be restricted from injecting additional capital into its PRC subsidiary. Moreover, failure to comply with the various foreign exchange registration requirements described above could result in liability under PRC laws for evasion of applicable foreign exchange restrictions, including (i) the requirement by the SAFE to return the foreign exchange remitted overseas or into PRC within a period of time specified by the SAFE, with a fine of up to 30% of the total amount of foreign exchange remitted overseas or into PRC and deemed to have been evasive or illegal, and (ii) in circumstances involving serious violations, a fine of no less than 30% of and up to the total amount of remitted foreign exchange deemed evasive or illegal.

Pursuant to the Circular of the SAFE on Further Simplification and Improvement in Foreign Exchange Administration on Direct Investment (關於進一步簡化和改進直接投資外匯管理政策的通知) (the "SAFE Circular 13"), promulgated by SAFE on February 13, 2015, the power to accept SAFE registration was delegated from local SAFE to local banks where the assets or interests in the domestic entity are located.

We are committed to complying with, and to ensuring that our Shareholders who are subject to the regulations will comply with, the relevant SAFE rules and regulations. However, the regulatory requirements of such registration may be subject to further interpretation and implementation. In addition, we may not always be able to compel them to comply with SAFE rules and regulations. Failure by any such Shareholders to comply with SAFE rules and regulations could subject us to fines or legal sanctions, affect our investment activities in the PRC and overseas, or our cross-border investment activities, limit our subsidiaries' ability to make distributions, pay dividends or make other payments to us, or affect our ownership structure, which could adversely affect our business and prospects. As of the Latest Practicable Date, our executive Directors who are PRC residents and indirectly hold shares in our Company, namely Mr. Luo, Mr. He, Mr. Li and Mr. Wang, have completed their respective registration under the SAFE Circular 13 and SAFE Circular 37. However, we may not be fully informed of the identities of all our shareholders or beneficial owners who are PRC residents, and we cannot assure you that all of our shareholders and beneficial owners who are PRC residents will comply with our request to make, obtain or update any applicable registrations, or comply with other requirements under SAFE rules and regulations in a timely manner.

The foreign exchange regulations and other regulations concerning offshore or cross-border transactions may be subject to further interpretation, amendments and implementation. For example, we may be subject to further review and approval process with respect to our foreign exchange activities, such as remittance of dividends and foreign currency-denominated borrowings, which may adversely affect our results of operations and financial condition. In addition, if we decide to acquire a PRC domestic company, we cannot assure you that we, or the owners of such company, as the case may be, will be able to obtain the necessary approvals, or complete the necessary filings and registrations, required by the foreign exchange regulations. This may affect our ability to implement our acquisition strategy, and could adversely affect our business and prospects.

Failure to comply with PRC regulations regarding the registration requirements for employee share ownership plans or share option plans may subject the PRC plan participants or us to fines and other legal or administrative sanctions.

In February 2012, SAFE promulgated the Notices on Issues Concerning the Foreign Exchange Administration for Domestic Individuals Participating in Stock Incentive Plan of Overseas Publicly Listed Company (《國家外匯管理局關於境內個人參與境外上市公司股權激勵計劃外匯管理有關問題的通知》). Pursuant to these rules, PRC citizens and non-PRC citizens who reside in China for a continuous period of not less than one year and participate in any stock incentive plan of an overseas publicly listed company, subject to a few exceptions, are required to register with SAFE through a domestic qualified agent, which could be the PRC subsidiaries of such overseas-listed company, and complete certain other procedures. In addition, an overseas-entrusted institution must be retained to handle matters in connection with the exercise or sale of stock options and the purchase or sale of shares and interests. We and our executive officers and other employees who are PRC citizens or who reside in China for a continuous period of not less than one year and who have been granted options will be subject to these regulations when our Company becomes an overseas-listed company upon the completion of this Global Offering. Failure to complete SAFE registrations may subject them to fines and administration penalties and may also limit their ability to make payment under our incentive plan or receive dividends or sales proceeds related thereto, or limit our ability to contribute additional capital into our PRC subsidiaries and limit our PRC subsidiaries' ability to distribute dividends to us. As a result, our ability to adopt additional incentive plans for our directors, executive officers and employees under PRC laws and regulations may be restricted.

The STA has issued relevant rules and regulations concerning employee share incentives. Under these rules and regulations, our employees working in the PRC will be subject to PRC individual income tax upon exercise of the share options or grant of the restricted shares. Our PRC subsidiaries have obligations to file documents with respect to the granted share options or restricted shares with relevant tax authorities and to withhold individual income taxes for their employees upon exercise of the share options or grant of the restricted shares. If our employees fail to pay, or we fail to withhold, their individual income taxes according to relevant rules and regulations, we may face sanctions imposed by the competent governmental authorities.

Certain judgments obtained against us by our shareholders may be difficult to enforce.

We are an exempted company incorporated in the Cayman Islands, and substantially all of our current operations are conducted in China. In addition, a majority of our current Directors and officers are nationals and residents of China. Judgments rendered by Hong Kong courts may be recognized and enforced in the PRC if the requirements set forth by the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by Courts of Mainland and of the Hong Kong Special Administrative Region Pursuant to Consensual Jurisdiction (《關於內地與香港特別行政區法院相互認可和執行當事人協議管轄的民商事案件判決的安排》) are met. Nonetheless, it may be difficult for you to effect service of process within Hong Kong upon us or these persons, or to bring an action in Hong Kong against us or against these individuals in the event that you believe that your rights have been infringed under the applicable securities laws or otherwise. In addition, it may be difficult for you to bring an original action against us or our PRC resident officers and directors in a PRC court based on the liability provisions of non-PRC securities laws. Even if you are successful in bringing an action of this kind, the laws of the Cayman Islands and of regions where we operate may render you difficult to enforce a judgment against our assets or the assets of our Directors and officers.

Failure to comply with the PRC regulations regarding contribution of social insurance premium or housing provident fund may subject us to fines and other legal or administrative penalties.

According to the Social Insurance Law (中華人民共和國社會保險法), the Regulations on the Administration of Housing Provident Funds (住房公積金管理條例) and other applicable PRC regulations, any employer operating in China must contribute social insurance premium and housing provident funds for its employees. During the Track Record Period, social insurance and housing provident fund contributions for some of our employees had not been made in full in accordance with the relevant PRC laws and regulations. Pursuant to relevant PRC laws and regulations, any failure to make timely and adequate contribution of social insurance premium or housing provident funds for its employees may trigger an order of correction from a competent authority requiring the employer to make up the full contribution of such overdue social insurance premium or housing provident funds within a specified period of time and to pay a late fee for the social insurance aspect, and the competent authority may further impose fines or penalties. Furthermore, in light of the Supreme People's Court's Interpretation (II) on Several Issues Concerning the Application of Law in Labor Dispute Cases (《最高人民法院關於審理勞動爭議案件適用法律問題的解釋（二）》) (the "New Judicial Interpretation"), promulgated on July 31, 2025, and effective as of September 1, 2025, if an employer and an employee agree or the employee undertakes that social insurance contributions need not be paid, the People's Court shall deem such agreement or undertaking invalid. Where an employer fails to pay social insurance contributions in accordance with the law, and the employee seeks to terminate the labor contract and claims economic compensation from the employer pursuant to the Labor Contract Law, the People' s Court shall support such claims, in which case, the employer remains liable for paying economic compensation to the employee, notwithstanding any prior agreement to waive social insurance contributions. See "Regulations — Regulations on Employment and Social Welfare" for details. As of the Latest Practicable Date, no administrative action or penalty had been imposed by the relevant regulatory authorities with respect to our social insurance and housing provident fund contributions, nor had we received any order to settle the deficit amount. Moreover, as of the Latest Practicable Date, we were not aware of any complaint filed by our employees regarding our social insurance and housing provident fund policy. As of the Latest Practicable Date, we have made full payment of social security insurance and housing provident fund contributions for all of our employees. However, we cannot assure you that the competent authority will not require us to make contribution of overdue social insurance premium or housing provident funds or to pay any overdue fine or penalty related thereto. This in turn may adversely affect our financial condition and results of operations.

During the Track Record Period, we engaged third-party human resources agencies to pay social insurance premium and housing provident funds for certain of our employees. We have such arrangements primarily because these employees worked outside of the cities where our operating entities are registered and third-party human resources agencies were engaged to pay social insurance premium and housing provident funds for these employees in cities where they worked. Pursuant to the agreements entered into between our Company or our relevant PRC subsidiaries and such third-party human resources agencies, such human resources agencies have the obligation to pay social insurance premium and housing provident funds for our relevant employees. As of the Latest Practicable Date, none of the third-party human resources agencies that we cooperate with had failed to pay or delayed in paying any social insurance premium and housing provident fund contributions for our employees, and none of us or our PRC subsidiaries had been subject to any administrative penalty or received labor arbitration notices from any of our or their employees in relation to such agency arrangements. However, if such human resources agencies fail to pay the social insurance premium or housing provident funds for and on behalf of our employees as required by applicable PRC laws and regulations in the future, we may be subject to additional contributions, late payment fees and/or penalties imposed by the relevant PRC authorities for failing to discharge our obligations in relation to payment of social insurance and housing provident funds as an employer or be ordered to rectify. This in turn may adversely affect our financial condition and results of operations.

Any labor shortages, increased labor costs or other factors affecting our labor force may materially and adversely affect our business, financial condition, results of operations and prospects.

We have been subject to regulatory requirements in terms of entering into labor contracts with our employees and paying various statutory employee benefits, including pensions, housing funds, medical insurance, work-related injury insurance, unemployment insurance and childbearing insurance to designated government agencies for the benefit of our employees. Pursuant to the PRC Labor Contract Law (中華人民共和國勞動合同法), or the Labor Contract Law, that became effective in January 2008 and was amended in December 2012 and its implementing rules that became effective in September 2008, employers are subject to the requirements in terms of signing labor contracts, minimum wages, paying remuneration, determining the term of employees' probation and unilaterally terminating labor contracts. In the event that we decide to terminate some of our employees or otherwise change our employment or labor practices, we may incur certain costs to deal with such termination or changes in compliance with the Labor Contract Law and its amendments, which may adversely affect our business and results of operations. We believe that our current practice complies with the Labor Contract Law and its amendments. However, the relevant governmental authorities may take a different view and impose fines on us.

As the interpretation and implementation of labor-related laws and regulations are still evolving, we cannot assure you that our employment practice may always in compliance with labor-related laws and regulations in a timely manner. If we are deemed to have violated relevant labor laws and regulations, we may be subject to labor disputes or government investigations, and we may be required to provide additional compensation to our employees and our business, financial condition and results of operations could be materially and adversely affected.

RISKS RELATING TO THE GLOBAL OFFERING

There has been no prior public market for the Shares and the liquidity and market price of our Shares may be volatile.

Prior to completion of the Global Offering, there has been no public market for our Shares. There can be no guarantee that an active trading market for our Shares will develop or be sustained after completion of the Global Offering. The Offer Price is the result of negotiations among our Company and the Joint Global Coordinators (for themselves and on behalf of the Underwriters), which may not be indicative of the price at which our Shares will be traded following completion of the Global Offering. The market price of our Shares may drop below the Offer Price at any time after completion of the Global Offering. Moreover, each of our Controlling Shareholders and certain other existing Shareholders are expected to enter into a six-month lock-up agreement, which will restrict these Shareholders from selling their Shares and therefore reduce the available public float for our Shares during the lock-up period, subject to customary exceptions. As a result, the absence of any sale of Shares by such persons during the lock-up period may cause, or at least contribute to, limited liquidity in the market for our Shares. This could affect the prevailing market price at which Shareholders are able to sell their Shares.

The trading price of the Shares may be volatile, which could result in substantial loss to you.

The trading price of our 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 securities in Hong Kong may affect the volatility of the price of, and trading volumes for, our 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 trading performance of our Shares. These broad market and industry factors may significantly affect the market price and volatility of our Shares, regardless of our actual operating performance.

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

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

We have a adopted the Pre-IPO Share Option Scheme and issued 311,780 Shares (which will be adjusted proportionally to 31,178,000 Shares immediately following the Capitalization Issue) underlying the Share Options which have been granted to specific participants to the ESOP Trustee appointed to administer the Pre-IPO Share Option Scheme prior to the Listing. See "History, Reorganization and Corporate Structure—Issue of Shares for Employee Incentive." Any new share-based compensation that we may grant from time to time may result in an increase in our issued share capital, which in turn may result in a dilution of our shareholders' shareholding interest in our Company and a reduction in earnings per Share.

The actual or perceived sale or availability for sale of substantial amounts of our Shares, especially by our Directors, executive officers and Pre-IPO Investors, could adversely affect the market price of our Shares.

The market price of our Shares could decline as a result of future sales of a substantial number of our Shares or other securities relating to our Shares in the public market, or the issuance of new shares or other securities, or the perception that such sales or issuances may occur. Future sales of a substantial number of our Shares, especially by our Directors, executive officers, Controlling Shareholders and Pre-IPO Investors, or the perception or anticipation of such sales, including any future offerings, could negatively impact the market price of our Shares in Hong Kong and our ability to raise equity capital in the future at a time and price that we deem appropriate. In addition, our Shareholders may experience dilution of their holdings if we issue more securities in the future. New shares or shares-linked securities issued by us may also confer rights and privileges that take priority over those conferred by our Shares in Hong Kong.

The Shares held by our Controlling Shareholders are subject to certain lock-up periods. While we are currently not aware of any intention of such persons to dispose of significant amounts of their Shares after the expiry of the lock-up periods, we cannot assure you that they will not dispose of any Shares they may own now or in the future.

If securities or industry analysts do not publish research reports about our business, or if they adversely change their recommendations regarding our Shares, the market price and trading volume of our Shares may decline.

The trading market for our Shares will be influenced by the research and reports that industry or securities analysts publish about us or our business. If one or more of the analysts who cover us downgrade our Shares, the price of our Shares would likely decline. If one or more of these analysts cease coverage of our Company or fail to regularly publish reports on us, we could lose visibility in the financial markets, which in turn could cause our stock price or trading volume to decline.

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 Global Offering. The declaration of dividends is proposed by the Board and is based on, and limited by, various factors, such as our business and financial performance, capital and regulatory requirements and general business and operation 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.

Certain facts, forecast and other statistics in this prospectus obtained from official government sources have not been independently verified.

This Prospectus, particularly the sections headed "Business" and "Industry Overview," contains information and statistics relating to the e-commerce SaaS market in China and e-commerce ERP market in China. Certain facts, forecast and other statistics are derived from various government, and other official 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 Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters or any other party involved in the Global Offering, and no representation is given as to its accuracy. Further, we cannot assure our investors that such facts and statistics are stated or compiled on the same basis or with the same degree of accuracy as similar statistics presented elsewhere. In all cases, our investors should consider carefully how much weight or importance should be attached to or placed on such facts or statistics.

We are a Cayman Islands company and, because judicial precedent regarding the rights of shareholders is more limited under the laws of the Cayman Islands than other jurisdictions, your ability to protect your shareholder rights may be limited.

Our corporate affairs are governed by our Memorandum and Articles and by the Cayman Companies Act and common law of the Cayman Islands. The rights of Shareholders to take legal action against our Directors and us, actions by minority Shareholders and the fiduciary responsibilities of our Directors to us under Cayman Islands law are to a large extent governed by the common law of the Cayman Islands. The common law of the Cayman Islands is derived in part from comparatively limited judicial precedent in the Cayman Islands as well as from English common law, which has persuasive, but not binding, authority on a court in the Cayman Islands. The laws of the Cayman Islands relating to the protection of the interests of minority shareholders differ in some respects from those established under statutes and judicial precedent in existence in the jurisdictions where minority Shareholders may be located. See the section headed "Appendix III—Summary of the Constitution of the Company and Cayman Islands Company Law" in this Prospectus.

As a result of all of the above, minority Shareholders may have difficulties in protecting their interests under the laws of the Cayman Islands through actions against our management, Directors or our largest Shareholder, which may provide different remedies to minority Shareholders when compared to the laws of the jurisdiction in which such shareholders are located.

You should read the entire Prospectus carefully and should not rely on any information contained in press articles or other media regarding us and the Global Offering.

There may be, subsequent to the date of this Prospectus but prior to the completion of the Global Offering, press and media coverage regarding us and the Global Offering, which may contain, among other things, certain financial information, projections, valuations and other forward-looking information about us and the Global Offering. 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 Prospectus, we disclaim responsibility for them. Accordingly, prospective investors are cautioned to make their investment decisions on the basis of the information contained in this Prospectus only and should not rely on any other information. You should rely solely upon the information contained in this Prospectus, the Global Offering and any formal announcements made by us in Hong Kong in making your investment decision regarding our 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 Shares, the Global Offering or us. We make no representation as to the appropriateness, accuracy, completeness or reliability of any such data or publication. Accordingly, prospective investors should not rely on any such information, reports or publications in making their decisions as to whether to invest in our Global Offering. By applying to purchase our Shares in the Global Offering, you will be deemed to have agreed that you will not rely on any information other than that contained in this Prospectus and the Global Offering.

You should rely solely upon the information contained in this Prospectus, the Global Offering and any formal announcements made by us in Hong Kong in making your investment decision regarding our 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 Shares, the Global Offering or us. We make no representation as to the appropriateness, accuracy, completeness or reliability of any such data or publication. Accordingly, prospective investors should not rely on any such information, reports or publications in making their decisions as to whether to invest in our Global Offering. By applying to purchase our Shares in the Global Offering, you will be deemed to have agreed that you will not rely on any information other than that contained in this Prospectus and the Global Offering.

DIRECTORS' RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS

This Prospectus, for which our Directors (including any proposed director who is named as such in this Prospectus) collectively and individually accept full responsibility, includes particulars given in compliance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Securities and Futures (Stock Market Listing) Rules (Chapter 571V of the Laws of Hong Kong) and the Listing Rules for the purpose of giving information to the public with regard to our Group. Our Directors (including any proposed Director who is named as such in this Prospectus), having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this Prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this Prospectus misleading.

CSRC FILING

On June 17, 2025, the Company received a notification from the CSRC on our Company's completion of the PRC filing procedures for the listing of our Shares on the Stock Exchange and the Global Offering. In issuing this notification, the CSRC does not accept responsibility for the financial soundness of our Company, or for the accuracy of any of the statements made or opinions expressed in this Prospectus. As advised by our PRC Legal Advisor, our Company has completed all necessary filings with the CSRC in the PRC in relation to the Global Offering and the Listing.

INFORMATION ON THE GLOBAL OFFERING

This Prospectus is published solely in connection with the Hong Kong Public Offering, which forms part of the Global Offering. The Global Offering comprises the Hong Kong Public Offering of initially 6,816,700 Hong Kong Offer Shares and the International Offering of initially 61,349,500 International Offer Shares (subject, in each case, to reallocation on the basis as set out in "Structure of the Global Offering" and any exercise of the Offer Size Adjustment Option and assuming the Over-allotment Option is not exercised).

The Hong Kong Offer Shares are offered solely on the basis of the information contained and representations made in this Prospectus and on the terms and subject to the conditions set out herein and therein. No person is authorized to give any information in connection with the Global Offering or to make any representation not contained in this Prospectus and any information or representation not contained herein must not be relied upon as having been authorized by our Company, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Underwriters, any of their respective directors, agents, employees or advisors or any other party involved in the Global Offering.

Neither the delivery of this Prospectus nor any offering, sale or delivery made in connection with the Offer Shares should, under any circumstances, constitute a representation that there has been no change or development reasonably likely to involve a change in our affairs since the date of this Prospectus or imply that the information contained in this Prospectus is correct as of any date subsequent to the date of this Prospectus.

Further information regarding the structure of the Global Offering, including its conditions, is set out in "Structure of the Global Offering" of this Prospectus and the procedures for applying for our Hong Kong Offer Shares are set out in "How to apply for Hong Kong Offer Shares".

OVER-ALLOTMENT AND STABILIZATION

Details of the arrangement relating to the Over-allotment Option and stabilization are set out in the section headed "Structure of the Global Offering".

UNDERWRITING

The listing of our Shares on the Stock Exchange is sponsored by the Joint Sponsors and the Global Offering is managed by the Joint Global Coordinators and the Overall Coordinators. The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters under the terms of the Hong Kong Underwriting Agreement. An International Underwriting Agreement relating to the International Offering is expected to be entered into on or around Friday, October 17, 2025. The International Offering will be fully underwritten by the International Underwriters under the terms of the International Underwriting Agreement to be entered into. For more details about the Underwriters and the underwriting arrangements, see "Underwriting".

RESTRICTIONS ON OFFER AND SALE OF THE SHARES

Each person acquiring the Hong Kong Offer Shares under the Hong Kong Public Offering will be required to, or be deemed by his/her acquisition of the Hong Kong Offer Shares to, confirm that he/she is aware of the restrictions on offers and sales of the Hong Kong Offer Shares described in this Prospectus.

No action has been taken to permit a public offering of the Offer Shares in any jurisdiction other than Hong Kong, or the distribution of this Prospectus in any jurisdiction other than Hong Kong. Accordingly, without limitation to the following, this Prospectus may not be used for the purpose of, and does not constitute, an offer or invitation in any jurisdiction or in any circumstances in which such an offer or invitation is not authorized or to any person to whom it is unlawful to make such an offer or invitation. The distribution of this Prospectus and the offering and sales of the Offer Shares 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. In particular, the Hong Kong Offer Shares have not been publicly offered or sold, directly or indirectly, in the PRC or the United States.

APPLICATION FOR LISTING ON THE STOCK EXCHANGE

We have applied for listing under Chapter 8 of the Listing Rules and satisfied the market capitalization/revenue test under Rule 8.05(3) of the Listing Rules. We have applied to the Stock Exchange for the granting of the listing of, and permission to deal in, the Shares in issue and to be issued (i) pursuant to the Capitalization Issue and the Global Offering (including any Shares which may be issued pursuant to the exercise of the Offer Size Adjustment Option and/or the Over-allotment Option), and (ii) under the Pre-IPO Share Option Scheme.

Under section 44B(l) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, if the permission for the Shares to be listed on the Stock Exchange pursuant to this Prospectus has been refused before the expiration of three weeks from the date of the closing of the Global Offering or such longer period not exceeding six weeks as may, within the said three weeks, be notified to us by or on behalf of the Stock Exchange, then any allotment made on an application in pursuance of this Prospectus shall, whenever made, be void.

COMMENCEMENT OF DEALINGS IN THE SHARES

Dealings in the Shares on the Stock Exchange are expected to commence at 9:00 a.m. on Tuesday, October 21, 2025. The Shares will be traded in board lots of 100 Shares each. The stock code of the Shares will be 6687.

Save as disclosed in this Prospectus, no part of our Share or loan capital is listed on or dealt in on any other stock exchange and no such listing or permission to list is being or proposed to be sought on the Stock Exchange or any other stock exchange as of the date of this Prospectus. All the Shares will be registered on our Hong Kong Share Register in order to enable them to be traded on the Stock Exchange.

SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

Subject to the granting of the listing of, and permission to deal in, the Shares on the Stock Exchange and our compliance with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the Listing Date or any other date as determined by HKSCC. Settlement of transactions between Exchange Participants (as defined in the Listing Rules) is required to take place in CCASS on the second settlement day after any trading day. All activities under CCASS are subject to the General Rules of HKSCC and the HKSCC Operational Procedures in effect from time to time. All necessary arrangements have been made enabling the Shares to be admitted into CCASS. Investors should seek the advice of their stockbroker or other professional advisor for details of the settlement arrangements as such arrangements may affect their rights and interests.

HONG KONG REGISTER OF MEMBERS AND HONG KONG STAMP DUTY

Our Company's principal register of members will be maintained by our principal share registrar and transfer office, ICS Corporate Services (Cayman) Limited, in the Cayman Islands. All of the Shares issued pursuant to the Global Offering will be registered on our Company's Hong Kong Share Register to be maintained in Hong Kong by our Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited. Dealings in the Shares registered in our Company's Hong Kong Share Register will be subject to Hong Kong stamp duty. Unless determined otherwise by our Company, dividends payable in Hong Kong dollars in respect of Shares will be paid to the Shareholders listed on the Hong Kong Share Register of our Company, by ordinary post, at the Shareholders' risk, to the registered address of each Shareholder.

PROFESSIONAL TAX ADVICE RECOMMENDED

Potential investors in the Global Offering are recommended to consult their professional advisors as to the taxation implications of subscribing for, purchasing, holding or disposing of, and/or dealing in the Shares or exercising rights attached to them. None of us, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Underwriters, any of their respective directors, officers, employees, agents or representatives or any other person or party involved in the Global Offering accepts responsibility for any tax effects on, or liabilities of, any person resulting from the subscription, purchase, holding, disposition of, or dealing in, or the exercise of any rights in relation to, the Shares.

EXCHANGE RATE CONVERSION

Solely for your convenience, this Prospectus contains translations among certain Renminbi amounts into Hong Kong dollars and of Renminbi amounts into U.S. dollars at specified rates.

Unless indicated otherwise, the translation of Renminbi into Hong Kong dollars and of Renminbi into U.S. dollars, and vice versa, in this Prospectus was made at the following rates: RMB0.91298 to HK$1.00; RMB7.1055 to US$1.00; and HK$7.7828 to US$1.00. No representation is made that any amounts in Renminbi, Hong Kong dollars or U.S. dollars can be or could have been at the relevant dates converted at the above rates or any other rates or at all.

LANGUAGE

Translated English names of Chinese laws and regulations, governmental authorities, departments, entities (including subsidiaries of our Group), institutions, natural persons, facilities, certificates, titles and the like included in this Prospectus and for which no official English translation exists are unofficial translations for identification purposes only. In the event of any inconsistency, the Chinese name shall prevail.

ROUNDING

Unless otherwise stated, all the numerical figures are rounded to one or two decimal places. Any discrepancies in any table or chart between totals and sums of amounts listed therein are due to rounding.

In preparation for the Listing, our Company has sought the following waivers from strict compliance with the relevant provisions of the Listing Rules.

WAIVER IN RESPECT OF MANAGEMENT PRESENCE IN HONG KONG

According to Rule 8.12 of the Listing Rules, a new applicant for a primary listing on the Stock Exchange 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.

We do not have a sufficient management presence in Hong Kong for the purpose of satisfying the requirement under Rule 8.12 of the Listing Rules. Accordingly, we have applied for a waiver from strict compliance with Rule 8.12 of the Listing Rules primarily on the basis that, given our headquarters and business operations are primarily based, managed and conducted in the PRC, and substantially all of our assets are based in the PRC, our management is best able to attend to our function by being based in the PRC. As such, we have applied to the Stock Exchange for, and the Stock Exchange has granted us a waiver from strict compliance with Rule 8.12 of the Listing Rules subject to, among others, the following conditions:

(a) pursuant to Rule 3.05 of the Listing Rules, we have appointed two authorized representatives who will act as our principal channel of communication with the Stock Exchange. The two authorized representatives appointed are Mr. Luo, our founder, chairman of the Board, CEO and executive Director, and Ms. Chan Sau Ling (陳秀玲) ("**Ms. Chan**"), our joint company secretary. Ms. Chan is situated and based in Hong Kong, and will be available to meet with the Stock Exchange in Hong Kong within a reasonable time frame upon the request of the Stock Exchange. Both of our authorized representatives will be readily contactable by telephone and email to deal promptly with enquiries from the Stock Exchange. Our Company will inform the Stock Exchange promptly in respect of any change in the authorized representatives;

(b) both authorized representatives have means to contact all Directors (including the independent non-executive Directors) promptly at all times as and when the Stock Exchange wishes to contact our Directors for any matters. Our Company has implemented a policy whereby (1) each Director has provided his or her valid phone numbers or other means of communication to the authorized representatives; (2) in the event that a Director expects to travel or is otherwise out of office, he or she will endeavour to provide his or her phone number of the place of his or her accommodation to the authorized representatives or maintain an open line of communication via his or her mobile phone; and (3) each Director has provided his or her mobile phone number, office phone number and e-mail address to the Stock Exchange and will inform the 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 has provided his or her contact information to the Stock Exchange and to the authorized representatives. This will ensure that the Stock Exchange and the authorized representatives should have means for contacting all Directors promptly at all times as and when required;

(d) all our Directors who are not ordinarily resident in Hong Kong have confirmed that they possess or can apply for valid travel documents to visit Hong Kong and will be able to meet with relevant members of the Stock Exchange in Hong Kong upon reasonable notice, when required;

(e) pursuant to Rule 3A.19 of the Listing Rules, we have retained the services of Guotai Junan Capital Limited as compliance adviser to the Company (the "**Compliance Adviser**"), which will act as an additional channel of communication with the Stock Exchange and will be available to respond to enquiries from the Stock Exchange. The Compliance Adviser will have access at all times to the Company's authorized representatives, Directors, senior management and other officers of the Company. We will keep the Stock Exchange up to date in respect of any change in the Compliance Adviser. Our authorized representatives, Directors and other officers of our Company will promptly provide 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 Stock Exchange and us;

(f) we will appoint other professional advisors (including legal advisors in Hong Kong) after the Listing to assist us in dealing with any questions which may be raised by the Stock Exchange and to ensure that there will be prompt and effective communication with the Stock Exchange; and

(g) our Company has designated one of our staff members, namely our joint company secretary, as the communication officer at our headquarters after the Listing who will be responsible for maintaining day-to-day communication with Ms. Chan and our 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.

WAIVER IN RESPECT OF JOINT COMPANY SECRETARIES

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, a new applicant for listing on the Stock Exchange must appoint a company secretary who, by virtue of his/her academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of the company secretary.

Note 1 to Rule 3.28 of the Listing Rules provides that the Stock Exchange considers the following academic or professional qualifications to be acceptable:

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

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

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

Note 2 to Rule 3.28 of the Listing Rules further provides that the 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 appointed Mr. Liu Luyao (劉路遙) ("**Mr. Liu**"), our chief financial officer, and Ms. Chan as our joint company secretaries. Please see the section headed "Directors and Senior Management – Joint Company Secretaries" for further biographical details of Mr. Liu and Ms. Chan.

Mr. Liu has extensive experience in financing and investment services. 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. Liu, who is an employee of the Company and who has day-to-day knowledge of the Company's affairs. Mr. Liu 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, Mr. Liu presently 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. Chan, who is a member of The Hong Kong Institute of Certified Public Accountants and 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 provide assistance to Mr. Liu for an initial period of three years from the Listing Date to enable Mr. Liu to acquire the "relevant experience" 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.

Accordingly, we have applied to the Stock Exchange for, and the 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. Liu may be appointed as a joint company secretary of our Company, subject to the conditions that Ms. Chan, as a joint company secretary of our Company, will work closely with Mr. Liu to jointly discharge the duties and responsibilities as company secretaries, assist Mr. Liu in acquiring the relevant experience as required under Rules 3.28 and 8.17 of the Listing Rules, and assist Mr. Liu 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. Chan is expected to work closely with Mr. Liu and will maintain regular contact with Mr. Liu, the Directors and the senior management of our Company. In addition, Mr. Liu 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 Listing. Mr. Liu will also be assisted by (a) the 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.

Pursuant to paragraph 13 of Chapter 3.10 under the Guide for New Listing Applicants published by the Stock Exchange, the waiver will be revoked immediately if Ms. Chan ceases to provide assistance to Mr. Liu as a joint company secretary for the three-year period after the Listing Date or where there are material breaches of the Listing Rules by our Company.

Prior to the expiration of the initial three-year period, the qualifications and experience of Mr. Liu 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. Prior to the expiration of the initial three-year period, we will demonstrate and seek the Stock Exchange's confirmation that Mr. Liu, having benefited from the assistance of Ms. Chan 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.

WAIVER AND EXEMPTION IN RELATION TO THE PRE-IPO SHARE OPTION SCHEME

Rule 17.02(1)(b) of the Listing Rules requires a listing applicant to, inter alia, disclose in the prospectus full details of all outstanding options and their potential dilution effect on the shareholdings upon listing as well as the impact on the earnings per share arising from the issue of shares in respect of such outstanding options.

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

Under section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the prospectus must state the matters specified in Part I of the Third Schedule. Under paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the number, description and amount of any shares in or debentures of the company which any person has, or is entitled to be given, an option to subscribe for, together with the particulars of the option, that is to say, (a) the period during which it is exercisable; (b) the price to be paid for shares or debentures subscribed for under it; (c) the consideration (if any) given or to be given for it or for the right to it; and (d) the names and addresses of the persons to whom it or the right to it was given or, if given to existing shareholders or debenture holders as such, the relevant shares or debentures, must be specified in the prospectus.

As of the date of this Prospectus, the Company has granted outstanding Share Options under the Pre-IPO Share Option Scheme to 283 grantees (the "**Grantees**") (none of such grantees are Directors and/or core connected persons) to subscribe for an aggregate of 311,780 Shares (or 31,178,000 Shares immediately following the Capitalization Issue), which consist of (i) two members of senior management; (ii) 17 business partners (specifically contracted employees or employees of our agents); (iii) eight other grantees (who are our employees and not Directors or senior management of the Company) (the "**Other Grantees**"), each of whom was granted Share Options to subscribe for 900,000 Shares or more (taking into consideration the Capitalization Issue); and (iv) 256 Other Grantees. The Shares underlying the outstanding Share Options represent approximately 7.32% of the total number of Shares in issue immediately after completion of the Capitalization Issue and the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised).

No Share Options under the Pre-IPO Share Option Scheme will be further granted after Listing. For more details about our Pre-IPO Share Option Scheme, see "Statutory and General Information – D. Pre-IPO Share Option Scheme" in Appendix IV to this Prospectus.

We have applied to the Stock Exchange and the SFC respectively for (i) a waiver from strict compliance with the disclosure requirements under Rule 17.02(1)(b) of, and paragraph 27 of Appendix D1A to, the Listing Rules; and (ii) a certificate of exemption under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance exempting our Company from strict compliance with the disclosure requirements under paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, in connection with the disclosure of the names, addresses, and entitlements of certain Grantees on an individual basis, on the ground that strict compliance with the above requirements would be unduly burdensome for our Company based on the following reasons:

(a) since the outstanding Share Options under the Pre-IPO Share Option Scheme were granted to a total of 283 Grantees involved (none of whom will individually hold more than 1% of the total issued share capital of our Company immediately following the completion of the Capitalization Issue and Global Offering), strict compliance with the relevant disclosure requirements to disclose names, addresses, and entitlements on an individual basis in the Prospectus would be costly and unduly burdensome for our Company, requiring a substantial number of pages of additional disclosure that does not provide any material information to the investing public and would significantly increase the cost and timing for prospectus preparation;

(b) full details of the Share Options granted under the Pre-IPO Share Option Scheme to the members of senior management of our Company, our business partners and Other Grantees who have been granted Share Options to subscribe for 900,000 Shares or more (taking into account the Capitalization Issue) has already been disclosed in "Statutory and General Information – D. Pre-IPO Share Option Scheme" in Appendix IV to this Prospectus;

(c) as of the date of this Prospectus, all of the Shares underlying the Pre-IPO Share Option Scheme which are unexercised have been allotted and issued and are held in the ESOP Trust by the ESOP Trustee on trust prior to the Global Offering. Accordingly, if all of the outstanding Share Options granted under the Pre-IPO Share Option Scheme are exercised, there will not be any dilution effect on the shareholding of our Shareholders nor any impact on the earnings per Share arising from the exercise of the outstanding Share Options, details of which are disclosed in "Statutory and General Information – D. Pre-IPO Share Option Scheme" in Appendix IV to this Prospectus;

(d) with respect to the Grantees not disclosed on an individual basis, such number of Shares (representing only approximately 3.59% of the total issued share capital of our Company immediately following the completion of the Capitalization Issue and Global Offering) is not material in the circumstances of our Company, and the grant and exercise in full of such Share Options will not cause any material adverse impact to the financial position of our Company; and

(e) material information relating to the Share Options under the Pre-IPO Share Option Scheme will be disclosed in this Prospectus, including a summary of the major terms of the Pre-IPO Share Option Scheme, the total number of Shares to be issued under the Pre-IPO Share Option Scheme, the exercise price per Share, the vesting schedule and exercise period, the potential dilution effect on shareholding and the impact on earnings per Share. Our Directors consider that the lack of full compliance with such disclosure requirements will not prevent potential investors from making an informed assessment of the activities, assets and liabilities, financial position, management and prospects of our Group and will not prejudice the interest of the investing public.

The Stock Exchange has granted us a waiver from strict compliance with the disclosure requirements under Rule 17.02(1)(b) of, and paragraph 27 of Appendix D1A to, the Listing Rules on the conditions that:

(a) the following information will be clearly disclosed in this Prospectus:

(i) on an individual basis, full details of all the outstanding Share Options granted by our Company under the Pre-IPO Share Option Scheme to each of the members of senior management of our Company, our business partners and Other Grantees who have been granted Share Options to subscribe for 900,000 Shares or more (taking into account the Capitalization Issue) including all the particulars required under Rule 17.02(1)(b) of, and paragraph 27 of Appendix D1A to, the Listing Rules;

(ii) in respect of the outstanding Share Options granted by our Company to the Grantees other than those referred to in sub-paragraph (i) above:

a. the aggregate number of the Grantees and the number of Shares subject to the Share Options;

b. the consideration paid for and the date of the grant of the Share Options; and

c. the vesting schedule, exercise period and the exercise price for the Share Options;

(iii) the dilution effect and impact on earnings per Share upon full exercise of the outstanding Share Options granted under the Pre-IPO Share Option Scheme;

(iv) the aggregate number of Shares subject to the outstanding Share Options granted by our Company under the Pre-IPO Share Option Scheme and the percentage of our Company's issued share capital upon completion of the Global Offering of which such number represents;

(v) a summary of the Pre-IPO Share Option Scheme; and

(b) the list of all the Grantees (including the persons referred to in paragraph (a)(ii) above), containing all details as required under Rule 17.02(1)(b) of, and paragraph 27 of Appendix D1A to, the Listing Rules, be made available for public inspection in accordance with "Documents Delivered to the Registrar of Companies in Hong Kong and Available on Display – Document Available for Inspection" in Appendix V to this Prospectus.

The SFC has granted us a certificate of exemption under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance exempting our Company from strict compliance with paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, subject to the conditions that:

(a) on an individual basis, full details of all the outstanding Share Options granted by our Company under the Pre-IPO Share Option Scheme to each of the members of senior management of our Company (none of such grantees are Directors and/or core connected persons), our business partners and Other Grantees who have been granted Share Options to subscribe for 900,000 Shares or more (taking into account the Capitalization Issue) will be disclosed in this Prospectus, such details including all the particulars required under paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance;

(b) in respect of the outstanding Share Options granted by our Company under the Pre-IPO Share Option Scheme to the Other Grantees (other than those referred to in paragraph (a) above), the following details be disclosed in this Prospectus on an aggregate basis, categorized into lots based on the number of Shares underlying each individual Grantee, being (i) 1 to 99,999 Shares, (ii) 100,000 to 499,999 Shares, and (iii) 500,000 to 899,999 Shares:

  (i) the aggregate number of the Other Grantees and the number of Shares subject to the Share Options;

  (ii) the consideration paid for and the date of the grant of the Share Options; and

  (iii) the exercise period and the exercise price for the Share Options

(c) a full list of all the Grantees (including the persons referred to in paragraph (b) above) who have been granted Share Options to subscribe for Shares under the Pre-IPO Share Option Scheme, containing all details as required under paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, be made available for public inspection in accordance with "Documents Delivered to the Registrar of Companies in Hong Kong and Available on Display – Document Available for Inspection" in Appendix V to this Prospectus; and

(d) the particulars of the exemption be disclosed in this Prospectus and that this Prospectus be issued on or before Monday, October 13, 2025.

WAIVER FROM STRICT COMPLIANCE WITH RULE 10.04 OF THE LISTING RULES AND THE STOCK EXCHANGE'S CONSENT UNDER PARAGRAPH 1C OF APPENDIX F1 TO THE LISTING RULES IN RESPECT OF SUBSCRIPTIONS OF OFFER SHARES BY CERTAIN EXISTING SHAREHOLDERS AS CORNERSTONE INVESTORS

Rules 2.03(2) and 2.03(4) of the Listing Rules require the issue and marketing of securities to be conducted in a fair and orderly manner, and that all holders of listed securities be treated fairly and equally.

Rule 10.04 of the Listing Rules provides that an existing shareholder of the issuer may only subscribe for or purchase any securities for which listing is sought which are being marketed by or on behalf of a new applicant either in his or its own name or through nominees if the conditions set out in Rules 10.03(1) and (2) are fulfilled:

(i) that no securities are offered to them on a preferential basis and no preferential treatment is given to them in the allocation of the securities; and

(ii) that the minimum prescribed percentage of public shareholders required by Rule 8.08 of the Listing Rules is achieved.

Paragraph 1C of Appendix F1 to the Listing Rules provides that, without the prior written consent of the Stock Exchange, no allocations will be permitted to directors or existing shareholders of the applicant or their close associates, whether in their own names or through nominees, unless the conditions set out in Rules 10.03 and 10.04 of the Listing Rules are fulfilled.

Paragraph 12 of Chapter 4.15 of the Guide provides that the Stock Exchange would ordinarily agree to grant a consent and waiver for allocation to existing shareholders or their close associates if it is satisfied that the actual or perceived preferential treatment arising from their ability to influence the applicant during the allocation process can be addressed.

Paragraph 13 of Chapter 4.15 of the Guide sets out the conditions required to be fulfilled when the Stock Exchange considers granting a waiver and consent from Rule 10.04 of the Listing Rules to placing to existing shareholders or their close associates.

As further described in the section headed "Cornerstone Investors" in this Prospectus, Blue Lake Capital Opportunity Fund I, L.P. ("**Blue Lake Opportunity Fund**") is an existing shareholder and a close associate of Shanghai Lansan Muyue Investment Center (L.P.) (上海藍三木月投資中心(有限合夥)) ("**Shanghai Blue Lake**"), being another existing shareholder; and GRANITE ASIA VIII INVESTMENTS PTE. LTD. ("**GRANITE ASIA**") is an existing Shareholder and a close associate of Seashine Capital Limited, being another existing shareholder. Each of Blue Lake Opportunity Fund and GRANITE ASIA has entered into a cornerstone investment agreement with the Company.

We have applied to the Stock Exchange for, and the Stock Exchange has granted us, a waiver from strict compliance with Rule 10.04 of the Listing Rules and a prior written consent under paragraph 1C of Appendix F1 to the Listing Rules in relation to the proposed subscription of the Offer Shares by each of Blue Lake Opportunity Fund and GRANITE ASIA on the following grounds and conditions:

(i) as of the Latest Practicable Date, the approximate shareholding of Blue Lake Opportunity Fund (together with its close associate, namely Shanghai Blue Lake) and GRANITE ASIA (together with its close associate, namely Seashine Capital Limited) in the Company is 3.34% and 4.26%, respectively, each of which is less than 5% of the Company's voting rights prior to the Listing. In addition, none of Blue Lake Opportunity Fund, Shanghai Blue Lake, GRANITE ASIA or Seashine Capital Limited is core connected person of the Company or its close associate;

(ii) each of Blue Lake Opportunity Fund, Shanghai Blue Lake, GRANITE ASIA and Seashine Capital Limited (a) is a minority financial investor of the Company (i.e. the Company operates independently from Blue Lake Opportunity Fund, Shanghai Blue Lake, GRANITE ASIA and Seashine Capital Limited, and none of Blue Lake Opportunity Fund, Shanghai Blue Lake, GRANITE ASIA or Seashine Capital Limited has any direct influence over the day-to-day operations, management, and key personnel appointment of the Company); (b) does not have any power to appoint Directors or any other special rights in the Company which may influence the allocation process; and (c) does not have access to material non-public information in respect of the Company or the Global Offering. Accordingly, none of Blue Lake Opportunity Fund, Shanghai Blue Lake, GRANITE ASIA or Seashine Capital Limited influence over the allocation process of the Global Offering;

(iii) no preferential treatment has been, or will be, given to Blue Lake Opportunity Fund and GRANITE ASIA by virtue of them being existing shareholders and close associates of existing shareholders of the Company, other than the preferential treatment of assured entitlement under their respective cornerstone investments. The cornerstone investment agreement to be entered into with Blue Lake Opportunity Fund and GRANITE ASIA, respectively, will not contain any material term which is more favourable to Blue Lake Opportunity Fund and GRANITE ASIA than those in other cornerstone investment agreements;

(iv) given that (i) none of Blue Lake Opportunity Fund, Shanghai Blue Lake, GRANITE ASIA and Seashine Capital Limited is accustomed to take and has not taken instructions from the Company, our Directors, chief executive, the Controlling Shareholders, substantial shareholders, existing Shareholders (other than Blue Lake Opportunity Fund, Shanghai Blue Lake, GRANITE ASIA and Seashine Capital Limited themselves) or any of the Company's subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Offer Shares; and (ii) none of the subscription of the Offer Shares by Blue Lake Opportunity Fund and GRANITE ASIA is directly or indirectly financed by the

Company, our Directors, chief executive, the Controlling Shareholders, substantial shareholders, existing Shareholders (other than Blue Lake Opportunity Fund, Shanghai Blue Lake, GRANITE ASIA and Seashine Capital Limited themselves) or any of the Company's subsidiaries or their respective close associates, all offer shares to be acquired by Blue Lake Opportunity Fund and GRANITE ASIA by way of the Proposed Cornerstone Investment will count towards to the public float for the purpose of Rule 8.08 of the Listing Rules and that the allocation of Offer Shares to each of Blue Lake Opportunity Fund and GRANITE ASIA will not affect the Company's ability to satisfy the minimum public float requirements under Rule 8.08 of the Listing Rules; and

(v) the details of the allocation of Offer Shares to Blue Lake Opportunity Fund or GRANITE ASIA, including the identity and background information of Blue Lake Opportunity Fund or GRANITE ASIA, and the material terms of their investments as cornerstone investors, will be disclosed in the Prospectus to be published in connection with the Global Offering. The Company will also disclose the waiver and consent granted in the Prospectus to be published in connection with the Global Offering. Results of allocation of Offer Shares to Blue Lake Opportunity Fund or GRANITE ASIA will also be disclosed in the Company's allotment results announcement to be published in connection with the Global Offering.

DIRECTORS

Name	Address	Nationality
Executive Directors		
Mr. Luo Haidong (駱海東)	No. 2, Lane 69 Ruijin Road Number 2 Luwan District Shanghai, PRC	Chinese
Mr. He Xingjian (賀興建)	No. 20, Lane 421 Siping Road Hongkou District Shanghai, PRC	Chinese
Mr. Li Cansheng (李燦升)	Room 101, No. 3, Lane 180 Yuyao Road Jing'an District Shanghai, PRC	Chinese
Mr. Wang Yu (王瑜)	Room 1102, Unit 2, Building 13 Qiantang Chunxiao Huayuan Binjiang District Hangzhou, PRC	Chinese
Non-Executive Directors		
Mr. Wang Donghui[(1)]	Building M1202 Blue Castle Apartment Xidawanglu Chaoyang District Beijing, PRC	Australian
Mr. Chen Hongliang (陳洪亮)[(1)]	Flat B, 38/F, Tower 5, One SilverSea No. 18 Hoi Fai Road Kowloon Hong Kong	Chinese
Mr. Zhou Kui (周逵)[(1)]	Room 202, Unit 1, Building 1 Chunyinyuan Century City Haidian District Beijing, PRC	Chinese

Independent Non-Executive Directors

Ms. Luo Mei (羅玫)	Room 501, Unit 4 Building 7 of Heqingyuan Tshinghua Garden Haidian District Beijing, PRC	Chinese
Mr. Li Jiajun (李嘉俊)	Room 1504, No. 6, Lane 858 Yulin Road Yangpu District Shanghai, PRC	Chinese
Mr. Sheng Kaiqiang (盛凱強)	No. 224 Geman Road Dongsheng Village, Duohu Street Jindong District, Jinhua Zhejiang, PRC	Chinese

Note:

(1) As of the Latest Practicable Date, Mr. Wang Donghui, Mr. Chen Hongliang (陳洪亮) and Mr. Zhou Kui (周逵) were our non-executive Directors. Each of Mr. Wang Donghui, Mr. Chen Hongliang (陳洪亮) and Mr. Zhou Kui (周逵) has already tendered his resignation from directorship, conditional and effective upon Listing, and the appointment of Ms. Luo Mei (羅玫), Mr. Li Jiajun (李嘉俊) and Mr. Sheng Kaiqiang (盛凱強) as independent non-executive Directors will become effective at the same time. Mr. Wang Donghui, Mr. Chen Hongliang (陳洪亮) and Mr. Zhou Kui (周逵) are board representatives of our Pre-IPO Investors prior to Listing and have performed non-executive functions through providing advice on our overall development as a private company. Each of them has tendered his resignation based on internal decision-making of the Pre-IPO Investor which he represents and intention to focus on other endeavours. Furthermore, the replacement of three non-executive directors with three independent non-executive directors would allow us to meet the requirements under Rules 3.10(1) and 3.10A of the Listing Rules that our Board shall include at least three independent non-executive directors, who shall represent at least one-third of our Board. Each of Mr. Wang Donghui, Mr. Chen Hongliang (陳洪亮) and Mr. Zhou Kui (周逵) has confirmed to the Board that he has no disagreement with the Board and there are no other matters in relation to his resignation that need to be brought to the attention of the Shareholders of the Company.

For more details of our Directors, see "Directors and Senior Management".

PARTIES INVOLVED IN THE GLOBAL OFFERING

Joint Sponsors *(in alphabetical order)*	**China International Capital Corporation Hong Kong Securities Limited** 29/F, One International Finance Centre 1 Harbour View Street Central Hong Kong **J.P. Morgan Securities (Far East) Limited** 28/F, Chater House 8 Connaught Road Central Hong Kong
Sponsor-Overall Coordinators and Overall Coordinators *(in alphabetical order)*	**China International Capital Corporation Hong Kong Securities Limited** 29/F, One International Finance Centre 1 Harbour View Street Central Hong Kong **J.P. Morgan Securities (Asia Pacific) Limited** 28/F, Chater House 8 Connaught Road Central Hong Kong
Joint Global Coordinators *(in alphabetical order)*	**China International Capital Corporation Hong Kong Securities Limited** 29/F, One International Finance Centre 1 Harbour View Street Central Hong Kong **J.P. Morgan Securities (Asia Pacific) Limited** 28/F, Chater House 8 Connaught Road Central Hong Kong

Joint Bookrunners and Joint Lead Managers	**China International Capital Corporation Hong Kong Securities Limited** 29/F, One International Finance Centre 1 Harbour View Street Central Hong Kong
	J.P. Morgan Securities (Asia Pacific) Limited 28/F, Chater House 8 Connaught Road Central Hong Kong *(in alphabetical order)*
	Futu Securities International (Hong Kong) Limited 34/F, United Centre No. 95 Queensway Admiralty Hong Kong
Legal Advisers 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
	Commerce & Finance Law Offices 12/F-15/F, China World Office 2 No. 1 Jianguomenwai Avenue Beijing PRC
	As to Cayman Islands law
	Harney Westwood & Riegels 3501 The Center 9 Queen's Road Central Central Hong Kong

Legal Advisers to the Joint Sponsors and the Underwriters

As to Hong Kong law and United States law

Linklaters
11/F, Alexandra House
Chater Road
Central
Hong Kong

As to PRC law

Jingtian & Gongcheng
34/F, Tower 3 China Central Place
77 Jianguo Road
Beijing
PRC

Auditor and Reporting Accountant

PricewaterhouseCoopers
Certified Public Accountants
Registered Public Interest Entity Auditor
22/F, Prince's Building
Central
Hong Kong

Industry Consultant

China Insights Industry Consultancy Limited
10/F, Block B, Jing'an International Center
88 Puji Road
Shanghai
PRC

Compliance Adviser

Guotai Junan Capital Limited
26/F–28/F, Low Block
Grand Millennium Plaza
181 Queen's Road Central
Hong Kong

Receiving Bank

CMB Wing Lung Bank Limited
45 Des Voeux Road Central
Hong Kong

Registered Office	Palm Grove Unit 4 265 Smith Road George Town P.O. Box 52A, Edgewater Way, #1653 Grand Cayman KY1-9006 Cayman Islands
Headquarters and Principal Place of Business in the PRC	6/F, Building T4, Hongqiaohui No. 990 Shenchang Road Shanghai PRC
Principal Place of Business in Hong Kong	Room 1917, 19/F Lee Garden One 33 Hysan Avenue Causeway Bay Hong Kong
Company's Website	**jushuitan.com** *(the information contained on this website does not form part of this Prospectus)*
Joint Company Secretaries	**Mr. Liu Luyao (劉路遙)** 6/F, Building T4, Hongqiaohui No. 990 Shenchang Road Shanghai PRC **Ms. Chan Sau Ling (陳秀玲)** *(FCG HKFCG)* Room 1917, 19/F Lee Garden One 33 Hysan Avenue Causeway Bay Hong Kong

Authorized Representatives	**Mr. Luo Haidong (駱海東)** 6/F, Building T4, Hongqiaohui No. 990 Shenchang Road Shanghai PRC
	Ms. Chan Sau Ling (陳秀玲) Room 1917, 19/F Lee Garden One 33 Hysan Avenue Causeway Bay Hong Kong
Audit Committee	Ms. Luo Mei (羅玫) *(Chairperson)* Mr. Li Jiajun (李嘉俊) Mr. Sheng Kaiqiang (盛凱強)
Remuneration Committee	Mr. Li Jiajun (李嘉俊) *(Chairperson)* Mr. Luo Haidong (駱海東) Mr. Sheng Kaiqiang (盛凱強)
Nomination Committee	Mr. Sheng Kaiqiang (盛凱強) *(Chairperson)* Mr. Luo Haidong (駱海東) Ms. Luo Mei (羅玫)
Principal Share Registrar	**ICS Corporate Services (Cayman) Limited** Palm Grove Unit 4 265 Smith Road George Town P.O. Box 52A, Edgewater Way, #1653 Grand Cayman KY1-9006 Cayman Islands

Hong Kong Share Registrar	**Computershare Hong Kong Investor Services Limited** Shops 1712-1716 17th Floor Hopewell Centre 183 Queen's Road East Wanchai Hong Kong
Principal Bank	**China Merchants Bank** Shanghai Huaizhong Branch No. 398 Middle Huaihai Road Shanghai PRC

The information and statistics set out in this section and other sections of this Prospectus were extracted from different official government publications, available sources from public market research and other sources form independent suppliers, and from the independent industry report prepared by CIC. We engaged CIC to prepare the CIC Report, an independent industry report, in connection with the Global Offering. The information from official government sources has not been independently verified by us, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, any of their respective directors and advisers, or any other persons or parties involved in the Global Offering, and no representation is given as to its accuracy.

E-COMMERCE SAAS MARKET IN CHINA

E-commerce Market in China

The e-commerce market in China has evolved rapidly and continues to advance. China has become the world's largest e-commerce market since 2013, with a current share of over 40% in terms of online retail sales value. There were over 27 million active e-commerce merchants in China in 2024, according to CIC. China also has a complex and dynamic e-commerce ecosystem. An increasing number of new e-commerce platforms emerged in recent years, diversifying the market with innovative business models and increasing their market share. More than half of Chinese e-commerce merchants have been operating on two or more platforms for the past five years.

With ever increasing demand for online retail and the emergence of innovative e-commerce business models, the size of China's online retail in terms of sales value has grown at a CAGR of 8.9% from RMB11.8 trillion in 2020 to RMB16.5 trillion in 2024, and is expected to further grow at a CAGR of 7.3% to RMB23.5 trillion in 2029, according to CIC.

SaaS as a Critical Solution for E-commerce in China

SaaS is a cloud-based software delivery model in which the software provider develops and maintains cloud software applications, provides automatic software updates, and makes software available to its customers via the internet on a subscription or pay-as-you-go basis. The emergence of SaaS transformed the software industry in that cloud-based access and updates replaced on-premise infrastructure and installment, subscription and pay-as-you-go replaced one-off purchase, and the deployment of software applications was simplified.

Such transformation is especially meaningful for e-commerce merchants, as SaaS can connect merchants with suppliers and consumers across all platforms, adapt quickly to keep up with the platforms' upgrades and provide an integrated and intuitive solution that empowers the e-commerce merchants' business management. Technology has transformed the way of purchasing and transaction. China's e-commerce SaaS market has grown rapidly in recent years, driven by the rising awareness of cloud-based solutions and continuous technological advancement. Merchants are incentivized to digitalize their business operation procedures in order to enhance their analytical capabilities and operational efficiency. Chinese e-commerce merchants' IT spending reached a total of RMB137.7 billion in 2024, which is expected to further grow to RMB252.9 billion by 2029, according to CIC. E-commerce merchants' demand and willingness to pay for SaaS solutions are expected to rise continuously. In addition, the growth of independent e-commerce SaaS providers is welcomed by e-commerce platforms as these providers contribute to the expansion and upgrade of e-commerce infrastructure.

China's E-commerce SaaS Market Overview

The e-commerce SaaS market in China has experienced rapid growth. The size of the e-commerce SaaS market in China has grown at a CAGR of 15.4% from RMB7.3 billion in 2020 to RMB12.9 billion in 2024, and is expected to further grow at a CAGR of 17.6% to RMB29.0 billion in 2029, according to CIC.

The major functions that e-commerce SaaS provides include ERP, customer relationship management ("CRM") and online store setup and management, among others.

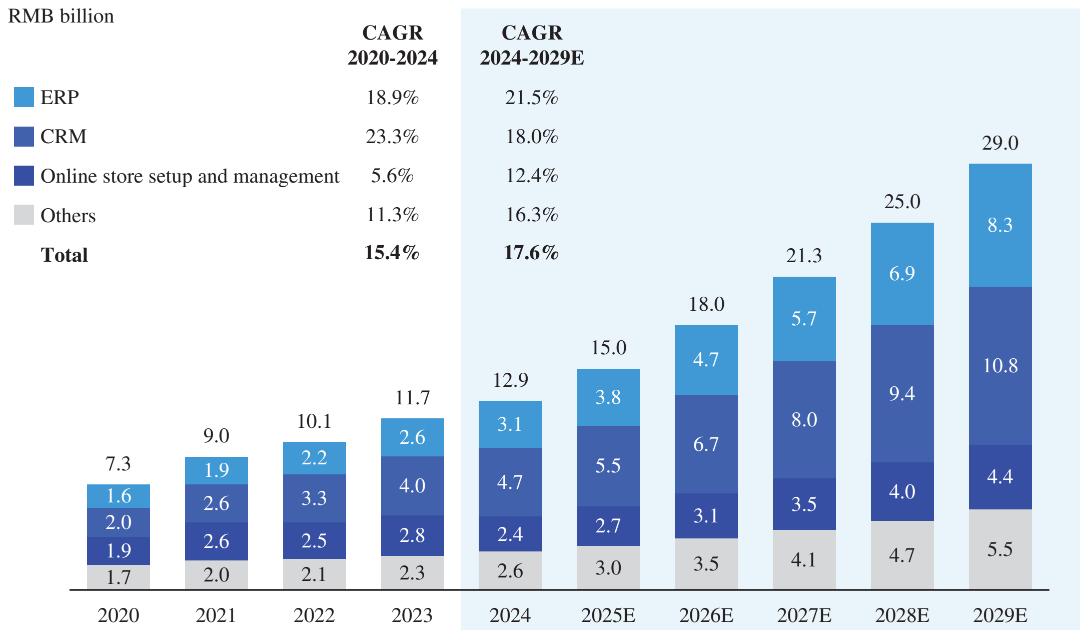
- ERP enables enterprises to track business resources such as cash, raw materials, production capacity as well as the status of business commitments including e-commerce orders, procurement orders and inventory.

- CRM compiles data from customers and uses data analytics to effectively identify and to better cater to the target audience's demands, contributing to the growth of sales.

- Online store setup and management through SaaS enables e-commerce merchants to refine landing pages for marketing campaigns, to modify the store template and to update products and categories in real time, easing the merchants' operation and allowing for great flexibility and customization in store interface.

- Other functions include sales and marketing management, data analytics, human capital management and financial management, among others.

Market size of China's e-commerce SaaS market, by category, 2020-2029E



Source: CIC

E-commerce operation SaaS, with a market size of RMB10.4 billion in 2024, according to CIC, is designed for streamlining workflows and improving efficiencies in the routine operation of the e-commerce business, and mainly encompasses ERP, CRM, sales and marketing management, data analytics, human capital management and financial management. As one of the crucial systems for e-commerce operation, ERP integrates the core operating processes in both internal and external management. The market size of e-commerce SaaS ERP grew fast over the past five years and is expected to achieve the highest growth rate among all e-commerce SaaS products in the next five years, attributable to merchants' increasingly complex and ever-changing needs in their daily operation and management.

E-COMMERCE SAAS ERP MARKET IN CHINA

E-commerce SaaS ERP is a cloud-based integrated management software designed for e-commerce merchants, enabling them to achieve efficient, seamless and secure operations. It comprises an array of functions including procurement management, order management, inventory management, distribution management and financial management. E-commerce SaaS ERP provides a unified management system, synchronizing merchants' internal work processes and connecting suppliers and customers across all platforms. The e-commerce SaaS ERP can also automate merchants' workflows and improve the productivity of employees, reducing costs for merchants. As core functions of e-commerce SaaS, the solutions provided by SaaS ERP address the common challenges faced by e-commerce merchants.

Challenges Faced by E-commerce Merchants

- ***Cross-platform store management:*** With the diversification of e-commerce platforms, merchants are in need of consolidating their operations across multiple platforms to manage their inventory as a whole and maximize their exposure to consumers. However, cross-platform operations can be chaotic and inefficient without an integrated system.

- ***Large volume of orders and SKUs:*** The booming e-commerce market leads to increasing volume of orders and SKUs. However, traditional ERP systems are not adequately effective in promptly processing a large number of orders or managing stock with voluminous SKUs, which are common in e-commerce business.

- ***Digitalization and data analysis:*** To seize market opportunities, it is essential for e-commerce merchants to obtain a better understanding of market conditions, sales patterns and consumer behaviors, among others. The evolving e-commerce market condition requires merchants to refine operation management continuously in order to stay efficient and profitable. Innovative e-commerce business models, such as live-streaming, bring huge opportunities to merchants yet pose challenges to their operation. E-commerce merchants, especially the small- or medium-sized ones, usually lack the technical expertise or financial strength to perform operational data analysis or handle large quantities of orders instantaneously on their own.

- ***Industry value chain coordination:*** E-commerce merchants are connected with various upstream and downstream market participants, such as e-commerce platforms, suppliers, and third-party logistics and warehousing service providers. Without cloud-based solutions, e-commerce merchants can face challenges in connecting and coordinating with these stakeholders along the value chain.

The Evolvement of E-commerce SaaS ERP in China

Stage of development	Industry landscape
Early stage: emergence of e-commerce SaaS ERP as an industry-specific vertical market	ERP software was initially deployed on premises and designed for traditional manufacturers and enterprises, with functions commonly known as Production-Sales-Inventories (PSI) management and scheduling. However, they are not suitable for e-commerce merchants' daily operations that require processing a high volume of orders, stock-keeping numerous SKUs, leveraging cross-platform data analytics instantly and connecting various external platforms and stakeholders.

Stage of development	Industry landscape
	E-commerce SaaS ERP modifies traditional ERP transaction processing functions to respond to e-commerce merchants' distinct needs, and has since become an industry-specific vertical market that differentiates itself from the traditional ERP solutions.
Growth stage: integration of OMS and WMS as standard core functions	E-commerce SaaS ERP initially focused on basic functions like order processing. Order Management System (OMS) enables split, processing and fulfillment of orders timely and automatically, improving merchants' productivity and reducing the costs. A breakthrough in e-commerce SaaS ERP products was the incorporation of Warehousing Management System (WMS), which deals with inventory and logistics management that naturally follows order processing. Order-picking, packing, shipping and stocktaking can be done automatically through WMS, which optimizes space utilization and enhances the accuracy of operating task coordination.
Expansion stage: incorporation of more functions to enable collaboration	Driven by merchants' demand for holistic resource planning, it is expected that e-commerce SaaS ERP can track the live status of business resources and commitments with precision, and consolidate more collaborative functions, such as financial management and analysis, supply chain and distributor management, procurement management and workflow management.

Drivers of E-commerce SaaS ERP

- ***Evolvement of E-commerce in China:*** As the e-commerce market matures, merchants are facing challenges in navigating the diverse and complex operational environment. They seek operation refinement constantly to stay competitive. The emergence of innovative e-commerce channels and creative sales methods compel merchants to upgrade their operations for smooth and efficient coordination with emerging platforms. Nowadays, more than 50% of China's e-commerce merchants are operating on two or more e-commerce platforms. In addition, the increase of logistics and warehousing service providers creates a strong demand for technical solutions that well allocate resources along the industry value chain. E-commerce SaaS ERP will be the key for merchants to address these rising challenges and to improve decision-making.

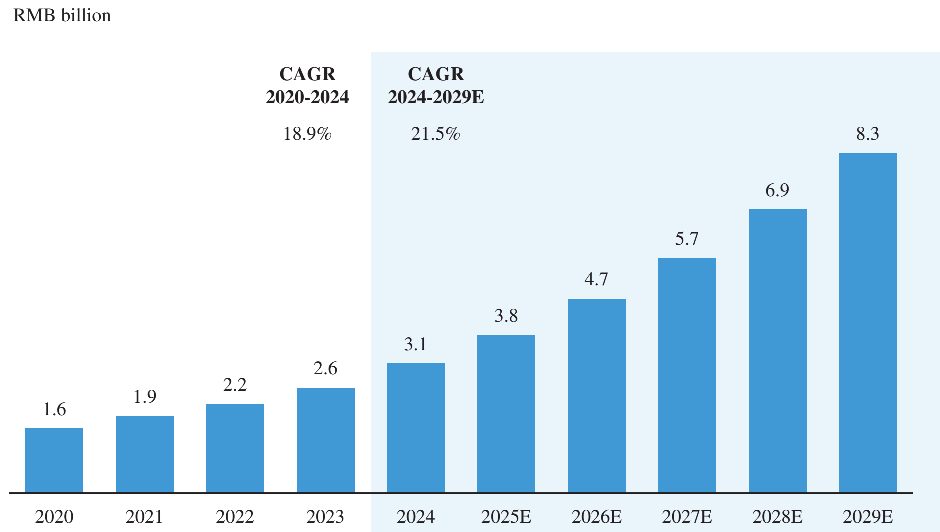
- ***Merchants' increasing reliance on SaaS ERP and willingness to pay:*** As e-commerce merchants benefit from improved operational efficiency, reduced cost and grown sales, they have increasingly become reliant on SaaS ERP and willing to pay for SaaS ERP. The number of paying customers of e-commerce SaaS ERP increased at a CAGR of 17% from 2020 to 2024, which is significantly higher than the growth rate of the total number of e-commerce merchants during the same period. In particular, third-party e-commerce SaaS ERP has become a useful tool for merchants across multiple platforms, offering advanced and useful features that enable cross-platform operational management. With such reliance, the growth rate of China's SaaS ERP market is expected to further accelerate with relatively low customer acquisition costs.

- ***Advancement of technology:*** The pervasiveness of the internet and the advancement of technology lay a solid foundation for the future development of e-commerce SaaS ERP. Enhancement of IT infrastructure and cloud computing capabilities is one of China's key national strategies. The transformation from on-premise deployment to cloud services, the improving scalability and increasing stability of cloud services, among others, are enabling easier and hassle-free use of e-commerce SaaS ERP, and are the major technological contributors to the industry. Against this backdrop, enterprises are expected to expedite their digital transformation, driving the development of enterprise-level SaaS.

E-commerce SaaS ERP Market Overview in China

The e-commerce SaaS ERP market in China has been expanding rapidly during the past few years. The size of the e-commerce SaaS ERP market in China in terms of merchant spending grew at a CAGR of 18.9% from RMB1.6 billion in 2020 to RMB3.1 billion in 2024, and is expected to further grow to RMB8.3 billion in 2029, more than 2.5 times that of 2024, according to CIC. We believe the addressable market of our products is broad. In 2024, there were over 27 million active e-commerce merchants in China, operating on over 300 e-commerce platforms and generating over 170 billion e-commerce orders. The penetration rate of e-commerce SaaS ERP stayed relatively low at 1.6% in 2024, but is expected to grow steadily as merchants' business scale expands, the complexity of their operation increases and their demands to consolidate online and offline business rise.

Market size of China's e-commerce SaaS ERP market, 2020-2029E



Source: CIC

A small percentage of e-commerce merchants use traditional ERP instead of SaaS ERP. Traditional ERP and SaaS ERP share similar functionalities, but SaaS ERP could provide system updates over the air, which is a much smoother experience for merchants. By contrast, it is practically difficult for traditional ERP, which is deployed on premise, to achieve such features. Traditional ERP is usually selected by merchants who do not need the newest features or who have significant demand for enhanced data security brought by on-premise deployment, whereas SaaS ERP is aimed towards the general, broader e-commerce merchant group. According to CIC, the market size of e-commerce traditional ERP in terms of merchant spending was RMB0.12 billion in 2024, with an extremely low penetration rate of less than 0.1%, and is expected to grow at a CAGR of 5.9% to RMB0.16 billion in 2029.

COMPETITIVE LANDSCAPE

The Company is China's largest e-commerce SaaS ERP provider in terms of relevant revenue in 2024, taking up to 24.4% of the market share, exceeding the combined market share of the second through the fifth largest players, according to CIC. The Company is also the largest e-commerce operation SaaS provider in China in terms of revenue, with a market share of 8.7% in 2024, according to CIC. All of the top five e-commerce SaaS ERP providers in China have been focusing on e-commerce from the initial setup, instead of rooting from traditional ERP.

Competitive landscape of China's e-commerce SaaS ERP providers, 2024

Ranking	Player	Relevant revenue in 2024, RMB million	Market share in terms of revenue in 2024
1	Our Company	765	24.4%
2	Company A[1]	370	11.8%
3	Company B[2]	162	5.2%
4	Company C[3]	138	4.4%
5	Company D[4]	88	2.8%

Source: CIC

Notes:

1. Company A is a private company headquartered in Beijing and was founded in 2011. It focuses on offering e-commerce SaaS ERP, along with other e-commerce and physical retail SaaS such as procurement and distribution management systems.

2. Company B is a private company headquartered in Hangzhou and was founded in 2005. It focuses on offering e-commerce SaaS ERP, along with software for physical retailers such as online-to-offline store management and supply chain management.

3. Company C is a China-listed company headquartered in Hangzhou and was founded in 2013. It offers a variety of e-commerce SaaS, including product and order management, sales and marketing management and ERP, among others.

4. Company D is a private company headquartered in Shanghai and was founded in 2013. It focuses on offering e-commerce SaaS ERP, as well as ERP for physical retailers.

In addition to ERP SaaS provider, China's e-commerce SaaS market also includes providers of CRM, online store setup and management, sales and marketing management, data analytics, human capital management and financial management. The Company is also China's second largest e-commerce SaaS provider in terms of relevant revenue in 2024.

KEY SUCCESS FACTORS

- **E-commerce industry and ERP know-how:** The e-commerce industry features complex operations, a large amount of information flow and changing customers' demands. Especially in China, the e-commerce industry evolves rapidly and consumer behavior patterns change from time to time. ERP also comprises a complex array of modules and requires expertise in constructing a comprehensive system. Therefore, e-commerce industry insights and ERP technical know-how are critical for the success of e-commerce SaaS ERP products.

- **Advanced and user-friendly product offering:** An effective and easy-to-use SaaS ERP system is the key to solving the challenges faced by the merchants. An advanced ERP product offering empowers merchants to efficiently coordinate internal workflow, smoothly connect with external parties and fulfill their commitment to customers. User-friendly SaaS ERP products provide merchants with intuitive experience in their daily operations.

- **Expansibility of solutions and features:** Capability of expanding the range of functions is crucial for e-commerce SaaS ERP products to stay competitive. Flexible and synergistic modules that can be easily integrated with other SaaS products can be extra value-adding for e-commerce merchants and thus win customers.

- **Technical capabilities:** Technical capabilities are crucial for SaaS solution providers. In light of the rapidly evolving SaaS industry, the abilities to keep abreast of the developing technologies to ensure smooth system operation and fast data processing are critical to the players in the SaaS ERP industry.

- **Sales and customer service:** Rapid deployment and customer training are essential to the success of an e-commerce SaaS ERP solution. Experienced sales personnel can accurately locate suitable products for customers and obtain orders efficiently. Thus, orientation and basic training are instrumental for the merchants to fully discover the potential of the SaaS ERP solution and benefit from it. A successful SaaS ERP provider must ensure full coverage of sales, implementation and after-sales service to attract and retain customers.

SOURCES OF INFORMATION

We commissioned China Insights Industry Consultancy Limited, an independent market research and consulting firm, to provide an analysis of, and to produce a report (the "CIC Report") on China's e-commerce SaaS ERP market. China Insights Industry Consultancy Limited, founded in Hong Kong, provides professional services including, among others, industry consulting, commercial due diligence and strategic consulting. We have agreed to pay a fee of RMB1,320,000 to China Insights Industry Consultancy Limited in connection with the preparation of the CIC Report. The report was prepared independent of the influence of us and other interested parties. We have extracted certain information from the CIC Report in this section, as well as elsewhere in this Prospectus, to provide our potential investors with a more comprehensive presentation of the industry in which we operate.

During the preparation of the CIC Report, China Insights Industry Consultancy Limited performed both primary and secondary research, and obtained knowledge, statistics, information on and industry insights into China's e-commerce SaaS ERP market. Primary research involved interviewing key industry experts and leading industry participants. Secondary research involved analyzing data from various publicly available data sources.

The market projections in the CIC Report are based on the following assumptions: (i) the overall social, economic and political environment in China is expected to remain stable during the forecast period; (ii) relevant key drivers, such as the development of China's e-commerce industry, the increasing reliance on digital tools and the advancement of technology, are likely to drive the continued growth of China's e-commerce SaaS ERP market throughout the forecast period; and (iii) there is no extreme force majeure or unforeseen industry regulation in which the industry may be affected in either a dramatic or fundamental way. All forecasts in relation to market size are based on the general economic conditions as of the Latest Practicable Date.

This section sets out summaries of certain aspects of PRC laws and regulations, which are relevant to our business operations.

REGULATIONS AND POLICIES ON COMPUTER SOFTWARE

In accordance with the Regulations on the Protection of Computer Software (《計算機軟件保護條例》) promulgated by the State Council on June 4, 1991 and last amended on March 2013, Chinese citizens, legal persons or other entities own the copyright in software developed by them, including the right of publication, right of authorship, right of modification, right of reproduction, distribution right, rental right, right of communication through network, translation right and other rights that software copyright owners shall have, regardless of whether such software has been published.

In accordance with 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 1992 and last amended on February 2002, software copyrights, exclusive licensing contracts for software copyrights and software copyright transfer contracts may be registered, and the National Copyright Administration shall be the competent authority for the administration of software copyright registration and designates the Copyright Protection Center of China as a software registration authority. The Copyright Protection Center of China shall grant a registration certification to a computer software copyright applicant who complies with regulations.

The Several Policies on Further Encouraging the Development of the Software and the Integrated Circuit Industries (《進一步鼓勵軟件產業和集成電路產業發展的若干政策》) which was promulgated by the State Council on January 28, 2011 and came into effect on the same date specifies a series of policies on tax preference, promotion of investment, scientific research, talent support, intellectual properties for the software industry. Furthermore, the Several Policies on Promoting the High-quality Development of the Integrated Circuit Industries and the Software Industries 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若干政策》) which was promulgated by the State Council on July 27, 2020 and came into effect on the same date sets forth further policies on tax preference, promotion of investment, research and development, import and export, talent support, intellectual properties for the software industry.

REGULATIONS ON FOREIGN INVESTMENT IN THE PRC

Foreign Investment Industrial Policy

Investments activities in China by foreign investors are principally governed by the Encouraged Industries Catalog for Foreign Investment (2022 version) (《鼓勵外商投資產業目錄(2022年版)》) (the "**Catalog**") which was promulgated by the MOFCOM and the NDRC on October 26, 2022 and became effective on January 1, 2023 and the Special Administrative Measures for Foreign Investment Access (Negative List 2024) (《外商投資准入特別管理措施(負面清單)(2024年版)》) (the "**Negative List (2024)**"), which was promulgated by the

MOFCOM and the NDRC on September 6, 2024 and became effective on November 1, 2024. The Catalog and the Negative List (2024) set forth the industries in which foreign investments are encouraged, restricted and prohibited. Industries that are not listed in any of these three categories are generally open to foreign investment unless otherwise specifically restricted by other PRC rules and regulations.

As advised by our PRC Legal Advisor, according to the Negative List (2024), our current main business (i.e. providing e-commerce SaaS ERP products and related services) does not fall within the "prohibited" or "restricted" category.

PRC Foreign Investment Law and its Implementation Rules

On March 15, 2019, the National People's Congress promulgated the PRC Foreign Investment Law (《中華人民共和國外商投資法》), which came into effect on January 1, 2020 and replaced the previous major laws and regulations governing foreign investment in the PRC, including the Law on Sino-Foreign Equity Joint Ventures (《中華人民共和國中外合資經營企業法》), the Law on Sino-Foreign Cooperative Joint Ventures (《中華人民共和國中外合作經營企業法》), and the Law on Wholly Foreign-Owned Enterprises (《中華人民共和國外資企業法》), together with their implementation rules and ancillary regulations. According to the PRC Foreign Investment Law, "foreign-invested enterprises" refers to enterprises that are wholly or partly invested by foreign investors and registered under the PRC laws within China, and "foreign investment" refers to any foreign investor's direct or indirect investment activities in China, including: (i) establishing foreign-invested enterprises in China either individually or jointly with other investors; (ii) obtaining stock shares, equity shares, shares in properties or other similar interests of Chinese domestic enterprises; (iii) investing in new projects in China either individually or jointly with other investors; and (iv) investing through other methods provided by laws, administrative regulations or provisions prescribed by the State Council.

On December 26, 2019, the State Council issued Regulations on Implementing the Foreign Investment Law of PRC (《中華人民共和國外商投資法實施條例》) (the "**Implementation Rules**") which came into effect on January 1, 2020, and replaced the Regulations on Implementing the Law on Sino-Foreign Equity Joint Ventures (《中華人民共和國中外合資經營企業法實施條例》), the Provisional Regulations on the Duration of Sino-Foreign Equity Joint Ventures (《中外合資經營企業合營期限暫行規定》), the Detailed Rules for Implementing the Law on Sino-Foreign Cooperative Joint Ventures (《中華人民共和國中外合作經營企業法實施細則》) and the Detailed Rules for the Implementing the Law on Wholly Foreign-owned Enterprises (《中華人民共和國外資企業法實施細則》). According to the Implementation Rules, in the event of any discrepancy between the PRC Foreign Investment Law, the Implementation Rules and the relevant provisions on foreign investment promulgated prior to January 1, 2020, the PRC Foreign Investment Law and the Implementation Rules shall prevail. The Implementation Rules also set forth that, foreign investors that invest in sectors on the Negative List (2024) in which foreign investment is restricted shall comply with special management measures with respect to, among others, shareholding and senior management personnel qualification in the Negative List (2024). Pursuant to the PRC Foreign Investment Law and the Implementation Rules, the existing foreign-invested enterprises established prior to the effective date of the Foreign Investment Law are allowed to keep their corporate organization forms for five years from the effectiveness of the Foreign Investment Law before such existing foreign-invested enterprises change their organization forms and organization structures in accordance with the Company Law, the Partnership Enterprise Law of the PRC (《中華人民共和國合夥企業法》) and other applicable laws.

On December 30, 2019, the MOFCOM and the State Administration for Market Regulation (the "**SAMR**"), jointly promulgated the Measures on Reporting of Foreign Investment Information (《外商投資信息報告辦法》), which came into effect on January 1, 2020, and has replaced the Interim Measures for the Administration of Record-filing of the Establishment and Changes in Foreign-Invested Enterprises (《外商投資企業設立及變更備案管理暫行辦法》). Foreign investors or foreign-invested enterprises shall submit investment information to the commerce administrative authorities through the Enterprise Registration System (企業登記系統) and the National Enterprise Credit Information Publicity System (國家企業信用信息公示系統).

On December 19, 2020, the NDRC and the MOFCOM jointly promulgated the Measures on the Security Review of Foreign Investment (《外商投資安全審查辦法》), effective on January 18, 2021, setting forth provisions concerning the security review mechanism on foreign investment, including the types of investments subject to review, review scopes and procedures, among others. The Office of the Working Mechanism of the Security Review of Foreign Investment (外商投資安全審查工作機制辦公室) (the "**Office of the Working Mechanism**") is established under the NDRC, who lead the task together with the MOFCOM. Foreign investor or relevant parties in China must declare the security review to the Office of the Working Mechanism prior to (i) the investments in the military industry, military industrial supporting and other fields relating to the security of national defense, and investments in areas surrounding military facilities and military industry facilities; and (ii) investments in important agricultural products, important energy and resources, important equipment manufacturing, important infrastructure, important transport services, important cultural products and services, important information technology and internet products and services, important financial services, key technologies and other important fields relating to national security, and obtain control in the target enterprise. Control exists when the foreign investor (i) holds over 50% equity interests in the target, (ii) has voting rights that can materially impact on the resolutions of the board of directors or shareholders meeting of the target even when it holds less than 50% equity interests in the target, or (iii) has material impact on target's business decisions, human resources, accounting and technology.

REGULATIONS ON VALUE-ADDED TELECOMMUNICATIONS SERVICES

On September 25, 2000, the State Council promulgated the Telecommunications Regulations of the PRC (《中華人民共和國電信條例》) (the "**Telecom Regulations**"), which was amended on July 29, 2014 and February 6, 2016. The Telecom Regulations is the primary PRC law governing telecommunications services and sets out the general regulatory framework for telecommunications services provided by PRC companies. The Classification Catalog of Telecommunication Services (2015 Version) (《電信業務分類目錄(2015年版)》) (the "**Catalog**") was issued as an attachment to the Telecom Regulations and most recently amended on June 6, 2019.

According to the Telecom Regulations and the Catalog, value-added telecommunications services (增值電信業務) refers to the telecommunications and information services provided through the public network infrastructure, the cloud computing services (互聯網資源協作服務業務) and the online data processing and transaction processing services (在線數據處理與交易處理業務) belong to the value-added telecommunications services (增值電信業務).

As of the Latest Practicable Date, we primarily derive revenue from: (i) offering SaaS products, which primarily include: (1) e-commerce SaaS ERP products, which provides Order Management System (OMS), Warehousing Management System (WMS), Procurement Management System (PMS) and Distribution Management System (DMS), among others; and (2) other e-commerce operation SaaS products, which equip e-commerce participants with financial accounting, management reporting and analytics, workflow management, wholesale market procurement, among others; (ii) selling e-commerce supportive equipment, such as PDAs, barcode printers and scanners; and (iii) providing promotion services through the sales force for products of other companies. Among the above, the services in items (ii) and (iii) are not provided through the public network infrastructure.

Based on the consultation with the MIIT via the public hotline published on the official website of the MIIT on January 3, 2024, since (i) the SaaS ERP products and other SaaS products developed and offered by us are mainly deployed and delivered via third-party cloud servers, and we do not operate cloud servers by ourselves, and (ii) our customers only purchase and use these SaaS products but do not participate in the developments of such SaaS products, according to the Telecom Regulations and the Catalog, our offering of SaaS products does not involve the provision of the value-added telecommunications services (增值電信業務) (including the cloud computing services (互聯網資源協作服務業務) and the online data processing and transaction processing services (在線數據處理與交易處理業務)).

Based on the above, as advised by our PRC Legal Advisor, our current main business does not involve the provision of the cloud computing services (互聯網資源協作服務業務) and the online data processing and transaction processing services (在線數據處理與交易處理業務).

REGULATIONS ON INTERNET INFORMATION SECURITY AND PRIVACY PROTECTION

Cyber Security

The Provisions on Technological Measures for Internet Security Protection (《互聯網安全保護技術措施規定》), published by the Ministry of Public Security on December 13, 2005 and became effective on March 1, 2006, requires internet service providers to keep records of certain information about their users (including user registration information, log-in and log-out times, IP addresses, content and time of posts by users) for at least 60 days. Under the PRC Cybersecurity Law, network operators must also report any instances of public dissemination of prohibited content. If a network operator fails to comply with such requirements, the PRC government may revoke its license and shut down its websites.

The SCNPC, China's national legislative body, enacted the Decisions on the Maintenance of Internet Security (《關於維護互聯網安全的決定》) on December 28, 2000 and amended them on August 27, 2009 that may subject persons to criminal liabilities in China for any attempt to use the internet to: (i) gain improper entry to a computer or system of strategic importance; (ii) disseminate politically disruptive information; (iii) leak state secrets; (iv) spread false commercial information or (v) infringe upon intellectual property rights. In 1997, the Ministry of Public Security issued the Administration Measures on the Security Protection of Computer Information Network with International Connections (《計算機信息網絡國際聯網安全保護管理辦法》) which was amended in 2011 and prohibits using the internet to leak state secrets or to spread socially destabilizing materials.

On July 1, 2015, the Standing Committee of the National People's Congress issued the National Security Law (《國家安全法》), which became effective on the same day. The National Security Law provides that the state shall safeguard the sovereignty, security and cyber security development interests of the state, and that the state shall establish a national security review and supervision system to review, among other things, foreign investment, key technologies, internet and information technology products and services, and other important activities that are likely to impact the national security of China.

Pursuant to the Ninth Amendment to the Criminal Law of the PRC (《中華人民共和國刑法修正案(九)》) issued by the Standing Committee of the National People's Congress (the "**SCNPC**") on August 29, 2015, effective on November 1, 2015, any internet services provider that fails to fulfill the obligations related to internet content security as required by applicable laws and refuses to take corrective measures, will be subject to criminal liability for (i) any large-scale dissemination of illegal information; (ii) any severe effect due to the leakage of users' personal information; (iii) any serious loss of evidence of criminal activities; or (iv) other severe situations, and any individual or entity that (i) sells or provides personal information to others unlawfully or (ii) steals or illegally obtains any personal information will be subject to criminal liability in severe situations.

The PRC Cybersecurity Law (《中華人民共和國網絡安全法》), which was promulgated on November 7, 2016 by the SCNPC and came into effect on June 1, 2017, provides that network operators shall meet their cyber security obligations and shall take technical measures and other necessary measures to protect the safety and stability of their networks. Under the PRC Cybersecurity Law, network operators are subject to various security protection-related obligations, including: (i) network operators shall comply with certain obligations regarding maintenance of the security of internet systems; (ii) network operators shall verify users' identities before signing agreements or providing certain services such as information publishing or real-time communication services; (iii) when collecting or using personal information, network operators shall clearly indicate the purposes, methods and scope of the information collection, the use of information collection, and obtain the consent of those from whom the information is collected; (iv) network operators shall strictly preserve the privacy of user information they collect, and establish and maintain systems to protect user privacy; (v) network operators shall strengthen management of information published by users, and when they discover information prohibited by laws and regulations from publication or dissemination, they shall immediately stop dissemination of that information, including taking measures such as deleting the information, preventing the information from spreading, saving relevant records, and reporting to the relevant governmental agencies. In addition, the PRC Cybersecurity Law requires that critical information infrastructures operators generally shall store, within the territory of the PRC, the personal information and important data collected and produced during their operations in the PRC and their purchase of network products and services that affect or may affect national securities shall be subject to national cybersecurity review. As the SaaS ERP provider, we are considered to be network operators and shall be correspondingly applicable to the PRC Cybersecurity Law.

To comply with the PRC Cybersecurity Law, we only provide SaaS ERP services to users who have verified their identity, requires customers to agree to privacy policy and user agreement when registering and logging in and only collect and process customer information after obtaining customer authorization and consent. Our SaaS ERP system has currently obtained the Filing Certificates for Information System Security Protection (Level III) after completing information security protection certification and relevant filings with relevant authority about Level III Information Security Protection. Furthermore, the data of the SaaS ERP system is only stored within China, and the Group has taken strict security measures to protect customer information. In summary, as network operators, we has fulfilled main obligations under the PRC Cybersecurity Laws during on our business operation.

On July 30, 2021, the State Council promulgated the Regulations on Security Protection of Critical Information Infrastructures (《關鍵信息基礎設施安全保護條例》) (the "CIIO Regulation"), which took effect on September 1, 2021 and provide that "critical information infrastructures" shall mean any important network facilities or information systems of important industries or fields such as public communication and information service, energy, communications, water conservation, finance, public services, e-government affairs and national defense science, and any other important network facilities or information systems which may endanger national security, people's livelihood and public interest in case of damage, function loss or data leakage. In addition, relevant administration departments of each critical industry and sector, or Protection Departments, shall be responsible to formulate eligibility criteria and determine the critical information infrastructure operator in the respective industry or field. The operators shall be informed about the final determination as to whether they are categorized as critical information infrastructure operators. As of the Latest Practicable Date, we have not received any notification from relevant regulatory authorities of identifying the company as an information infrastructures operators. The regulations further require critical information infrastructures operators, among others, (i) to report to the competent Protection Departments in a timely manner when the identification result may be affected due to material changes in the critical information infrastructures; (ii) to plan, construct or put into use the security protection measures and the critical information infrastructures simultaneously; and (iii) to report to the competent Protection Departments in a timely manner in the event of merger division or dissolution, and deal with critical information infrastructures as required by the competent Protection Departments. Operators in violation of the regulations may be ordered to rectify, subject to warnings, fines and other administrative penalties or even criminal liabilities, and the directly responsible personnel in charge may also be imposed on fines or other liabilities. On December 28, 2021, the CAC, the NDRC, the Ministry of Industry and Information Technology ("MIIT"), and several other administrations jointly promulgated the Review Measures, which became effective on February 15, 2022. The Review Measures has replaced its previous version promulgated on April 13, 2020. According to the Review Measures, (i) when the purchase of network products and services by a critical information infrastructures operator or the data processing activities conducted by a network platform operator affect or may affect national security, a cybersecurity review shall be conducted pursuant to the Review Measures. The aforesaid operators shall file for a cybersecurity review with Cybersecurity Review Office under the CAC if their behavior affects or may affect national security; (ii) an application for cybersecurity review shall be made by an issuer who is a network platform operator holding personal information of more than one million users before such issuer applies to list its securities on a foreign stock exchange; and (iii) the relevant PRC governmental authorities may initiate a cybersecurity review if such governmental authorities determine that network products or services, or data processing activities affect or may affect national security. Cybersecurity reviews focus on assessing the following national security risks factors associated with relevant objects or circumstances: (i) the risk of illegal control, interference or destruction of critical information infrastructure, arising from the purchase and utilization of network products and services; (ii) the harm on the business continuity of critical information infrastructure incurring from a disruption of network products and services supply; (iii) the safety, openness, transparency, diversity of sources of network products and services; the reliability of suppliers; and the risk of supply disruption due to political, diplomatic, trade and other reasons; (iv) the level of compliance with the PRC laws, administrative regulations and ministry rules of the suppliers of network products and services; (v) the risk of core data, important data or a large amount of personal information being stolen, leaked, destroyed, and illegally used or illegally exited the country; (vi) the risk of critical information infrastructure, core data, important data or a large amount of personal information being affected, controlled, or maliciously used by foreign governments and the network information security risk in relation to listing abroad; and (vii) other factors that may harm critical information infrastructure, cyber security and/or data security.

On November 14, 2021, the CAC publicly solicited opinion on the Regulations on the Administration of Cyber Data Security (Draft for Comments) (《網絡數據安全管理條例(徵求意見稿)》) (the "Draft Data Security Regulations"), which is not the adopted formal version and is subject to be further finalized. The Draft Data Security Regulations provides that data processors conducting the following activities shall apply for cybersecurity review: (i) the merger, reorganization or separation of internet platform operators that have acquired a large number of data resources related to national security, economic development or public interests, which affects or may affect national security; (ii) data processors that handle the personal information of more than one million people intends to be listed in foreign countries; (iii) the data processor intends to be listed in Hong Kong, which affects or may affect national security; (iv) other data processing activities that affect or may affect national security. It also provides that the operators of large internet platforms that set up headquarters, operation centers or R&D centers overseas shall report to the national cyberspace administration and other competent authorities. On September 24, 2024, the State Council promulgated the Regulations on the Administration of Cyber Data Security (《網絡數據安全管理條例》) (the "Data Security Regulations"), which is the adopted final version of this regulation. The Data Security Regulations is applicable to network data processing activities and the security supervision and administration thereof conducted within the territory of the PRC and took effect on January 1, 2025. It stipulates that data processors engaging in data processing activities that affect or may affect national security shall be subject to cyber security review in accordance with relevant laws and regulations and do not include the content related to cybersecurity review for listings in Hong Kong that as presented in the foregoing sub paragraph (iii) of the Draft Data Security Regulations. Furthermore, the Data Security Regulations include, but are not limited to, the following provisions: (i) the Data Security Regulations provide specific guidelines to clarify the PIPL regarding notification, consent, and individuals' rights; (ii) the Data Security Regulations outline the requirements for establishing an important data catalog and stipulate the responsibilities of network data processors to identify and report important data; (iii) the Data Security Regulations optimize regulations for cross-border data security management, specifying conditions under which network data processors may provide personal information abroad. The regulations clarify that data not identified or publicly disclosed as important data by relevant regions or departments need not undergo cross-border security assessments for important data; (iv) the Data Security Regulations set forth network data security protection requirements for network platform service providers, third-party product and service providers, and other relevant entities. As we provide SaaS ERP software services to our customers, the Data Security Regulations will be applicable to us. Based on the consultation via the hotline published by the CAC on a named basis on behalf of us on May 8, 2023 with the staff of the CCRC conducted by our PRC Legal Advisor, we do not need to apply for a cybersecurity review for listing in Hong Kong.

Data Security

On May 28, 2020, the National People's Congress adopted the Civil Code (《中華人民共和國民法典》), which came into effect on January 1, 2021. Pursuant to the Civil Code, the personal information of a natural person shall be protected by the law. Any organization or individual shall legally obtain such personal information of others when necessary and ensure the safety of such information, and shall not illegally collect, use, process or transmit personal information of others, or illegally purchase or sell, provide or make public personal information of others.

On June 10, 2021, the SCNPC promulgated the PRC Data Security Law (《中華人民共和國數據安全法》), which became effect in September 2021. The PRC Data Security Law provides for data security and privacy obligations on entities and individuals carrying out data activities and introduces a data classification and hierarchical protection system based on the importance of data in economic and social development, as well as the degree of harm it will cause to national security, public interests, or legitimate rights and interests of individuals or organizations when such data is tampered with, destroyed, leaked, or illegally acquired or used. The appropriate level of protection measures is required to be taken for each respective category of data. For example, a processor of important data shall designate the personnel and the management body responsible for data security, carry out risk assessments for its data processing activities and file the risk assessment reports with the competent authorities. In addition, the PRC Data Security Law provides a national security review procedure for those data activities which affect or may affect national security and imposes export restrictions on certain data and information.

On December 8, 2022, the MIIT 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)》), which came into effect on January 1, 2023. The Measures for Data Security Management in the Industrial and Information Technology Sector (Trial) makes detailed provisions on classified and tiered data management, data life cycle security management, data security monitoring and early warning and contingency management. It clearly stipulates that the data in the industrial and information fields can be divided into three levels: general data, important data and core data, and stipulates that the data processors in the industrial and information fields have the obligation to file with the relevant authorities their catalogs of important data and core data recognized in accordance with the identification criteria for important data and core data in industrial and information technology sector published by the MIIT.

Furthermore, on July 7, 2022, the CAC promulgated the Measures for Evaluating the Security of Transmitting Data Overseas (《數據出境安全評估辦法》) which became effective on September 1, 2022. Such Measures for Evaluating the Security of Transmitting Data Overseas require data processors to apply for a security assessment on data export in one of the following scenarios: (i) where a data processor provides important data abroad; (ii) where a critical information infrastructure operator or a data processor who processes the personal information of one million or more individuals transfers such personal information abroad; (iii) where a data processor has provided personal information of 100,000 individuals or sensitive personal information of 10,000 individuals in total abroad since January 1 of the previous year; and (iv) other circumstances prescribed by the CAC for which declaration for security assessment for outbound data transfers is required.

In addition, on February 22, 2023, Cyberspace Administration of China promulgated Measures for the Standard Contract for Outbound Transfer of Personal Information (《個人信息出境標準合同辦法》),which came into effect on June 1, 2023. Pursuant to Measures for the Standard Contract for Outbound Transfer of Personal Information, personal information processor transferring personal information abroad shall conclude Standard Contract if satisfy all the following conditions: (1) the data processor who intends to transfer personal information abroad is not a critical information infrastructure operator; (2) the data processor processes personal information of less than one million individuals; (3) the data processor has cumulatively transferred abroad the personal information of less than 100,000 individuals since January 1 of the previous year; and (4) the data processor has cumulatively transferred abroad the sensitive personal information of less than 10,000 individuals since January 1 of the previous year.

On March 22, 2024, the CAC promulgated the Regulations on Promoting and Regulating Cross-Border Data Flow (《促進和規範數據跨境流動規定》), which came into effect from the date of promulgation. The regulations provide several exemptions for enterprises from the need to conduct data security assessments, obtain personal information protection certifications, or enter into standard contracts for the export of personal information. These exemptions include, but are not limited to, situations where data processors other than operators of critical information infrastructure have provided personal information (excluding sensitive personal information) to overseas recipients for less than 100,000 individuals since January 1 of the current year and where it is necessary for the data processors to provide personal information to oversea recipients in order to establish or fulfill contracts in which an individual is a party, such as cross-border shopping, cross-border shipping, cross-border remittances, cross-border payments, cross-border account opening, flight and hotel reservations, visa processing, examination services, etc. Data processors other than operators of critical information infrastructure who have provided (a) personal information (excluding sensitive personal information) to overseas recipients for more than 100,000 but less than 1,000,000 individuals, or (b) sensitive personal information for less than 10,000 individuals since January 1 of the current year, shall enter into standard contracts for the export of personal information or obtain personal information protection certifications with the overseas recipients in accordance with the law. The regulations also explicitly stipulate that data processors are not required to declare a data export security assessment for data that has not been notified or publicly released as important data by relevant departments or regions.

Personal Information Protection

In recent years, PRC government authorities have enacted laws and regulations on internet use to protect personal information from any unauthorized disclosure. Under the Several Provisions on Regulating the Market Order of Internet Information Services (《規範互聯網信息服務市場秩序若干規定》), issued by the MIIT in December 2011 and effective as of March 2012, an internet information service provider may not collect any user personal information or provide any such information to third parties without the specific consent of the user. An internet information service provider must expressly inform the users of the method, content and purpose of the collection and processing of such user personal information, and may only collect such information necessary for the provision of its services.

Pursuant to the Decision on Strengthening the Protection of Online Information (《關於加強網絡信息保護的決定》), which was issued by the SCNPC and took effect in December 28, 2012, and the Order for the Protection of Telecommunication and Internet User Personal Information (《電信和互聯網用戶個人信息保護規定》), which was issued by the MIIT in 2013, any collection and use of a user's personal information must be subject to the consent of the user, be legal, rational and necessary and be limited to specified purposes, methods and scopes. An internet content service provider must also keep such information strictly confidential, and is further prohibited from divulging, tampering or destroying any such information, or selling or providing such information to other parties. A telecommunication services provider is required to take technical and other measures to prevent the collected personal information from any unauthorized disclosure, damage or loss. Any violation of these laws and regulations may subject the internet content service provider to warnings, fines, confiscation of illegal gains, revocation of licenses, cancelation of filings, closedown of websites or even criminal liabilities.

Interpretations of the Supreme People's Court and the Supreme People's Procuratorate on Several Issues Concerning the Application of Law in the Handling of Criminal Cases Involving Infringement of Personal Information (《最高人民法院、最高人民檢察院關於辦理侵犯公民個人信息刑事案件適用法律若干問題的解釋》), issued on May 8, 2017 and effective on June 1, 2017, specified certain standards for the conviction and sentencing of the criminals in relation to personal information infringement.

On April 10, 2019, the Ministry of Public Security issued the Guide for Internet Personal Information Security Protection (《互聯網個人信息安全保護指南》), which sets out the management mechanism, security technical measures and business processes for personal information security protection. This Guide is applicable to personal information holders in carrying out their security protection work during personal information life cycle processing. It is applicable to enterprises that provide services through the internet, as well as to organizations or individuals who use a private or non-networked environment to control and process personal information.

On August 20, 2021, the SCNPC promulgated the PRC Personal Information Protection Law (《中華人民共和國個人信息保護法》) (the "PIPL"), which took effect from November 1, 2021. Pursuant to the PIPL, personal information refers to the information related to an identified or identifiable individual recorded electronically or by other means, excluding the anonymized information, and processing of personal information includes among others, the collection, storage, use, handling, transmission, provision, disclosure, deletion of personal information. The PIPL explicitly sets forth the circumstances where it is allowed to process personal information, including (i) the consent from the individual has been obtained; (ii) it is necessary for the conclusion and performance of a contract under which an individual is a party, or it is necessary for human resource management in accordance with the labor related rules and regulations and the collective contracts formulated or concluded in accordance with laws; (iii) it is necessary to perform statutory duties or statutory obligations; (iv) it is necessary to respond to public health emergencies, or to protect the life, health and property safety of individuals in emergencies; (v) carrying out news reports, public opinion supervision and other acts for the public interest, and processing personal information within a reasonable scope; (vi) processing personal information disclosed by individuals or other legally disclosed personal information within a reasonable scope in accordance with this law; or (vii) other circumstances stipulated by laws and administrative regulations. In addition, this law emphasizes that individuals have the right to withdraw their consent to process their personal information, and the processors must not refuse to provide products or services on the grounds that the individuals do not agree to the processing of their personal information or withdraw their consent, unless processing of personal information is necessary for the provision of products or services. Before processing the personal information, the processors should truthfully, accurately and completely inform individuals of the following matters in a conspicuous manner and in clear and easy-to-understand language: (i) the name and contact information of the personal information processor; (ii) the purpose of processing personal information, processing method, type of personal information processed, and the retention period; (iii) methods and procedures for individuals to exercise their rights under this law; (iv) other matters that should be notified according to laws and administrative regulations. Furthermore, the law provides that personal information processors who use personal information to make automated decisions should ensure the transparency of decision-making and the fairness and impartiality of the results, and must not impose unreasonable differential treatment on individuals in terms of transaction prices and other transaction conditions.

In addition to the aforementioned general rules, the PIPL also introduces the rules for processing sensitive personal information, which refers to the personal information that, once leaked or illegally used, can easily lead to the infringement of the personal dignity of natural persons or harm personal and property safety, including biometrics, religious beliefs, specific identities, medical health, financial accounts, whereabouts and other information, as well as personal information of minors under the age of fourteen. Personal information processors can process sensitive personal information only if they have a specific purpose and sufficient necessity, and take strict protective measures. In addition, the law provides rules for cross-border provision of personal information. In particular, it is provided that the operators of critical information infrastructures and the personal information processors that process personal information up to the number prescribed by the national cyberspace administration shall store personal information collected and generated within the PRC. If it is really necessary to provide such personal information overseas, they shall pass the security assessment organized by the national cyberspace administration or shall have been certified by a specialized institution in respect of the protection of personal information in accordance with the provisions of the State cyberspace administration or shall have concluded a contract with an overseas recipient in accordance with the standard contract developed by the State cyberspace administration to specify the rights and obligations of both parties, except as otherwise stipulated by laws, administrative regulations and the national cyberspace administration. Any processor in violation of this law may be subject to administrative penalties including rectifications, warnings, fines, confiscation of illegal gains, suspension of the apps illegally processing personal information or suspension of the relevant business, revocation of business operation permits or business licenses, civil liabilities or even criminal liabilities. The directly responsible personnel in charge and other directly responsible personnel may be imposed with fines and prohibited from serving as directors, supervisors, senior management personnel and personal information protection officers of related companies within a certain period of time.

On February 12, 2025, the Cyberspace Administration of China issued the Administrative Measures for the Compliance Audit of Personal Information Protection (《個人信息保護合規審計管理辦法》), which took effect on May 1, 2025. According to the Administrative Measures for the Compliance Audit of Personal Information Protection, the term "compliance audit of personal information protection" refers to supervisory activities that review and evaluate whether the personal information processing activities of personal information processors comply with laws and administrative regulations. Personal information processors that process the personal information of more than 10 million individuals shall carry out the compliance audit of personal information protection at least every two years. Personal information processors in any of the following circumstances may be required by the Cyberspace Administration of China and other departments performing personal information protection duties (hereinafter collectively referred to as the "**Protection Departments**") to entrust a professional agency to conduct a compliance audit of their personal information processing activities: (i) Where significant risks are identified in the personal information processing activities that severely impact individual rights or lack adequate security measures; (ii) Where the personal information processing activities may infringe upon the rights and interests of a large number of individuals; (iii) In the event of a personal information security incident resulting in the leakage, tampering, loss, or destruction of personal information of more than 1 million individuals or sensitive personal information of more than 100,000 individuals.

REGULATIONS ON CONTRACT PERFORMANCE

Pursuant to the Civil Code (《中華人民共和國民法典》), the parties shall perform their respective obligations as agreed. If any party fails to perform its obligations under a contract or performs its obligations in a manner inconsistent with the contract, it shall bear the liability for breach of contract such as continuing to perform its obligations, taking remedial measures, or compensating for losses. The parties may agree that in the event that one party breaches the contract, it shall pay a certain amount of liquidated damages to the other party in light of the circumstances of the breach, and may also agree on a method of calculating the amount of damages incurred as a result of the breach.

REGULATIONS ON INTELLECTUAL PROPERTY RIGHTS

Copyright

The Copyright Law of the PRC (《中華人民共和國著作權法》) (the "**Copyright Law**"), which took effect on June 1, 1991 and was latest amended on November 11, 2020 and effective on June 1, 2021, provides that Chinese citizens, legal persons, or other organizations shall, whether published or not, own copyright in their copyrightable works, which include, among others, works of literature, art, natural science, social science, engineering technology and computer software. Copyright owners enjoy certain legal rights, including right of publication, right of authorship and right of reproduction. The Copyright Law as revised in 2001 extends copyright protection to internet activities and products disseminated over the internet. In addition, Copyright Law provides for a voluntary registration system administered by the China Copyright Protection Center (the "**CPCC**").

The Measures for the Registration of Computer Software Copyright (《計算機軟件著作權登記辦法》), or the Software Copyright Measures, promulgated by the National Copyright Administration on April 6, 1992 and amended on May 26, 2000 and February 20, 2002, regulates registrations of software copyright, exclusive licensing contracts for software copyright and assignment agreements. The National Copyright Administration (the "**NCA**") administers software copyright registration and the CPCC, is designated as the software registration authority. The CPCC shall grant registration certificates to the Computer Software Copyrights applicants which meet the requirements of both the Software Copyright Measures and the Regulations on the Protection of Computer Software.

Patent

According to the Patent Law of the PRC (Revised in 2020) (《中華人民共和國專利法(2020修 訂)》), the State Intellectual Property Office is responsible for administering patent law in the PRC. The patent administration departments of provincial, autonomous region or municipal governments are responsible for administering patent law within their respective jurisdictions. The Chinese patent system adopts a first-to-file principle, which means that when more than one person file different patent applications for the same invention, only the person who files the application first is entitled to obtain a patent of the invention. To be patentable, an invention or a utility model must meet three criteria: novelty, inventiveness and practicability. A patent is valid for twenty years in the case of an invention and ten years in the case of utility models and designs. The Patent Law of the PRC was recently amended on October 17, 2020 and the revised version came into effect on June 1, 2021.

Trademark

Trademarks are protected by the Trademark Law of the PRC (Revised in 2019) (《中華人民共和國商標法(2019年修訂)》) which was adopted in 1982 and subsequently amended in 1993, 2001, 2013 and 2019 respectively as well as by the Implementation Regulations of the PRC Trademark Law (《中華人民共和國商標法實施條例》) adopted by the State Council in 2002 and as most recently amended on April 29, 2014. The Trademark Office of the SAMR handles trademark registrations. The Trademark Office grants a ten-year term to registered trademarks and the term may be renewed for another ten-year period upon request by the trademark owner. A trademark registrant may license its registered trademarks to another party by entering into trademark license agreements, which must be filed with the Trademark Office for its record. As with patents, the Trademark Law has adopted a first-to-file principle with respect to trademark registration. If a trademark applied for is identical or similar to another trademark which has already been registered or subject to a preliminary examination and approval for use on the same or similar kinds of products or services, such trademark application may be rejected. Any person applying for the registration of a trademark may not injure existing trademark rights first obtained by others, nor may any person register in advance a trademark that has already been used by another party and has already gained a "sufficient degree of reputation" through such party's use.

Domain Name

The MIIT promulgated the Measures on Administration of Internet Domain Names (《互聯網域名管理辦法》) (the "**Domain Name Measures**"), on August 24, 2017, which took effect on November 1, 2017 and replaced the Administrative Measures on China Internet Domain Names (《中國互聯網絡域名管理辦法》) promulgated by MII on November 5, 2004. According to the Domain Name Measures, the MIIT is in charge of the administration of PRC internet domain names. The domain name registration follows a first-to-file principle. Applicants for registration of domain names shall provide the true, accurate and complete information of their identities to domain name registration service institutions. The applicants will become the holder of such domain names upon the completion of the registration procedure. The Notice of the Ministry of Industry and Information Technology on Regulating the Use of Domain Names in Internet Information Services (《工業和信息化部關於規範互聯網信息服務使用域名的通知》) promulgated by the MIIT on November 27, 2017 and effective on January 1, 2018 provides for the obligations of internet information service providers and other entities to fight terrorism and maintain network security.

REGULATIONS ON FOREIGN EXCHANGE

General Regulations of Foreign Exchange

Under the PRC Foreign Exchange Administration Rules (《中華人民共和國外匯管理條例》) promulgated on January 29, 1996 and most recently amended on August 5, 2008 and various regulations issued by SAFE, and other relevant PRC government authorities, Renminbi is convertible into other currencies for current account items, such as trade-related receipts and payments and payment of interest and dividends. The conversion of Renminbi into other currencies and remittance of the converted foreign currency outside the PRC for capital account items, such as direct equity investments, loans, and repatriation of investment, requires the prior approval from SAFE or its local office.

Pursuant to the Circular of SAFE on Further Improving and Adjusting Foreign Exchange Administration Policies for Direct Investment (《國家外匯管理局關於進一步改進和調整直接投資外匯管理政策的通知》) (the "**SAFE Circular 59**"), which was promulgated by SAFE on November 19, 2012, became effective on December 17, 2012, and was further amended on May 4, 2015, October 10, 2018, and December 30, 2019, approval of SAFE is not required for opening a foreign exchange account and depositing foreign exchange into the accounts relating to the direct investments. The SAFE Circular 59 also simplifies foreign exchange-related registration required for foreign investors to acquire equity interests of PRC companies and further improve the administration on foreign exchange settlement for FIEs.

The SAFE Circular 13, which became effective on June 1, 2015 and was amended on December 30, 2019, cancels the administrative approvals of foreign exchange registration of direct domestic investment and direct overseas investment and simplifies the procedure of foreign exchange-related registration. Pursuant to SAFE Circular 13, investors should register with banks for direct domestic investment and direct overseas investment.

The SAFE Circular 19 (《國家外匯管理局關於改革外商投資企業外匯資本金結匯管理方式的通知》), promulgated on March 30, 2015, came into effective on June 1, 2015, and last amended on March 23, 2023, provides that a foreign-invested enterprise may, according to its actual business needs, settle with a bank the portion of the foreign exchange capital in its capital account for which the relevant foreign exchange administration has confirmed monetary capital contribution rights and interests (or for which the bank has registered the injection of the monetary capital contribution into the account). Pursuant to the SAFE Circular 19, for the time being, foreign- invested enterprises are allowed to settle 100% of their foreign exchange capitals on a discretionary basis; a foreign-invested enterprise shall truthfully use its capital for its own operational purposes within the scope of business; where an ordinary foreign-invested enterprise makes domestic equity investment with the amount of foreign exchanges settled, the invested enterprise shall first go through domestic re-investment registration and open a corresponding account for foreign exchange settlement pending payment with the foreign exchange administration or the bank at the place where it is registered.

The SAFE Circular 16 (《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》), promulgated by the SAFE, which became effective on June 9, 2016 and was amended on December 4, 2023, provides that enterprises registered in the PRC may also convert their foreign debts from foreign currency into Renminbi on self-discretionary basis. The SAFE Circular 16 also provides an integrated standard for conversion of foreign exchange under capital account items (including but not limited to foreign currency capital and foreign debts) on self-discretionary basis, which applies to all enterprises registered in the PRC.

In January, 2017, SAFE promulgated the Circular on Further Improving Reform of Foreign Exchange Administration and Optimizing Genuineness and Compliance Verification (《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》), which stipulates several management measures with respect to the outbound remittance of profit from domestic entities to offshore entities, including: (i) banks must check board resolutions regarding profit distribution, the original version of tax filing records, and audited financial statements pursuant to the principle of genuine transactions; and (ii) domestic entities should hold income to account for previous years' loss before remitting the profits. Moreover, pursuant to this circular, domestic entities should make detailed explanations of the sources of capital and utilization arrangements, and provide board resolutions, contracts, and other proof when completing the registration procedures in connection with an outbound investment.

On October 23, 2019, the SAFE released the SAFE Circular 28 (《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》), which was amended on December 4, 2023. The SAFE Circular 28 stipulates that non-investment foreign invested enterprises are permitted to use their capital funds to make equity investments in the PRC, with genuine investment projects and in compliance with effective foreign investment restrictions and other applicable laws.

Offshore Investment

Under the SAFE Circular 37, effective on July 4, 2014, PRC residents are required to register with the local SAFE branch prior to the establishment or control of an offshore special purpose vehicle, or SPV, which is defined as an offshore enterprise directly established or indirectly controlled by PRC residents for offshore equity financing of the enterprise assets or interests they hold in China. An amendment to registration or subsequent filing with the local SAFE branch by such PRC resident is also required if there is any change in basic information of the offshore company or any material change with respect to the capital of the offshore company. At the same time, the SAFE has issued the Operation Guidance for the Issues Concerning Foreign Exchange Administration over Round-trip Investment regarding the procedures for SAFE registration under the SAFE Circular 37, which became effective on July 4, 2014 as an attachment of Circular 37.

Under the relevant rules, failure to comply with the registration procedures set forth in the SAFE Circular 37 may result in restrictions on the foreign exchange activities of the relevant onshore company, including the payment of dividends and other distributions to its offshore parent or affiliates, and may also subject relevant PRC residents to penalties under PRC foreign exchange administration regulations.

The SAFE Circular 13 further amends SAFE Circular 37 by requiring domestic residents to register with qualified banks rather than the SAFE or its local branches in connection with their establishment or control of an offshore entity established for the purpose of overseas investment or financing.

REGULATIONS ON DIVIDEND DISTRIBUTION

The principal laws and regulations regulating the dividend distribution of dividends by foreign- invested enterprises in the PRC include the Company Law of the PRC (《中華人民共和國公司法》), as amended in 1999, 2004, 2005, 2013, 2018 and 2023, the Foreign Investment Law and the Implementation Rules. Under the current regulatory regime in the PRC, foreign-invested enterprises in the PRC may pay dividends only out of their retained earnings, if any, determined in accordance with PRC accounting standards and regulations. A PRC company is required to set aside as statutory reserve funds at least 10% of its after-tax profit, until the cumulative amount of such reserve funds reaches 50% of its registered capital unless laws regarding foreign investment provide otherwise. A PRC company shall not distribute any profits until any loss from prior fiscal years have been offset. Profits retained from prior fiscal years may be distributed together with distributable profits from the current fiscal year.

REGULATIONS ON EMPLOYMENT AND SOCIAL WELFARE

Labor Contract Law

The Labor Contract Law of the PRC (《中華人民共和國勞動合同法》) (the "**Labor Contract Law**"), which took effect on January 1, 2008 and was amended on December 28, 2012, is primarily aimed at regulating rights and obligations of employer and employee relationships, including the establishment, performance and termination of labor contracts. Pursuant to the Labor Contract Law, labor contracts shall be concluded in writing if labor relationships are to be or have been established between employers and the employees. In addition, employee wages shall be no lower than local standards on minimum wages and shall be paid to employees timely.

Social Insurance and Housing Provident Fund

As required under the Regulation of Insurance for Labor Injury (《工傷保險條例》) implemented on January 1, 2004 and amended in 2010, the Provisional Measures for Maternity Insurance of Employees of Corporations (《企業職工生育保險試行辦法》) implemented on January 1, 1995, the Decisions on the Establishment of a Unified Program for Old-Aged Pension Insurance of the State Council (《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》) issued on July 16, 1997, the Decisions on the Establishment of the Medical Insurance Program for Urban Workers of the State Council (《國務院關於建立城鎮職工基本醫療保險制度的決定》) promulgated on December 14, 1998, the Unemployment Insurance Measures (《失業保險條例》) promulgated on January 22, 1999 and the PRC Social Insurance Law (《中華人民共和國社會保險法》) implemented on July 1, 2011 and amended in 2018, employers are required to provide their employees in the PRC with welfare benefits covering basic pension insurance, unemployment insurance, maternity insurance, labor injury insurance and basic medical insurance. If an employer fails to make full contribution to the social insurance premium on time, the social insurance contribution collection agency shall order such employer to make contribution or make up the outstanding amount within a prescribed period, and it may charge a late fee at the rate of 0.05% on a daily basis from the delayed payment date; if the employer fails to make payment within the prescribed period, the relevant administrative department may impose a fine of one to three times the overdue amount.

In accordance with the Regulations on the Administration of Housing Provident Fund (《住房公積金管理條例》) which was promulgated by the State Council in 1999 and amended in 2002 and 2019, employer and employee are required to pay and deposit housing provident funds. If an employer fails to make full contribution to the housing provident fund on time, the housing provident fund management center shall order the employer to make contribution within a prescribed period; if the employer fails to make contribution within the prescribed period, an application may be submitted to the people's court for enforcement.

On July 31, 2025, the Supreme People's Court promulgated the New Judicial Interpretation, which took effect on September 1, 2025. Article 19(1) thereof stipulates that if an employer and an employee agree or the employee undertakes that social insurance contributions need not be paid, the People's Court shall deem such agreement or undertaking invalid. Where an employer fails to pay social insurance contributions in accordance with the law, and the employee seeks to terminate the labor contract and claims economic compensation from the employer pursuant to Article 38(3) of the Labor Contract Law, the People's Court shall support such claims in accordance with the law, which clarifies that employees are entitled to request termination of their labor contracts and receive corresponding economic compensation under the Labor Contract Law if the employer fails to make social insurance contributions in accordance with the law.

REGULATIONS ON TAX

Enterprise Income Tax

On March 16, 2007, the SCNPC promulgated the Law on Enterprise Income Tax of the PRC (《中華人民共和國企業所得稅法》) (the "**EIT Law**"), which was amended on February 24, 2017 and December 29, 2018. On December 6, 2007, the State Council enacted the Regulations for the Implementation of the Law on Enterprise Income Tax (《中華人民共和國企業所得稅法實施條例》), which came into effect on January 1, 2008 and was amended on December 6, 2024 and April 23, 2019. Under the EIT Law and its implementing regulations, both resident enterprises and non-resident enterprises are subject to tax in the PRC. Resident enterprises are defined as enterprises that are established in China in accordance with PRC laws, or that are established in accordance with the laws of foreign countries but are actually or in effect controlled from within the PRC. Non-resident enterprises are defined as enterprises that are organized under the laws of foreign countries and whose actual management is conducted outside the PRC, but who have established institutions or premises in the PRC or income generated from inside the PRC. Under the EIT Law and relevant implementing regulations, a uniform corporate income tax rate of 25% is applied. However, if non-resident enterprises have not formed permanent establishments or premises in the PRC, or if their permanent establishment or premises in the PRC have no actual relationship to the relevant income derived in the PRC, enterprise income tax is set at the rate of 10% with respect to their income sourced from inside the PRC.

Pursuant to the EIT Law, Enterprises qualified as "High and New Technology Enterprises" are entitled to a 15% enterprise income tax rate rather than the 25% uniform statutory tax rate. The preferential tax treatment continues as long as an enterprise can retain its "High and New Technology Enterprise" status. According to the Announcement of on Issuing the Revised Measures for Handling Enterprise Income Tax Preferences (revised in 2018) (企業所得稅優惠政策事項辦理辦法(2018修訂)), which was promulgated by the STA and came into effect on April 25, 2018, enterprises enjoying enterprise income tax preferences shall adopt the handling methods of "making independent judgment, declaring for enjoyment and retaining the relevant materials for future reference". An enterprise shall, according to its operating condition and related tax provisions, independently determine whether it satisfies the conditions required for enterprise income tax preferences. Those who meet the conditions may independently calculate the tax deductions or exemptions according to the time listed in the Catalog for the Administration of Enterprise Income Tax Preferences (Revision 2017) (企業所得稅優惠事項管理目錄(2017年版)), and enjoy tax incentives by filing enterprise income tax returns. Meanwhile, they shall, in accordance with the relevant provisions, collect and retain the relevant materials for future reference.

Value-Added Tax

The Provisional Regulations of the PRC on Value-added Tax (《中華人民共和國增值稅暫行條例》) were promulgated by the State Council on December 13, 1993 and came into effect on January 1, 1994 which were subsequently amended on November 10, 2008 and came into effect on January 1, 2009 and amended on February 6, 2016 and November 19, 2017. On November 16, 2011, the Notice of the Ministry of Finance and the STA jointly promulgated the Pilot Plan for Levying Value-Added Tax in lieu of Business Tax (《營業稅改徵增值稅試點方案》). Starting from January 1, 2012, the PRC government has been gradually implementing a pilot programme in certain provinces and municipalities, to levy a 6% VAT on revenue generated from certain kinds of services in lieu of the business tax. The Notice of the Ministry of Finance and the STA on Adjusting Value-added Tax Rates (《財政部、稅務總局關於調整增值稅稅率的通知》) (the "**Notice**"), was promulgated on April 4, 2018 and came into effect on May 1, 2018. The Notice adjusted the VAT tax rates of 17% and 11% to 16% and 10%, respectively. According to the Announcement on Relevant Policies for Deepening Value-Added Tax Reform (《關於深化增值稅改革有關政策的公告》), with effect from April 1, 2019, the VAT tax rate of 16% and 10% are changed into 13% and 9%, respectively. Notice of the MOF and STA on VAT Policies for Software Products (《財政部、國家稅務總局關於軟件產品增值稅政策的通知》) specified that if general VAT taxpayers sell self-developed and produced software products, after VAT has been collected at a tax rate of 17%, the refund-upon-collection policy shall be applied to the part of actual VAT burden in excess of 3%.

Dividend Withholding Tax

The EIT Law provides that since January 1, 2008, an income tax rate of 10% will normally be applicable to dividends declared to non-PRC resident enterprise investors which do not have an establishment or place of business in the PRC, or which have an establishment or place of business that is not effectively connected with the relevant income, to the extent such dividends are derived from sources within the PRC.

Pursuant to an Arrangement Between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Incomes (《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》) (the "**Double Tax Avoidance Arrangement**"), and other applicable PRC laws, if a Hong Kong resident enterprise self-assesses that it satisfied the relevant conditions and requirements under such Double Tax Avoidance Arrangement and other applicable laws, the 10% withholding tax on the dividends the Hong Kong resident enterprise receives from a PRC resident enterprise may be reduced to 5%. However, based on the Circular on Certain Issues with Respect to the Enforcement of Dividend Provisions in Tax Treaties (《關於執行稅收協定股息條款有關問題的通知》) (the "**STA Circular 81**"), issued on February 20, 2009 by the STA, if the relevant PRC tax authorities determine, in their discretion, that a company benefits from such reduced income tax rate due to a structure or arrangement that is primarily tax-driven, such PRC tax authorities may adjust the preferential tax treatment. According to the Circular on Several Questions regarding the "Beneficial Owner" in Tax Treaties (《關於稅收協定中"受益所有人"有關問題的公告》), which was issued on

February 3, 2018 by the STA and took effect on April 1, 2018, when determining the applicant's status as a "beneficial owner" with respect to the tax treatment of dividends, interest or royalties under certain tax treaties, several factors, including whether the applicant is obligated to pay more than 50% of his or her income over a twelve-month period to residents of a third country or region, whether the business operated by the applicant constitutes actual business activities; and whether the counterparty country or region to the tax treaty does not levy any tax, exempts the relevant income from tax or levies tax at an extremely low rate, will be taken into account and be analyzed according to the actual circumstances of specific cases. The Announcement on Issuing the Measures for the Administration of Non-Resident Taxpayers' Enjoyment of the Treatment under Treaties (《關於發佈<非居民納稅人享受協定待遇管理辦法>的公告》), which was issued on October 14, 2019 and took effect on January 1, 2020, provides that applicant who intend to prove his or her "beneficial owner" status shall gather and retain relevant documents, and shall submit the relevant documents to the competent tax bureau upon post-request by such tax bureau.

Tax on Indirect Transfer

On February 3, 2015, the STA issued the Public Announcement on Several Issues Concerning Enterprise Income Tax for Indirect Transfer of Assets by Non-Resident Enterprises (《關於非居民企業間接轉讓財產企業所得稅若干問題的公告》), or Circular 7. Pursuant to Circular 7, an "indirect transfer" of assets, including equity interests in a PRC resident enterprise, by a non-PRC resident enterprise, may be recharacterized and treated as a direct transfer of PRC taxable assets, if such arrangement does not have a reasonable commercial purpose and was established for the purpose of avoiding payment of PRC enterprise income tax. As a result, gains derived from such indirect transfer may be subject to PRC enterprise income tax. When determining whether there is a "reasonable commercial purpose" of the transaction arrangement, features to be taken into consideration include, inter alia, whether the main value of the equity interest of the relevant offshore enterprise derives directly or indirectly from PRC taxable assets; whether the assets of the relevant offshore enterprise mainly consist of direct or indirect investments in China, or whether its income is mainly derived from China; and whether the offshore enterprise and its subsidiaries that directly or indirectly hold PRC taxable assets have a real commercial nature which is evidenced by their actual function and risk exposure. According to Circular 7, where the payor fails to withhold any or sufficient tax, the transferor shall declare and pay such tax to the tax authority by itself within the statutory time limit. Circular 7 does not apply to sales of shares by investors through a public stock exchange where such shares were acquired on a public stock exchange. On October 17, 2017, the STA issued the Circular on Issues of Tax Withholding regarding Non-PRC Resident Enterprise Income Tax (《國家稅務總局關於非居民企業所得稅源泉扣繳有關問題的公告》), or STA Circular 37, which was amended on June 15, 2018. STA Circular 37 further elaborates the relevant implemental rules regarding the calculation, reporting and payment obligations of the withholding tax by the non-resident enterprises. Circular 7 may be determined by the tax authorities as to whether it is applicable to our offshore transactions or sale of our shares or those of our offshore subsidiaries where non-resident enterprises, being the transferors, were involved.

REGULATION ON GOVERNMENT GRANTS

During the Track Record Period, our PRC subsidiaries located in Shanghai and Jiaxing have been awarded grants by relevant local governments in accordance with the following regulations.

Relevant Regulations in Shanghai City

According to the Use and Management of Special Development Funds for the Zhangjiang National Independent Innovation Demonstration Zone in Shanghai (《上海張江國家自主創新示範區專項發展資金使用和管理辦法》) promulgated by Shanghai Office for Promoting the Construction of Science and Technology Innovation Center in 2021, which is valid until December 31, 2025, the specialized funds were arranged annually by the Municipal Finance Bureau and Finance Bureaus of each district from 2021 to 2025, which mainly used to cultivate high-level innovative entities, promote the transformation of innovative achievements, create innovative industrial clusters, optimize the innovation ecological environment, gather and cultivate high-end talents. Such specialized funds would be granted in the form of non-reimbursable funding or rewards, loan interest subsidies, capital injection, etc.

On February 20, 2019, Commerce Committee of Jing'an District, Finance Bureau of Jing'an District and Market Supervision Administration of Jing'an District jointly promulgated the Brand Construction Special Fund Management Measures of Jing'an District (《靜安區品牌建設專項資金管理辦法》), effective from March 20, 2019 and valid until March 19, 2024. The specialized fund would be granted through project funding, government purchase of services, government subsidies and rewards, and mainly used to support the development and construction of local brands, improve the development environment of brand enterprises and promote the healthy development of regional brand economy.

Relevant Regulations in Jiaxing City

According to the Policy Opinions on Accelerating the High Quality Development of Manufacturing Industry (revised version) (《關於加快推進製造業高質量發展的政策意見(修訂版)》) promulgated by the People's Government of Nanhu District, Jiaxing Municipality on December 21, 2020, effective from January 1, 2021 and valid for two years, the enterprises on software and information services sector whose annual operating revenue reach RMB100 million, RMB50 million or RMB20 million for the first time, and year-on-year growth are not less than 10% as well, will be rewarded one-time grants of RMB1,000,000, RMB500,000 and RMB200,000 correspondingly. In addition, as for pure informatization projects of which the investment amount is more than RMB1,000,000, a subsidy will be provided base on 30% of the actual investment amount with a maximum of RMB10,000,000 for a single project. And as for the enterprises whose actual annual expenses on purchase standard-compliant cloud services range from RMB50,000 to RMB100,000 (inclusive), or from RMB100,000 to RMB500,000 (inclusive), or over RMB500,000, cumulative subsidies will be provided based on 30%, 40%, and 50% of the actual annual expenses, with a maximum of RMB1,000,000 per year for a single enterprise.

On April 23, 2019, the Policy Opinions on Accelerating the Development of Jiaxing E-commerce Industrial Park (《關於加快嘉興電子商務產業園發展的政策意見》) was issued by Jiaxing Nanhu New Area Management Committee and Dongzha Subdistricts office of Nanhu District in Jiaxing City. This policy applies to the operating legal entities of which registration and financial caliber are both in the Jiaxing E-commerce Industrial Park and such entity has signed a project stationing agreement or has been record with the Jiaxing E-commerce Industrial Park.

On January 11, 2022, the Jiaxing Municipal People's Government promulgated the Several Opinions on Further Increasing the Efforts of Benefiting Enterprises in Relief and Assistance (《嘉興市人民政府關於進一步加大惠企紓困幫扶力度的若干意見》), effective from January 1, 2022, which devoted to boosting the high-quality development of the industry and expanding the market with multiple types of government subsidies.

REGULATIONS ON LEASING

According to the Law of the PRC on the Administration of Urban Real Estate (《中華人民共和國城市房地產管理法》), which was promulgated by the SCNPC on August 26, 2019 and came into effect on January 1, 2020, a written lease contract shall be concluded between the lessor and the lessee for leasing a building and shall agree on the terms and conditions such as the term, purpose and price of leasing and liability for maintenance and repair, etc. as well as other rights and obligations of both parties, and such contract shall be filed for registration and record with the real estate administration department.

According to the Administrative Measures for Commodity House Leasing (《商品房屋租賃管理辦法》), which was promulgated by the Ministry of Housing and Urban-Rural Development on December 1, 2010 and came into effect on February 1, 2011, within 30 days after the conclusion of the house leasing contract, the parties involved in the house leasing shall carry out house leasing registration with the construction (real estate) administrative department of the people's government of a municipality directly under the central government of the PRC, city or county where the house leased is located. If the relevant parties fail to make such registration, they may be ordered to make corrections within a specified time limit by the construction (real estate) administrative department of the people's government of a municipality directly under the central government of the PRC, city or county. If any entity fails to do so within the specified time limit, a fine not less than RMB1,000 and not more than RMB10,000 will be imposed.

REGULATIONS ON ANTI-UNFAIR COMPETITION AND ANTI-MONOPOLY

According to the PRC Anti-unfair Competition Law (《中華人民共和國反不正當競爭法》), which was adopted by the SCNPC on September 2, 1993, became effective as of December 1, 1993, and last amended on April 23, 2019, unfair competition refers to the production and operating activities where the operator disrupts the market competition order and damages the legitimate rights and interests of other operators or consumers in violation of the provisions of the Anti-unfair Competition Law. Pursuant to the Anti-unfair Competition Law, operators shall abide by the principle of voluntariness, equality, impartiality, integrity and adhere to laws and business ethics during market transactions.

The PRC Anti-monopoly Law (《中華人民共和國反壟斷法》) was promulgated by SCNPC on August 30, 2007, took effect on August 1, 2008 and was amended on June 24, 2022 and such amendment took effect on August 1, 2022, the relevant operators of a concentration of undertakings which reaches the standard for declaration shall make an advance declaration to the anti-monopoly law enforcement authority under the State Council and it prohibits monopolistic conduct, such as entering into monopoly agreements, abuse of dominant market position and concentration of undertakings that have the effect of eliminating or restricting competition. The revised Anti-monopoly Law provides, among others, that business operators shall not use data, algorithms, technology, capital advantages and platform rules to exclude or limit competition.

Monopoly Agreement

Competing business operators may not enter into monopoly agreements that eliminate or restrict competition, such as by boycotting transactions, fixing or changing the price of commodities, limiting the output of commodities, fixing the price of commodities for resale to third parties, among others, unless the agreement will satisfy the exemptions under the PRC Anti-monopoly Law, such as improving technologies, increasing the efficiency and competitiveness of small and medium-sized undertakings, or safeguarding legitimate interests in cross-border trade and economic cooperation with foreign counterparts.

On March 10, 2023, the SAMR further issued the Provisions on the Prohibitions of Monopoly Agreements (《禁止壟斷協議規定》) which took effect on April 15, 2023 and supersedes its previous version issued by the SAMR.

Abuse of Dominant Market Position

A business operator with a dominant market position may not abuse its dominant market position to conduct acts, such as selling commodities at unfairly high prices or buying commodities at unfairly low prices, selling products at prices below cost without any justifiable cause, and refusing to trade with a trading party without any justifiable cause.

On March 10, 2023, the SAMR issued the Provisions on the Prohibitions of Acts of Abuse of Dominant Market Positions (《禁止濫用市場支配地位行為規定》) which took effect on April 15, 2023 and supersedes its previous version issued by the SAMR.

Concentration of Undertakings

Where a concentration of undertakings reaches the declaration threshold stipulated by the State Council, a declaration must be approved by the anti-monopoly authority before the parties implement the concentration. Concentration refers to (1) a merger of undertakings; (2) acquiring control over other undertakings by acquiring equities or assets; or (3) acquisition of control over, or the possibility of exercising decisive influence on, an undertaking by contract or by any other means.

Furthermore, on February 7, 2021, the Anti-Monopoly Committee of the State Council promulgated the Anti-Monopoly Guidelines for the Platform Economy Sector (《關於平台經濟領域的反壟斷指南》) (the "**Anti-Monopoly Guidelines**"), aiming to provide guidelines for supervising and prohibiting the monopolistic conducts in connection with the internet platform business operations and further elaborate on the factors for recognizing such monopolistic conducts in the internet platform industry.

M&A RULES AND OVERSEAS LISTING

On August 8, 2006, six PRC governmental and regulatory agencies, including the MOFCOM and the CSRC, promulgated the M&A Rules (《關於外國投資者併購境內企業的規定(2009修訂)》), governing the mergers and acquisitions of domestic enterprises by foreign investors that became effective on September 8, 2006 and was revised on June 22, 2009. The M&A Rules, among other things, require that if an overseas company established or controlled by PRC companies or individuals, or PRC citizens, intends to acquire equity interests or assets of any other PRC domestic company affiliated with the PRC citizens, such acquisition must be submitted to the MOFCOM for approval. The M&A Rules also requires that an offshore special purpose vehicle formed for overseas listing purposes and controlled directly or indirectly by PRC citizens shall obtain the approval of the CSRC prior to overseas listing and trading of such special purpose vehicle's securities on an overseas stock exchange.

On February 17, 2023, the CSRC promulgated the Trial Measures (《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 took effect on March 31, 2023. According to the Trial Measures, PRC domestic companies that seek to offer and list 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 Trial Measures provides that an overseas listing or offering is explicitly prohibited, if any of the following: (i) such securities offering and listing is explicitly prohibited by provisions in laws, administrative regulations and relevant state rules; (ii) the intended securities offering and listing may endanger national security as reviewed and determined by competent authorities under the State Council in accordance with law; (iii) the domestic company intending to make the securities offering and listing, or its controlling shareholder(s) and the actual controller, have committed relevant crimes such as corruption, bribery, embezzlement, misappropriation of property or undermining the order of the socialist market economy during the latest three years; (iv) the domestic company intending to make the securities offering and listing 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 (v) 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 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 offering by PRC domestic companies: (i) 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 fiscal year is accounted for by domestic companies; and (ii) the main parts of the issuer's business activities are conducted in mainland China, or its main place(s) of business are located in mainland China, 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 mainland China. 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 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.

On February 24, 2023, the CSRC and other relevant government authorities promulgated the Provisions on Strengthening the Confidentiality and Archives Administration of Overseas Securities Issuance and Listing by Domestic Enterprises (《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》), which took effect on March 31, 2023. Pursuant to the Provision on Confidentiality, where a domestic enterprise provides or publicly discloses to the relevant securities companies, securities service institutions, overseas regulatory authorities and other entities and individuals, or provides or publicly discloses through its overseas listing subjects, documents and materials involving state secrets and working secrets of state organs, it shall report the same to the competent department with the examination and approval authority for approval in accordance with the law, and submit the same to the secrecy administration department of the same level for filing. Domestic enterprises providing accounting archives or copies thereof to entities and individuals concerned such as securities companies, securities service institutions and overseas regulatory authorities shall perform the corresponding procedures pursuant to the relevant provisions of the State.

OVERVIEW

Our Group commenced primary business operations through Shanghai Jushuitan, a limited liability company established in the PRC on September 26, 2014 as the parent company of our PRC operating subsidiaries. After approximately a decade of development, we have become China's largest e-commerce SaaS ERP provider in terms of revenue in 2024.

As the founder of our Group, Mr. Luo, who is also our chairman of the Board, executive Director and CEO, has been responsible for the overall management and business strategies of the Group since its establishment. Mr. Luo has over 25 years of industry experience in ERP, enterprise service and IT. For details of the biography and industry experience of Mr. Luo, please refer to the section headed "Directors and Senior Management" in this Prospectus.

Our Company was incorporated as an exempted company with limited liability in the Cayman Islands on August 2, 2021. In preparation for the Listing, we undertook the Reorganization, after which our Company became the holding company of our Group. Details of the Reorganization are set out in "– Reorganization" in this section.

OUR BUSINESS MILESTONES

The following table summarizes the key business development milestones of our Group:

Year	Event
2014	Shanghai Jushuitan was established in the PRC.
2015	We launched the enterprise version of our SaaS ERP.
	We completed our Series Angel financing by Shanghai Ameba Baihui, Mr. Chen Haohui and Mr. Wu Xiaoguang.
2017	We completed our Series A financing by Huzhou Wanlu, Fuzhou Ameba, Shanghai Ameba Baihui and Beijing Weiguang Equity Investment Partnership (L.P.).
2018	We launched the professional version of our SaaS ERP.
	We launched Jushengsuan.
2019	We served over 10,000 customers.
	We completed our Series B1 financing by Suzhou Yuanjing, Hangzhou Yuanjing, and Dimension Enterprises Limited.

Year	Event
	We completed our Series B2 financing by Shanghai Blue Lake, Blue Lake Capital Fund II, L.P., and Jiaxing Huihai. We completed our Series B3 financing by HongShan Zhisheng.
2020	We completed our Series C financing by Broad Street Investments Holding (Singapore) Pte. Ltd., StoneBridge 2020, L.P., StoneBridge 2020 Offshore Holdings II, L.P., CICC Gongying Fund and Blue Lake Capital Fund II, L.P.
2021	We processed more than 10 billion orders in a single year.
	We were selected to be in the Forbes 2021 Cloud 100 List.
2022	We successfully processed approximately 1.2 billion orders during the Double 11 Festival.
2023	Our SaaS billings for the year exceeded RMB1 billion for the first time.

OUR MAJOR SUBSIDIARY

The principal business activities and the date of incorporation of our subsidiary which is most relevant to our core operations during the Track Record Period are shown below.

Name of subsidiary	Place of incorporation	Date of incorporation	Principal business activities
Shanghai Jushuitan	PRC	September 26, 2014	Design, R&D and sale of e-commerce SaaS ERP products and other SaaS products

OUR NON-CONTROLLING INTERESTS

Our Group has non-controlling interests in certain private companies, the majority of which are incorporated or registered in the PRC, and all of which have the PRC as their principal place of business or operation. Such private companies primarily engage in SaaS businesses which are complementary to our business. For example, we made investments in (i) one private company which provides services to assist its clients in marketing. We invested in this company to leverage its expertise for e-commerce customers who require marketing services, and the experience of its founder in the e-commerce industry; and (ii) another private company which provides SaaS ERP for cross-border e-commerce merchants, considering the founder's entrepreneurial experiences and previous work at a leading Chinese internet company.

Investments in such private companies facilitate our long-term growth strategy and support our product development. Our investments accounted for using equity method slightly decreased from RMB117.8 million as of December 31, 2022 to RMB99.5 million as of December 31, 2023, further decreased to RMB84.9 million as of December 31, 2024 and amounted to RMB53.2 million as of June 30, 2025.

For details, see references to associates of our Group in the section headed "Financial Information – Discussion of Selected Items from the Consolidated Balance Sheets – Assets" in, and Note 18 to the Accountant's Report in Appendix I to, this Prospectus.

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

We did not conduct any acquisitions, disposals or mergers that we consider to be material to us during the Track Record Period and up to the Latest Practicable Date.

ESTABLISHMENT AND MAJOR SHAREHOLDING CHANGES OF OUR GROUP

1. Establishment and Initial Shareholding Changes of Shanghai Jushuitan

Shanghai Jushuitan was established in the PRC on September 26, 2014 as a limited liability company with a registered capital of RMB500,000. Upon establishment, Shanghai Jushuitan was held as to 60% by the spouse of Mr. Luo and 40% by the spouse of Mr. He.

In October 2014, the registered capital of Shanghai Jushuitan was increased to RMB2,000,000, with the capital increase subscribed by the spouses of Mr. Luo and Mr. He in proportion to their respective equity interests.

2. Transfer of Shanghai Jushuitan's Shareholding to the Company's Executive Directors

In October 2015, (i) the spouse of Mr. Luo transferred her entire 60% equity interest in Shanghai Jushuitan (including 49% to Mr. Luo, 6% to Mr. Wang and 5% to Mr. Li) at nil consideration; and (ii) the spouse of Mr. He transferred her entire 40% equity interest in Shanghai Jushuitan (including 30% to Mr. He and 10% to Mr. Li) at nil consideration.

Upon the completion of such equity transfers, Shanghai Jushuitan was held as to 49% by Mr. Luo, 30% by Mr. He, 15% by Mr. Li and 6% by Mr. Wang.

3. Pre-IPO Investments through Subscription of Registered Capital in Shanghai Jushuitan

Between December 2015 and August 2020, Shanghai Jushuitan conducted several rounds of pre-IPO investments through the subscription of its increased registered capital by its shareholders prior to the Reorganization (the "**Pre-Reorganization Shareholders**"). See "– Pre-IPO Investments" in this section for details.

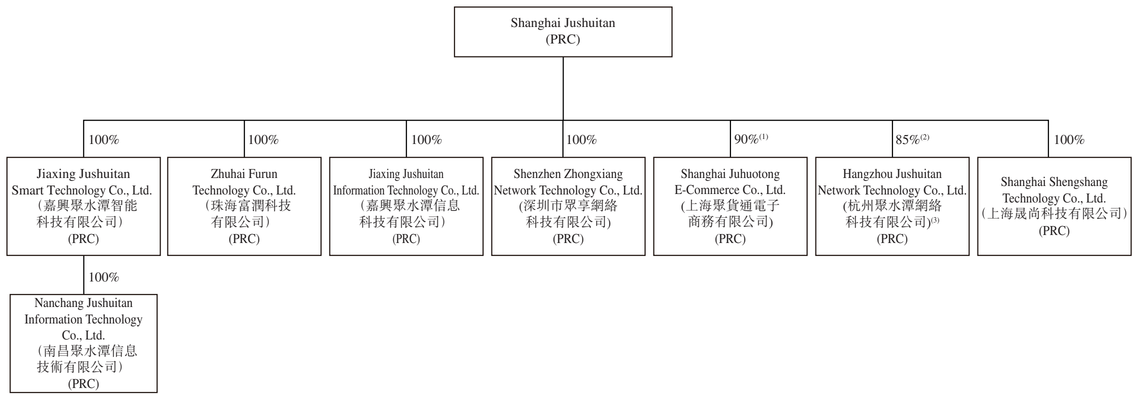
REORGANIZATION

The following table illustrates the shareholding structure of Shanghai Jushuitan immediately prior to the commencement of the Reorganization:

Name of Pre-Reorganization Shareholder	Amount of Registered Capital Held	Approximate Ownership Percentage
	(RMB)	
Ningbo Jushuitan Investment Management Partnership (L.P.) (寧波聚水潭投資管理合夥企業(有限合夥)) ("**Ningbo Jushuitan**")	855,102	22.42%
Mr. Luo	749,326	19.65%
Jiaxing Jushuitan Investment Management Partnership (L.P.) (嘉興聚水潭投資管理合夥企業(有限合夥)) ("**Jiaxing Jushuitan**")	409,178	10.73%
Shanghai Ameba Baihui Venture Capital Partnership (L.P.) (上海阿米巴佰暉創業投資合夥企業(有限合夥)) ("**Shanghai Ameba Baihui**")	291,700	7.65%
Ningbo Meishan Free Trade Port Area HongShan Zhisheng Equity Investment Partnership (L.P.) (寧波梅山保税港區紅杉智盛股權投資合夥企業(有限合夥)) ("**HongShan Zhisheng**")	286,239	7.50%
Broad Street Investments Holding (Singapore) Pte. Ltd.	222,432	5.83%

Name of Pre-Reorganization Shareholder	Amount of Registered Capital Held	Approximate Ownership Percentage
	(RMB)	
Beijing Weiguang Equity Investment Partnership (L.P.))	189,224	4.96%
Dimension Enterprises Limited	166,745	4.37%
Fuzhou Ameba Hongtian Venture Capital Partnership (L.P.) (福州阿米巴鴻添創業投資合夥企業(有限合夥)) ("**Fuzhou Ameba**")	122,500	3.21%
Blue Lake Capital Fund II, L.P.	119,806	3.14%
Shanghai Lansan Muyue Investment Center (L.P.) (上海藍三木月投資中心(有限合夥)) ("**Shanghai Blue Lake**")	95,305	2.50%
Zhongjin Gongying Qijiang (Shanghai) Science and Innovation Equity Investment Fund Partnership (L.P.) (中金共贏啟江(上海)科創股權投資基金合夥企業(有限合夥)) ("**CICC Gongying Fund**")	94,251	2.47%
Suzhou Yuanjing Equity Investment Partnership (L.P.) (蘇州圓璟股權投資合夥企業(有限合夥)) ("**Suzhou Yuanjing**")	51,306	1.35%
Hangzhou Yuanjing Chuangheng Equity Investment Fund Partnership (L.P.) (杭州圓璟創恒股權投資基金合夥企業(有限合夥)) ("**Hangzhou Yuanjing**")	51,306	1.35%
Huzhou Wanlu Dingshi Equity Investment Partnership (L.P.) (湖州萬漉鼎實股權投資合夥企業(有限合夥)) ("**Huzhou Wanlu**")	37,409	0.98%
Ikaria Capital Limited	33,292	0.87%
Mr. Liu Zhongyang (劉中揚)	14,201	0.37%
Mr. Chen Haohui (陳昊輝)	11,834	0.31%
StoneBridge 2020, L.P.	8,654	0.23%
StoneBridge 2020 Offshore Holdings II, L.P.	4,541	0.12%
Total	**3,814,351**	**100%**

The following chart depicts a simplified corporate structure of our Group immediately prior to the commencement of the Reorganization:



Notes:

(1) Mr. Cen Wenchu, our chief technology officer, holds the remaining 10% shareholding in Shanghai Juhuotong E-Commerce Co., Ltd.

(2) Mr. Cen Wenchu, our chief technology officer, holds the remaining 15% shareholding in Hangzhou Jushuitan Network Technology Co., Ltd.

(3) Hangzhou Jushuitan Network Technology Co., Ltd. was incorporated on September 28, 2021, which was during the course of our Reorganization. It is included in this chart for clarity and completeness.

In anticipation of our Listing, we underwent the following Reorganization arrangements:

1. Incorporation of Our Company

On August 2, 2021, our Company was incorporated in the Cayman Islands as an exempted company with limited liability and the ultimate holding company of our Group. Upon incorporation, the authorized share capital of our Company was US$50,000 divided into 500,000,000 Shares with a nominal or par value of US$0.0001 each.

On August 2, 2021, being the date of its incorporation, and September 13, 2021, our Company allotted Shares to the indirectly wholly-owned companies of our four executive Directors in the following manner: (a) 816,205 Shares to Black Tea Limited, (b) 510,170 Shares to Popogo Limited, (c) 542,985 Shares to Taurus Lee Limited, and (d) 144,246 Shares to Nico and Winco Limited. A further 11,834 Shares and 14,201 Shares were issued to Daniel and Owen Limited and Bottle Tea Limited respectively. See further details as to the relationship of these entities with the Pre-Reorganization Shareholders below.

As part of the Reorganization, we re-classified the Shares of our Company and re-designated the authorized share capital of the Company on February 21, 2023, after which our authorized share capital of the Company became US$50,000 divided into 500,000,000 shares of a par value of US$0.0001 each, of which (i) 498,199,255 shares were designated as Shares, (ii) 288,441 shares were designated as Series Angel Preferred Shares, (iii) 79,290 shares were designated as Series Pre-A Preferred Shares, (iv) 299,137 shares were designated as Series A Preferred Shares, (v) 235,212 shares were designated as Series B1 Preferred Shares, (vi) 234,749 shares were designated as Series B2 Preferred Shares, (vii) 286,239 shares were designated as Series B3 Preferred Shares, and (viii) 377,677 shares were designated as Series C Preferred Shares.

2. Incorporation of Intermediary Holding Companies

The following Group companies were incorporated to act as intermediate holding companies under our Company to hold our operating subsidiaries:

(a) on September 14, 2021, True Value Limited was incorporated as an exempted company with limited liability in BVI, a direct wholly-owned subsidiary of our Company and an intermediate holding company of our Group; and

(b) on October 4, 2021, Hong Kong True Value Limited was incorporated as a limited liability company in Hong Kong and a direct wholly-owned subsidiary of True Value Limited.

3. Acquisition of Equity Interests of Shanghai Jushuitan from Its Then Shareholders by Hong Kong True Value Limited

On February 21, 2023, the Pre-Reorganization Shareholders of Shanghai Jushuitan (other than Broad Street Investments Holding (Singapore) Pte. Ltd., StoneBridge 2020, L.P., StoneBridge 2020 Offshore Holdings II, L.P., and CICC Gongying Fund) transferred to Hong Kong True Value Limited their equity interests in Shanghai Jushuitan equivalent to RMB3,484,473 of registered share capital, representing 91.35% of the then share capital of Shanghai Jushuitan, at an aggregate consideration of RMB3,484,473.

On September 5, 2023, Broad Street Investments Holding (Singapore) Pte. Ltd., StoneBridge 2020, L.P., StoneBridge 2020 Offshore Holdings II, L.P., and CICC Gongying Fund transferred to Hong Kong True Value Limited their equity interests in Shanghai Jushuitan equivalent to RMB329,878 of registered capital, representing 8.65% of the then share capital of Shanghai Jushuitan, at an aggregate consideration of RMB140 million and the USD equivalent of RMB350 million.

After the completion of the above transfers of equity interests, Shanghai Jushuitan has become a wholly foreign-owned enterprise wholly-owned by Hong Kong True Value Limited, and thus an indirect wholly-owned subsidiary of our Company.

4. Allotment and Issuance of Shares of Our Company to Former Shareholders of Shanghai Jushuitan

For the purpose of reflecting and mirroring the shareholding structure of Shanghai Jushuitan before the Reorganization, on February 21, 2023, June 8, 2023 and September 5, 2023, our Company issued Preferred Shares to the nominees of the Pre-Reorganization Shareholders, and reserved 311,780 Shares to be issued for the purpose of employee incentive prior to Listing, which were eventually allotted and issued to the ESOP Trustee on October 6, 2025. For details, see the subsection headed "Issue of Shares for Employee Incentive" below in this section.

Pursuant to such issuance, our Company's issued share capital was as follows: (i) 2,013,606 Shares of par value of US$0.0001 per Share, (ii) 288,441 Series Angel Preferred Shares of par value of US$0.0001 per Series Angel Preferred Share, (iii) 79,290 Series Pre-A Preferred Shares of par value of US$0.0001 per Series Pre-A Preferred Share, (iv) 299,137 Series A Preferred Shares of par value of US$0.0001 per Series A Preferred Share, (v) 235,212 Series B1 Preferred Shares of par value of US$0.0001 per Series B1 Preferred Share, (vi) 234,749 Series B2 Preferred Shares of par value of US$0.0001 per Series B2 Preferred Shares, (vii) 286,239 Series B3 Preferred Shares of par value of US$0.0001 per Series B3 Preferred Share, and (viii) 377,677 Series C Preferred Shares of par value of US$0.0001 per Series C Preferred Share. This composition of our Company's issued share capital is on the assumptions as set out in note (1) to the table below.

The following table depicts the direct and indirect equity interests of the Pre-Reorganization Shareholders (i) in Shanghai Jushuitan immediately before the Reorganization, and (ii) in our Company immediately after the Reorganization.

Shareholding of Shanghai Jushuitan Immediately before the Reorganization			Shareholding of Our Company Immediately after the Reorganization[1]		
Name of Pre-Reorganization Shareholder[2]	**Registered Capital Subscribed (RMB)**	**Corresponding Shareholding Interest**	**Name of Nominee of Pre-Reorganization Shareholder[2]**	**Number of Shares Allotted**	**Corresponding Shareholding Interest**
Entities Controlled by our Executive Directors and Employee Incentive:					
Mr. Luo[3]	749,326	19.65%	Black Tea Limited[3]	816,205	21.40%
Ningbo Jushuitan[3]	855,102	22.42%	Popogo Limited[3]	510,170	13.38%
Jiaxing Jushuitan[3]	409,178	10.73%	Shares reserved for employee incentive and were fully issued on October 6, 2025[3]	311,780	8.17%

Shareholding of Shanghai Jushuitan Immediately before the Reorganization			Shareholding of Our Company Immediately after the Reorganization(1)		
Name of Pre-Reorganization Shareholder(2)	**Registered Capital Subscribed (RMB)**	**Corresponding Shareholding Interest**	**Name of Nominee of Pre-Reorganization Shareholder(2)**	**Number of Shares Allotted**	**Corresponding Shareholding Interest**
			Taurus Lee Limited(3)	231,205	6.06%
			Nico and Winco Limited(3)	144,246	3.78%
Subtotal:	**2,013,606**	**52.79%**	**Subtotal:**	**2,013,606**	**52.79%**
Pre-IPO Investors:					
Shanghai Ameba Baihui(4)	291,700	7.65%	Ameba Bamboo Limited(4)	414,200	10.86%
Fuzhou Ameba(4)	122,500	3.21%			
HongShan Zhisheng(5)	286,239	7.50%	Max Dazzle Limited(5)	286,239	7.50%
Broad Street Investments Holding (Singapore) Pte. Ltd.(6)	222,432	5.83%	Broad Street Investments Holding (Singapore) Pte. Ltd.(6)	222,432	5.83%
Beijing Weiguang Equity Investment Partnership (L.P.)(7)	189,224	4.96%	Beijing Weiguang Equity Investment Partnership (L.P.)(7)	189,224	4.96%
Dimension Enterprises Limited(8)	166,745	4.37%	VP JST II LP(8)	102,612	2.69%
			VP JST I LP(8)	64,133	1.68%
Suzhou Yuanjing(9)	51,306	1.35%	Shanghai Jingyu Enterprise Management Consulting Partnership (L.P.)(9)	102,612	2.69%
Hangzhou Yuanjing(9)	51,306	1.35%			
Blue Lake Capital Fund II, L.P.	119,806	3.14%	Blue Lake Capital Fund II, L.P.	119,806	3.14%
Shanghai Blue Lake	95,305	2.50%	Shanghai Blue Lake	95,305	2.50%
CICC Gongying Fund	94,251	2.47%	CICC Gongying Fund	94,251	2.47%
Huzhou Wanlu(10)	37,409	0.98%	Shanghai Zhuolu Management Consulting Partnership (L.P.)(10)	37,409	0.98%
Ikaria Capital Limited(11)	33,292	0.87%	IKARIA GROUP LIMITED(11)	33,292	0.87%

Shareholding of Shanghai Jushuitan Immediately before the Reorganization			Shareholding of Our Company Immediately after the Reorganization[(1)]		
Name of Pre-Reorganization Shareholder[(2)]	**Registered Capital Subscribed (RMB)**	**Corresponding Shareholding Interest**	**Name of Nominee of Pre-Reorganization Shareholder[(2)]**	**Number of Shares Allotted**	**Corresponding Shareholding Interest**
Mr. Liu Zhongyang[(12)]	14,201	0.37%	Bottle Tea Limited[(12)]	14,201	0.37%
Mr. Chen Haohui[(13)]	11,834	0.31%	Daniel and Owen Limited[(13)]	11,834	0.31%
StoneBridge 2020, L.P.[(6)]	8,654	0.23%	StoneBridge 2020, L.P.[(6)]	8,654	0.23%
StoneBridge 2020 Offshore Holdings II, L.P.[(6)]	4,541	0.12%	StoneBridge 2020 Offshore Holdings II, L.P.[(6)]	4,541	0.12%
Subtotal:	**1,800,745**	**47.21%**	**Subtotal:**	**1,800,745**	**47.21%**
Total:	**3,814,351**	**100%**	**Total:**	**3,814,351**	**100%**

Notes:

(1) Assuming that 311,780 Shares have been issued to the ESOP Trustee.

(2) Our Company allotted and issued Shares to the nominees (whose names are listed in the fourth column of this table) of the shareholders of Shanghai Jushuitan before the Reorganization (whose names are listed in the first column of this table). Such nominees are held by the same ultimate beneficial owners, or are the affiliates of, the corresponding previous shareholders of Shanghai Jushuitan. Certain of such nominees have subsequently made further transfers to other Pre-IPO Investors, details of which are further described below in this sub-section.

(3) Ningbo Jushuitan and Jiaxing Jushuitan are limited partnerships established in the PRC and held by our four executive Directors, Mr. Luo, Mr. He, Mr. Li and Mr. Wang. Prior to and after the Reorganization, Ningbo Jushuitan was and is held as to 57.00%, 27.04% and 8.73% by Mr. He, Mr. Li and Mr. Wang respectively as limited partners, and 7.24% by Mr. Luo as general partner (such figures being subject to rounding adjustments). Jiaxing Jushuitan was and is held as to 76.20%, 17.01% and 5.57% by Mr. Li, Mr. Wang and Mr. He respectively as limited partners, and 1.22% by Mr. Luo as general partner. Prior to the Reorganization, the entire equity interest of Mr. Li in Jiaxing Jushuitan corresponded to 8.17% equity interest in Shanghai Jushuitan, which was reserved for the purpose of employee incentive.

After the Reorganization, there has been no change in the beneficial ownership of shares held by Ningbo Jushuitan and Jiaxing Jushuitan. The aforementioned 8.17% equity interest, corresponding to 311,780 Shares of the Company, continued to be reserved for the purpose of employee incentive immediately after the Reorganization and were fully issued to the ESOP Trustee on October 6, 2025. Aside from such Shares reserved and then issued for employee incentive, each of our four executive Directors' shareholding in our Company through their wholly-owned companies is proportionate to their pre-Reorganization beneficial ownership in Shanghai Jushuitan through Ningbo Jushuitan and Jiaxing Jushuitan. Mr. Luo's 19.65% equity interest has not been distributed to the other executive Directors.

Black Tea Limited is wholly-owned by HD Luo Limited, which is in turn wholly-owned by Mr. Luo. Popogo Limited is wholly-owned by XJ He Limited, which is in turn wholly-owned by Mr. He. Taurus Lee Limited is wholly-owned by Golden Bull Lee Limited, which is in turn wholly-owned by Mr. Li. Nico and Winco Limited is wholly-owned by Y Wang Limited, which is in turn wholly-owned by Mr. Wang.

After the Reorganization, Popogo Limited transferred 24,364 Shares to Blue Lake Capital Opportunity Fund I, L.P. For details, see "– Share Transfers and Shareholding Changes after the Reorganization" in this section.

(4) The general partner of Shanghai Ameba Baihui and Fuzhou Ameba is Shanghai Ameba Baiyi Management Consulting Partnership (L.P.) (上海阿米巴佰毅管理咨詢合夥企業(有限合夥)), whose general partner is Shanghai Ameba Investment Management Co., Ltd. (上海阿米巴創新創業投資管理有限公司), the same as that of the sole shareholder of Ameba Bamboo Limited, Shanghai Huiju Management Consulting Partnership (L.P.) (上海暉鉅管理諮詢合夥企業(有限合夥)). See "– Information about the Pre-IPO Investors" in this section.

After the Reorganization, Ameba Bamboo Limited transferred (i) 74,953 Series Angel Preferred Shares, 39,645 Series Pre-A Preferred Shares and 47,165 Series A Preferred Shares to Ameba Mercury Limited; and (ii) 76,288 Series Angel Preferred Shares to Seashine Capital Limited. For details, see "– Share Transfers and Shareholding Changes after the Reorganization" in this section.

(5) The general partner of HongShan Zhisheng is Jiaxing HongShan Kunsheng Investment Management Partnership (L.P.) (嘉興紅杉坤盛投資管理合夥企業(有限合夥)), which is also the general partner of Shanghai Shibo Enterprise Management Consulting Partnership (L.P.) (上海誓鉑企業管理諮詢合夥企業(有限合夥)), which wholly-owns Max Dazzle Limited. See "– Information about the Pre-IPO Investors" in this section.

(6) On May 19, 2025, the Shareholders resolved to approve the repurchase by the Company of 235,627 Series C Preferred Shares held by Broad Street Investments Holding (Singapore) Pte. Ltd., StoneBridge 2020, L.P. and StoneBridge 2020 Offshore Holdings II, L.P. See "– Share Transfers and Shareholding Changes after the Reorganization" in this section.

(7) After the Reorganization, Beijing Weiguang Equity Investment Partnership (L.P.) transferred 76,287 Series Angel Preferred Shares to GRANITE ASIA VIII INVESTMENTS PTE. LTD. (then known as GGV VIII INVESTMENTS PTE. LTD.). For details, see "– Share Transfers and Shareholding Changes after the Reorganization" in this section.

(8) On February 21, 2023, the Company issued 89,604 Series B1 Preferred Shares and 13,008 Series B2 Preferred Shares to Vision Plus Capital Fund II, L.P., and 56,004 Series B1 Preferred Shares and 8,129 Series B2 Preferred Shares to Vision Plus Capital Fund LP. On June 8, 2023, Vision Plus Capital Fund II, L.P. and Vision Plus Capital Fund LP transferred their interests to VP JST II LP and VP JST I LP respectively. Vision Plus Capital Fund II, L.P. is a limited partner of VP JST II LP, and Vision Plus Capital Fund LP is a limited partner of VP JST I LP. See "– Information about the Pre-IPO Investors" in this section.

(9) The general partner of Suzhou Yuanjing and Hangzhou Yuanjing is Hangzhou Yuanjing Erjiu Equity Investment Fund Management Partnership (L.P.) (杭州圓璟二久股權投資基金管理合夥企業(有限合夥)), the same as that of Shanghai Jingyu Enterprise Management Consulting Partnership (L.P.). See "– Information about the Pre-IPO Investors" in this section.

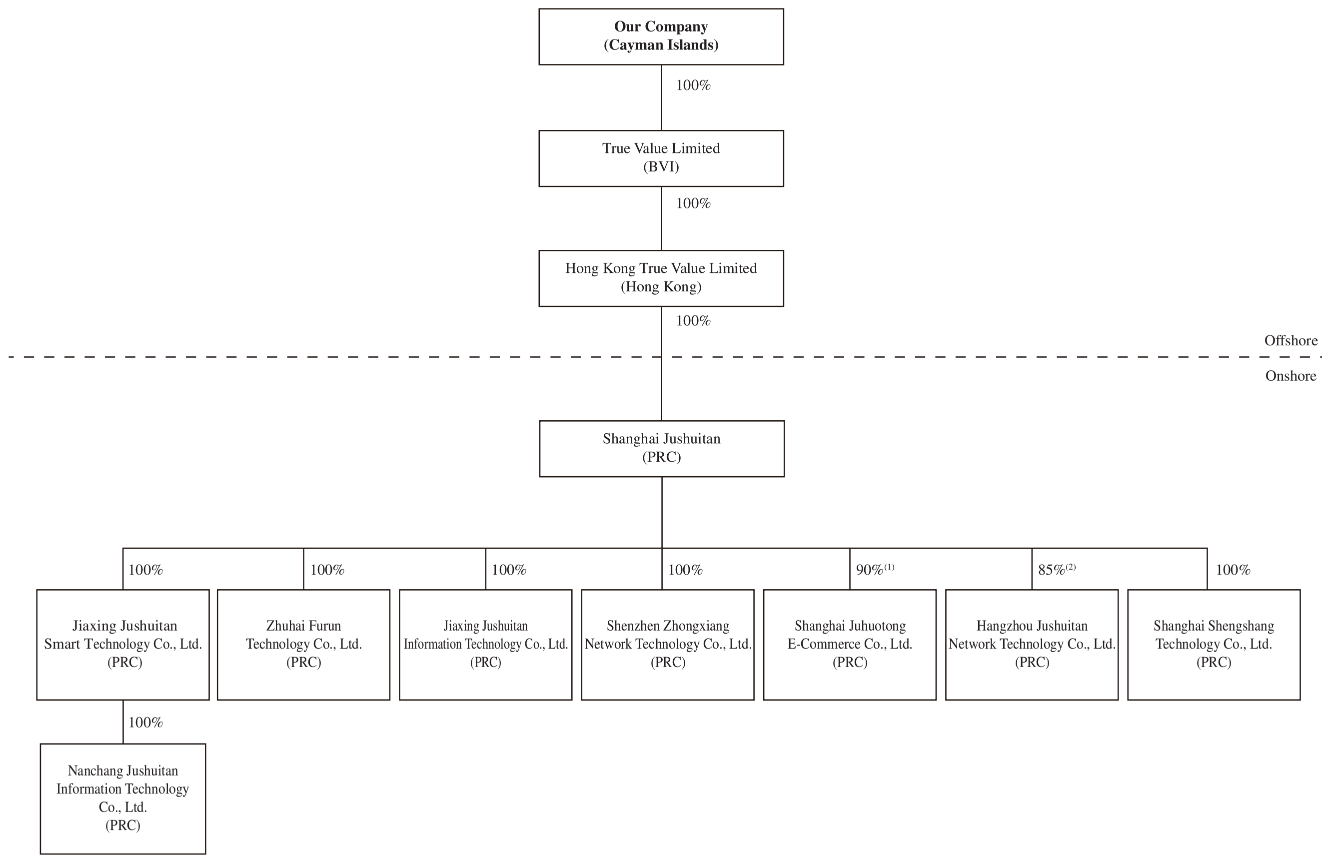
(10) The controlling shareholder and ultimate beneficiary of Huzhou Wanlu is Mr. Zhuo Xu (卓序), who is also the general partner of Shanghai Zhuolu Management Consulting Partnership (L.P.). See "– Information about the Pre-IPO Investors" in this section.

(11) Ikaria Capital Limited changed its name by way of special resolution on September 18, 2020, to IKARIA GROUP LIMITED.

(12) Mr. Liu Zhongyang is the sole shareholder of Bottle Tea Limited. See "– Information about the Pre-IPO Investors" in this section.

(13) Mr. Chen Haohui is the sole shareholder of Daniel and Owen Limited. See "– Information about the Pre-IPO Investors" in this section.

The following chart sets forth our Group's corporate and shareholding structure immediately following the completion of the Reorganization:



Notes:

(1) Mr. Cen Wenchu, our chief technology officer, holds the remaining 10% shareholding in Shanghai Juhuotong E-Commerce Co., Ltd.

(2) Mr. Cen Wenchu, our chief technology officer, holds the remaining 15% shareholding in Hangzhou Jushuitan Network Technology Co., Ltd.

SHARE TRANSFERS AND SHAREHOLDING CHANGES AFTER THE REORGANIZATION

On June 9, 2021, Mr. He agreed with Blue Lake Capital Opportunity Fund I, L.P. for the latter to provide an exchangeable loan in the amount of the USD equivalent of RMB76.65 million which shall be, upon satisfaction of certain conditions and subject to certain adjustment mechanisms, automatically exchangeable into RMB19,491 in the registered capital of Shanghai Jushuitan indirectly held by Mr. He. The amount of RMB76.65 million for such exchangeable loan (i) was determined based on arm's length negotiations between the parties after taking into consideration the timing of the agreement, our valuation at the relevant time, and the business operations and financial performance of our Group; and (ii) was fully settled in July 2021. On June 8, 2023, Blue Lake Capital Opportunity Fund I, L.P. exchanged its loan for RMB24,364 (after certain agreed adjustments) in the registered capital of Shanghai Jushuitan, which corresponded to 24,364 Shares in our Company after the Reorganization. Accordingly, Popogo Limited, which is indirectly wholly-owned by Mr. He, transferred 24,364 Shares to Blue Lake Capital Opportunity Fund I, L.P. For details of Blue Lake Capital Opportunity Fund I, L.P., see "– Information about the Pre-IPO Investors" in this section.

Beijing Weiguang Equity Investment Partnership (L.P.) and GRANITE ASIA VIII INVESTMENTS PTE. LTD. (then known as GGV VIII INVESTMENTS PTE. LTD.) entered into a deposit agreement dated June 2, 2021, as amended by an amendment agreement dated March 2, 2023, pursuant to which GRANITE ASIA VIII INVESTMENTS PTE. LTD. agreed to purchase from Beijing Weiguang Equity Investment Partnership (L.P.) RMB76,287 in the registered capital of Shanghai Jushuitan at a consideration of US$16 million. The consideration (i) was determined based on arm's length negotiations between the parties after taking into consideration the timing of the relevant agreements, our valuation at the time of such agreements, and the business operations and financial performance of our Group; and (ii) was fully settled in February 2024. Such equity interest of RMB76,287 in the registered capital of Shanghai Jushuitan corresponded to 76,287 shares in our Company after the Reorganization. Accordingly, Beijing Weiguang Equity Investment Partnership (L.P.) transferred 76,287 Series Angel Preferred Shares to GRANITE ASIA VIII INVESTMENTS PTE. LTD. For details of GRANITE ASIA VIII INVESTMENTS PTE. LTD., see "– Information about the Pre-IPO Investors" in this section.

On September 5, 2023, pursuant to a share transfer agreement dated July 24, 2023, Ameba Bamboo Limited transferred 74,953 Series Angel Preferred Shares, 39,645 Series Pre-A Preferred Shares and 47,165 Series A Preferred Shares to its affiliate, Ameba Mercury Limited, for an aggregate purchase price of RMB172,463,850, which was fully settled in July 2023. For details of Ameba Mercury Limited, see "– Information about the Pre-IPO Investors" in this section.

Pursuant to a share transfer form dated September 12, 2023, Ameba Bamboo Limited agreed to transfer 76,288 Series Angel Preferred Shares to Seashine Capital Limited at a consideration of US$16 million. The consideration (i) was determined based on arm's length negotiations between the parties after taking into consideration the timing of the agreement, our valuation at the relevant time, and the business operations and financial performance of our Group; and (ii) was fully settled in September 2023. For details of Seashine Capital Limited, see "– Information about the Pre-IPO Investors" in this section.

On May 19, 2025, the Shareholders resolved to approve the repurchase by the Company of 235,627 Series C Preferred Shares held by Broad Street Investments Holding (Singapore) Pte. Ltd., StoneBridge 2020, L.P. and StoneBridge 2020 Offshore Holdings II, L.P., which comprised 113,478 Shares acquired from capital increase at the time of the Series C financing and 122,149 Shares acquired from other existing Shareholders. The purchase price was equal to 150% of the original purchase price of the Shares, being approximately USD75.6 million (equivalent to RMB544 million), and was determined based on a 10% interest rate for each year elapsed since the Series C financing and arm's length negotiations among the parties taking into account their assessment of market circumstances. The repurchase was completed on the same day. Upon the cancellation of such Series C Preferred Shares, the issued share capital of our Company decreased from 3,814,351 Shares to 3,578,724 Shares and each of Broad Street Investments Holding (Singapore) Pte. Ltd., StoneBridge 2020, L.P. and StoneBridge 2020 Offshore Holdings II, L.P. ceased to be a Shareholder.

PRE-IPO INVESTMENTS

1. Overview

We have received several rounds of pre-IPO investments, details of which are set forth below:

No.	Round [1]	Date of the agreement	Date of settlement of consideration (last payment)	Number of shares subscribed	Total funds raised by our Group	Post-money valuation	Average and approximate cost per share paid after taking into account the effect of the Capitalization Issue	Discount to the Offer Price [2]
					(RMB million)	*(RMB million)*	*(HKD)*	
1	Series Angel[3]	November 10, 2015	December 8, 2015	366,863	12.9	83[4]	0.4	98.7%
2	Series Pre-A[5]	June 17 and 23, 2016	July 13, 2016	–	–	200	0.9	97.0%
3	Series A[6]	November 25, 2016	March 16, 2017	417,682	37.5	250	1.0	96.8%
4	Series B1[7]	August 3, 2018	January 11, 2019	235,212	65	920	3.0	90.1%
5	Series B2[8]	December 26, 2018	March 27, 2019	85,363	47.5	1,900	6.1	80.1%
6	Series B3[9]	March 1, 2019	April 16, 2019	217,948	165	2,750[4]	8.3	72.9%
7	Series C[10]	June 2, 2020	August 24, 2020	181,889	286.1	6,000	17.2	43.7%

Notes:

(1) For the avoidance of doubt, in the case of our series Angel financing, series Pre-A financing, series A financing, series B1 financing, series B2 financing, series B3 financing and series C financing, the information presented in this table reflects the details of the offshore issuance of Series Angel Preferred Shares, Series Pre-A Preferred Shares, Series A Preferred Shares, Series B1 Preferred Shares, Series B2 Preferred Shares, Series B3 Preferred Shares, and Series C Preferred Shares, except for the calculation of cost per Preferred Share paid which is based on the consideration of onshore financing of Shanghai Jushuitan.

(2) The discount to the Offer Price is calculated based on the offer price of HK$30.60 per Share, assuming the conversion of the Preferred Shares into Shares on a one-to-one basis have been completed prior to the Listing.

(3) On November 10, 2015, Shanghai Ameba Baihui, Mr. Chen Haohui and Mr. Wu Xiaoguang entered into an investment agreement with the then shareholders of Shanghai Jushuitan, pursuant to which additional registered capital in Shanghai Jushuitan in the amount of RMB366,863 was subscribed for in total for a total cash consideration of RMB12.875 million.

(4) As there was more than one post-money valuation figure for each of the Series Angel and Series B3 rounds of pre-IPO financing, we have calculated the post-money valuation by dividing the total funds raised by our Group by the number of shares subscribed, then multiplying by the total registered capital.

(5) Series Pre-A did not involve subscription of share capital in Shanghai Jushuitan and represented share transfers from existing shareholders to a Pre-IPO Investor. On June 17, 2016, Mr. Wang entered into a share transfer agreement with Shanghai Ameba Baihui, pursuant to which Shanghai Ameba Baihui received 0.25% equity interest in Shanghai Jushuitan held by Mr. Wang (equivalent to registered capital in the amount of RMB5,917). On June 17, 2016 and June 23, 2016, Mr. Li entered into share transfer agreements with Shanghai Ameba Baihui, pursuant to which Shanghai Ameba Baihui received 1.5% equity interest in Shanghai Jushuitan held by Mr. Li (equivalent to registered capital in the amount of RMB35,503). Consequently, Shanghai Ameba Baihui received a total of 41,420 Pre-A Preferred Shares for a total cash consideration of RMB3.5 million.

(6) On November 25, 2016, Huzhou Wanlu, Fuzhou Ameba, Shanghai Ameba Baihui and Beijing Weiguang Equity Investment Partnership (L.P.) entered into an investment agreement with the then shareholders of Shanghai Jushuitan, pursuant to which additional registered capital in Shanghai Jushuitan in the amount of RMB417,682 was subscribed for in total for a total cash consideration of RMB37.5 million.

(7) On August 3, 2018, Suzhou Yuanjing, Hangzhou Yuanjing and Dimension Enterprises Limited entered into a capital increase agreement with the then shareholders of Shanghai Jushuitan, pursuant to which additional registered capital in Shanghai Jushuitan in the amount of RMB235,212 was subscribed for in total for a total cash consideration of RMB65 million.

(8) On December 26, 2018, Shanghai Blue Lake, Blue Lake Capital Fund II, L.P. and Jiaxing Huihai Tianyuan Investment Management Partnership (L.P.) (嘉興惠海田源投資管理合夥企業(有限合夥) ("**Jiaxing Huihai**") entered into an investment agreement with the then shareholders of Shanghai Jushuitan, pursuant to which additional registered capital in Shanghai Jushuitan in the amount of RMB85,363 was subscribed for in total for a total cash consideration of RMB47.5 million.

(9) On March 1, 2019, HongShan Zhisheng entered into an investment agreement with the then shareholders of Shanghai Jushuitan, pursuant to which additional registered capital in Shanghai Jushuitan in the amount of RMB217,948 was subscribed for in total for a total cash consideration of RMB165 million.

(10) On June 2, 2020, Broad Street Investments Holding (Singapore) Pte. Ltd., StoneBridge 2020, L.P., StoneBridge 2020 Offshore Holdings II, L.P., CICC Gongying Fund and Blue Lake Capital Fund II, L.P. entered into an investment agreement with the then shareholders of Shanghai Jushuitan, pursuant to which additional registered capital in Shanghai Jushuitan in the amount of RMB181,889 was subscribed for in total for a total cash consideration of RMB286,112,390. After the settlement of this series of financing, the shareholding of Shanghai Jushuitan was that of the table illustrating the shareholding of Shanghai Jushuitan immediately prior to the commencement of the Reorganization under "– Reorganization" in this section.

2. Principal Terms of the Pre-IPO Investments

Basis of determining the consideration paid	The consideration for each round of the Pre-IPO Investments was determined based on arm's length negotiations between our Company and the Pre-IPO Investors after taking into consideration the timing of the Pre-IPO Investment, our valuation when the investment agreement was entered into and the business operations and financial performance of our Group.
Lock-up	The Pre-IPO Investors are not subject to any lock-up arrangement at the time of Listing under the relevant agreements in relation to the Pre-IPO Investments. For further information about lock-up arrangements by the Pre-IPO Investors to the Underwriters, please refer to the section headed "Underwriting – Undertakings by Other Existing Shareholders" in this Prospectus.
Use of proceeds from the Pre-IPO Investments	As of the Latest Practicable Date, we have fully utilized the proceeds from the Pre-IPO Investments for the principal business of our Group as approved by the Board, including for the purpose of business expansion and general working capital.
Strategic benefit from the Pre-IPO Investments to our Group	At the time of each of the Pre-IPO Investments, our Directors were of the view that our Company could benefit from the Pre-IPO Investors' investment knowledge and experience in E-commerce SaaS market and the Pre-IPO Investments demonstrated the Pre-IPO Investors' confidence in the operation and development of our Group.

3. Special Rights of the Pre-IPO Investors

Prior to the Reorganization, Shanghai Jushuitan entered into amended and restated onshore shareholders agreements with its existing shareholders after each round of the Pre-IPO Investments. Such onshore shareholders agreements provided for shareholder rights such as pre-emptive rights, co-sale rights, anti-dilution rights, share repurchase rights and liquidation rights in favour of Pre-IPO Investors holding Preferred Shares. After the Reorganization, Shanghai Jushuitan became a subsidiary of our Company, and the Pre-Reorganization Shareholders, or nominees thereof, became our Pre-IPO Investors to reflect and mirror the shareholding structure of Shanghai Jushuitan before the Reorganization. As such, our Company and, among others, the Pre-IPO Investors entered into a shareholders agreement dated February 21, 2023, as amended by an amendment agreement dated June 8, 2023 and superseded by a shareholders agreement dated May 20, 2025 (the "**Shareholders Agreement**"), in order to mirror the shareholder rights, including pre-emptive rights, under the then effective onshore shareholders agreement prior to the Reorganization. Pursuant to the Shareholders Agreement and the currently effective memorandum of association and articles of association (the "**Current Articles of Association**") of our Company, certain Pre-IPO Investors have, among other rights, (i) information rights; (ii) preemptive rights; (iii) liquidation rights; (iv) registration rights; and (v) redemption rights.

Pursuant to the preemptive rights under the Shareholders Agreement and in compliance with Chapter 4.2 of the Guide for New Listing Applicants issued by the Stock Exchange, each Pre-IPO Investor holding Preferred Shares shall have the right to subscribe for, at the Offer Price, new securities to be issued by our Company which shall include, among others, the Shares to be issued as part of an IPO so as to maintain its percentage of shareholding interest in our Company (on a fully-diluted and as-converted basis) immediately before such IPO. The preemptive rights will be terminated upon the completion of a qualified IPO.

The redemption rights under the Shareholders Agreement and the Current Articles of Association shall be terminated immediately before the first submission of a listing application to the Stock Exchange. The redemption rights shall be automatically reinstated upon the earliest of: (a) the return or rejection of the listing application from the Stock Exchange; (b) our Company serving a notice of withdrawal of the listing application to the Stock Exchange; (c) the non-renewal of the listing application to the Stock Exchange within six months after the listing application has lapsed; or (d) the failure by the Company to consummate a qualified IPO on the Stock Exchange on or prior to December 31, 2025 unless the relevant listing application has yet to lapse, in which case the redemption rights shall be automatically reinstated upon the lapse of such listing application after December 31, 2025.

Save as disclosed above, all other special rights of the Pre-IPO Investors granted under the foregoing documents will be automatically terminated upon the completion of a qualified IPO.

4. Joint Sponsors' Confirmation

On the basis that (i) the Listing Date, being the first day of trading of the Shares on the Stock Exchange, will take place no earlier than 120 clear days after completion of the Pre-IPO Investments; (ii) the preemptive rights will be terminated upon the completion of a qualified IPO; (iii) the redemption rights shall be terminated immediately before the first submission of a listing application to the Stock Exchange; and (iv) all other special rights of the Pre-IPO Investors granted under the foregoing documents will be automatically terminated upon the completion of a qualified IPO, the Joint Sponsors are of the view that the Pre-IPO Investments are in compliance with Chapter 4.2 of the Guide for New Listing Applicants issued by the Stock Exchange.

5. Information about the Pre-IPO Investors

The background information of our Pre-IPO Investors is set out below.

Daniel and Owen Limited

Daniel and Owen Limited is an investment holding company incorporated under the laws of BVI. Daniel and Owen Limited is wholly owned by Mr. Chen Haohui (陳昊輝), who is a private investor and an Independent Third Party.

Bottle Tea Limited

Bottle Tea Limited is an investment holding company incorporated under the laws of BVI. Bottle Tea Limited is wholly owned by Mr. Liu Zhongyang (劉中揚), who is a private investor and an Independent Third Party.

Ameba Bamboo Limited and Ameba Mercury Limited

Ameba Bamboo Limited is a limited liability company incorporated in Hong Kong which is wholly owned by Shanghai Huiju Management Consulting Partnership (L.P.) (上海暉鉅管理諮詢合夥企業(有限合夥)), a partnership established under the laws of the PRC. The general partner of Shanghai Huiju Management Consulting Partnership (L.P.) is Shanghai Ameba Investment Management Co., Ltd. (上海阿米巴創新創業投資管理有限公司), which focuses on venture capital investments and is held as to 94.12% by Ms. Cheng Qi (程琪), who is the spouse of Mr. Wang Donghui, one of our Directors as of the Latest Practicable Date but who has resigned from directorship, conditional and effective upon the Listing Date.

Ameba Mercury Limited is a limited liability company incorporated in Hong Kong which is a special purpose vehicle established and wholly owned by Ameba China SaaS Fund, L.P. solely for the purpose of equity investment in the Company. Ameba China SaaS Fund, L.P. is a private fund established under the laws of the Cayman Islands which focuses on investments in companies in the technology sector. The general partner of Ameba China SaaS Fund, L.P. is Ameba Capital Partners LLC, which is held as to 51% by Mr. Wang Donghui.

Beijing Weiguang Equity Investment Partnership (L.P.)

Beijing Weiguang Equity Investment Partnership (L.P.) (北京微光股權投資合夥企業(有限合夥)) is a limited partnership established under the laws of the PRC which is engaged in investment management and consulting. The general partner of Beijing Weiguang Equity Investment Partnership (L.P.) is Shenzhen Weiguang Qiming Investment Management Co., Ltd. (深圳微光啟明投資管理有限公司).

Mr. Wu Xiaoguang (吳宵光), previously a supervisor at Shanghai Jushuitan, is an executive director of Shenzhen Weiguang Qiming Investment Management Co., Ltd. Ms. Wu Xiaomin (吳霄敏) is the general manager and ultimate beneficiary of Shenzhen Weiguang Qiming Investment Management Co., Ltd. Ms. Wu Xiaomin holds a majority interest in Beijing Weiguang Equity Investment Partnership (L.P.), and wholly owns Shenzhen Weiguang Qiming Investment Management Co., Ltd.

Seashine Capital Limited and GRANITE ASIA VIII INVESTMENTS PTE. LTD.

Seashine Capital Limited is a special purpose vehicle incorporated under the laws of BVI. It is wholly owned by GRANITE ASIA VIII INVESTMENTS PTE. LTD.

GRANITE ASIA VIII INVESTMENTS PTE. LTD. is a private company limited by shares incorporated in the Republic of Singapore. It is an investment holding company wholly-owned by GGV VIII Investments, L.L.C., which is owned by Mr. Ji-xun Foo, Ms. Lee Hong Wei Jenny, Mr. Jeffrey Gordon Richards, Mr. Glenn Brian Solomon, Mr. Hans Tung and Mr. Oren Yunger, who are all Independent Third Parties.

Shanghai Jingyu Enterprise Management Consulting Partnership (L.P.)

Shanghai Jingyu Enterprise Management Consulting Partnership (L.P.) (上海璟愉企業管理諮詢合夥企業(有限合夥)) is a limited partnership established under the laws of the PRC which is engaged in management and financial consulting. The general partner of Shanghai Jingyu Enterprise Management Consulting Partnership (L.P.) is Hangzhou Yuanjing Erjiu Equity Investment Fund Management Partnership (L.P.) (杭州圓璟二久股權投資基金管理合夥企業(有限合夥)).

The general partner of Hangzhou Yuanjing Erjiu Equity Investment Fund Management Partnership (L.P.) is Hangzhou Yuanjing Investment Management Co., Ltd. (杭州圓璟投資管理有限公司). Mr. Chen Hongliang (陳洪亮) is an executive director and general manager of Hangzhou Yuanjing Investment Management Co., Ltd. Mr. Chen Hongliang is also one of our Directors as of the Latest Practicable Date but who has resigned from directorship, conditional and effective upon the Listing Date.

VP JST I LP and VP JST II LP

VP JST I LP is a limited partnership established under the laws of BVI. The general partner of VP JST I LP is Vision Plus Capital Management LP. The general partner of Vision Plus Capital Management LP is Vision Plus Capital Management Limited.

VP JST II LP is a limited partnership established under the laws of BVI. The general partner of VP JST II LP is Vision Plus Capital Management II Limited.

Vision Plus Capital Management Limited is directly wholly owned by Luck Legend International Holdings Limited, which also holds Vision Plus Capital Management II Limited as to 60%. Luck Legend International Holdings Limited, an investment holding company, is directly wholly owned by Mr. Wu Yongming, who is the CEO of Alibaba Group, a private investor and an Independent Third Party.

Shanghai Blue Lake

Shanghai Blue Lake (as defined above) is a limited partnership established under the laws of the PRC which is engaged in investment management and consulting. The general partner of Shanghai Blue Lake is Shanghai Zhenmian Enterprise Management Consulting Partnership (L.P.) (上海臻冕企業管理諮詢合夥企業(有限合夥)), whose general partner is Ningbo Meishan Free Trade Port Lansanzhongning Investment Management Co., Ltd. (寧波梅山保税港區藍三眾寧投資管理有限公司). Ningbo Meishan Free Trade Port Lansanzhongning Management Co., Ltd. is owned as to 40% by Mr. Yin Ming (殷明), 40% by Mr. Hu Lei and 20% by Kunshan Xinghua Investment Consulting Center (L.P.) (昆山興華投資諮詢中心(有限合伙). Mr. Hu Lei and Mr. Yin Ming are private investors and Independent Third Parties.

No single investor holds 30% or more of the limited partnership interests in Shanghai Blue Lake.

Blue Lake Capital Fund II, L.P.

Blue Lake Capital Fund II, L.P. is an exempted limited partnership established under the laws of the Cayman Islands. The general partner of Blue Lake Capital Fund II, L.P. is Blue Lake Capital Fund II GP, L.P., whose general partner is Blue Lake Capital Fund II GP, Ltd.

Blue Lake Capital Fund II GP, Ltd. is wholly owned by Ms. Ni Na, who is a private investor and an Independent Third Party.

No single investor holds 30% or more of the limited partnership interests in Blue Lake Capital Fund II, L.P..

Blue Lake Capital Opportunity Fund I, L.P.

Blue Lake Capital Opportunity Fund I, L.P. is an exempted limited partnership established under the laws of the Cayman Islands. The general partner of Blue Lake Capital Opportunity Fund I, L.P. is Blue Lake Capital Opportunity Fund I GP, L.P., whose general partner is Blue Lake Capital Opportunity Fund I GP, Ltd.

Blue Lake Capital Opportunity Fund I GP, Ltd. is wholly owned by Mr. Hu Lei, who is a private investor and an Independent Third Party.

No single investor holds 30% or more of the limited partnership interests in Blue Lake Capital Opportunity Fund I, L.P.

HongShan Zhisheng

Max Dazzle Limited 巨曜有限公司 is the entity of HongShan Zhisheng through which HongShan Zhisheng holds Shares as a Pre-Reorganization Shareholder, and is a private limited liability company incorporated in the Cayman Islands. Max Dazzle Limited is wholly owned by Shanghai Shibo Enterprise Management Consulting Partnership (L.P.) (上海誓鉑企業管理諮詢合夥企業(有限合夥)), which is owned as to 99.92% by HongShan Zhisheng as limited partner. The general partner of both HongShan Zhisheng and Shanghai Shibo Enterprise Management Consulting Partnership (L.P.) is Jiaxing HongShan Kunsheng Investment Management Partnership (L.P.) (嘉興紅杉坤盛投資管理合夥企業(有限合夥)).

The general partner of Jiaxing HongShan Kunsheng Investment Management Partnership is Ningbo Meishan Free Trade Port Area HongShan Huanjia Investment Management Co., Ltd. (寧波梅山保稅港區紅杉桓嘉投資管理有限公司), which is ultimately controlled by Mr. Zhou Kui (周逵), one of our Directors as of the Latest Practicable Date but who has resigned from directorship, conditional and effective upon the Listing Date.

CICC Gongying Fund

CICC Gongying Fund is a limited partnership established under the laws of the PRC. The general partner of CICC Gongying Fund is CICC Capital Management Co., Ltd. (中金資本運營有限公司), which is wholly-owned by China International Capital Corporation Limited (中國國際金融股份有限公司).

Shanghai Zhuolu Management Consulting Partnership (L.P.)

Shanghai Zhuolu Management Consulting Partnership (L.P.) (上海卓漉管理諮詢合夥企業(有限合夥)) is a limited partnership established under the laws of the PRC which is engaged in investment consulting. The general partner of Shanghai Zhuolu Management Consulting Partnership (L.P.) is Mr. Zhuo Xu (卓序), who is a private investor and an Independent Third Party.

IKARIA GROUP LIMITED

IKARIA GROUP LIMITED is a private limited liability company incorporated in the Cayman Islands. IKARIA GROUP LIMITED is an investment company focusing on investments in technology companies, and it is owned as to 34.08% by Ms. Jacqueline Chan, who is a private investor and an Independent Third Party.

SHARE CONVERSION AND AUTHORISED CAPITAL INCREASE

Pursuant to the written resolutions of our Shareholders passed on October 5, 2025, upon Listing, each of the Preferred Shares will be converted into Shares on a one-to-one basis by way of re-designation and re-classification (the "**Share Conversion**"), and the authorised share capital of the Company will be increased from US$50,000 divided into 500,000,000 Shares of US$0.0001 par value each to US$100,000 divided into 1,000,000,000 Shares of US$0.0001 par value each (the "**Authorised Capital Increase**"). Upon completion of the Share Conversion and Authorised Capital Increase, the authorised share capital of the Company will be changed from 498,434,882 Ordinary Shares, 288,441 Series Angel Preferred Shares, 79,290 Series Pre-A Preferred Shares, 299,137 Series A Preferred Shares, 235,212 Series B1 Preferred Shares, 234,749 Series B2 Preferred Shares, 286,239 Series B3 Preferred Shares, and 142,050 Series C Preferred Shares of a par value of US$0.0001 each to US$100,000 divided into 1,000,000,000 Shares of US$0.0001 par value each.

CAPITALIZATION ISSUE

Pursuant to the written resolutions of our Shareholders passed on October 5, 2025, and subject to the share premium account of our Company being credited as a result of the issue of Offer Shares pursuant to the Global Offering, our Directors are authorized to allot and issue a total of 354,293,676 Shares credited as fully paid at par on the Listing Date to the holders of Shares on the register of members of our Company in the Cayman Islands at the close of business on the business day preceding the Listing Date, in proportion to their existing respective shareholdings (save that no holder of Shares shall be entitled to be allotted or issued any fraction of a Share) by way of the capitalization of the sum of US$35,429.3676 standing to the credit of the share premium account of our Company. The Shares to be allotted and issued pursuant to this resolution shall rank *pari passu* in all respects with the existing issued Shares.

PUBLIC FLOAT

Rule 8.08 of the Listing Rules requires that there must be an open market in the securities for which listing is sought. This will normally mean that for a class of securities new to listing, at least a minimum prescribed percentage of that class of securities must be held by the public at the time of listing. Where the expected market value of the class of securities at the time of listing is over HK$6,000,000,000 but not exceeding HK$30,000,000,000, the minimum prescribed percentage is determined at the higher of: (i) the percentage that would result in the expected market value of such securities held by the public to be HK$1,500,000,000 at the time of listing; and (ii) 15%.

Based on (i) the Offer Price of HK$30.60, and (ii) 426,038,600 Shares which are expected to be in issue immediately upon completion of the Capitalization Issue and the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised), it is expected that the market value of the Shares at the time of Listing will be HK$13,036.8 million. Accordingly, at least 15% of the total number of issued Shares must be held by the public at the time of Listing.

Upon the completion of the Capitalization Issue and the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised), the Shares held by certain of our Shareholders who are, or are indirectly controlled by, our core connected persons, will not be counted towards the public float. Details of these Shareholders and their controllers (if applicable) are set out below:

- Black Tea Limited, wholly owned by Mr. Luo, our Chairman, executive Director and substantial shareholder, holding 19.16% of the issued share capital of our Company;

- Popogo Limited, wholly owned by Mr. He, our executive Director and substantial shareholder, holding 11.40% of the issued share capital of our Company;

- Taurus Lee Limited, wholly owned by Mr. Li, our executive Director and substantial shareholder, holding 5.43% of the issued share capital of our Company; and

- Nico and Winco Limited, wholly owned by Mr. Wang, our executive Director, holding 3.39% of the issued share capital of our Company.

Shares held by Shareholders other than as set out above will be counted towards the public float for the purpose of Rule 8.08 of the Listing Rules as they will not be core connected persons of our Company upon Listing, are not accustomed to take instructions from core connected persons in relation to the acquisition, disposal, voting or other disposition of their Shares, and their acquisition of Shares were not financed directly or indirectly by core connected persons.

Based on the above, it is expected that immediately following the completion of the Capitalization Issue and the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised), approximately 60.63% of our Company's total issued Shares will be held by the public upon completion of the Capitalization Issue and the Global Offering in accordance with Rule 8.08 of the Listing Rules.

FREE FLOAT

Rule 8.08A of the Listing Rules requires that there must be sufficient shares for which listing is sought by a new applicant that are held by the public and available for trading upon listing. This will normally mean that the portion of the class of shares for which listing is sought that are held by the public and not subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise), at the time of listing must (i) represent at least 10% of the total number of issued Shares in the class of shares for which listing is sought (excluding treasury shares), with an expected market value at the time of listing of not less than HK$50,000,000; or (ii) have an expected market value at the time of listing of not less than HK$600,000,000.

On the basis that (i) no Offer Shares will be allocated under the Global Offering to any core connected person of our Company or person which is not regarded as a member of the public under Rule 8.24 of the Listing Rules, (ii) all Shares to be issued to the cornerstone investors (if any) and (iii) all Shares held by existing Shareholders are subject to lock-up undertakings and therefore are excluded for the purpose of satisfying the free float requirement (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised) and based on the Offer Price of HK$30.60, upon completion of the Global Offering, it is expected that 35,103,300 Shares, with an expected market value at the time of listing of approximately HK$1,074.2 million, will be held by the public and not subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise) at the time of the listing. Accordingly, the Company will satisfy the free float requirement under Rule 8.08A of the Listing Rules.

CAPITALIZATION

The below table summarizes the capitalization of our Company as of the Latest Practicable Date and immediately upon completion of the Capitalization Issue and the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised).

									As of the Latest Practicable Date[(2)]		Immediately upon the completion of the Capitalization Issue and the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised)	
Shareholder[(1)]	Ordinary Shares	Series Angel Preferred Shares	Series Pre-A Preferred Shares	Series A Preferred Shares	Series B1 Preferred Shares	Series B2 Preferred Shares	Series B3 Preferred Shares	Series C Preferred Shares	Number of Shares	Ownership percentage	Number of Shares	Ownership percentage
Black Tea Limited	816,205	–	–	–	–	–	–	–	816,205	22.81%	81,620,500	19.16%
Popogo Limited	485,806	–	–	–	–	–	–	–	485,806	13.57%	48,580,600	11.40%
Taurus Lee Limited	231,205	–	–	–	–	–	–	–	231,205	6.46%	23,120,500	5.43%
Nico and Winco Limited	144,246	–	–	–	–	–	–	–	144,246	4.03%	14,424,600	3.39%
Daniel and Owen Limited	–	11,834	–	–	–	–	–	–	11,834	0.33%	1,183,400	0.28%
Bottle Tea Limited	–	–	14,201	–	–	–	–	–	14,201	0.40%	1,420,100	0.33%
Ameba Bamboo Limited	–	43,348	1,775	131,026	–	–	–	–	176,149	4.92%	17,614,900	4.13%
Ameba Mercury Limited	–	74,953	39,645	47,165	–	–	–	–	161,763	4.52%	16,176,300	3.80%
Beijing Weiguang Equity Investment Partnership (L.P.)	–	5,731	23,669	83,537	–	–	–	–	112,937	3.16%	11,293,700	2.65%
Seashine Capital Limited	–	76,288	–	–	–	–	–	–	76,288	2.13%	7,628,800	1.79%

Shareholder[1]	Ordinary Shares	Series Angel Preferred Shares	Series Pre-A Preferred Shares	Series A Preferred Shares	Series B1 Preferred Shares	Series B2 Preferred Shares	Series B3 Preferred Shares	Series C Preferred Shares	As of the Latest Practicable Date[2]		Immediately upon the completion of the Capitalization Issue and the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised)	
									Number of Shares	Ownership percentage	Number of Shares	Ownership percentage
GRANITE ASIA VIII INVESTMENTS PTE. LTD.	–	76,287	–	–	–	–	–	–	76,287	2.13%	10,172,000[3]	2.39%
Shanghai Jingyu Enterprise Management Consulting Partnership (L.P.)	–	–	–	–	89,604	13,008	–	–	102,612	2.87%	10,261,200	2.41%
VP JST II LP	–	–	–	–	89,604	13,008	–	–	102,612	2.87%	10,261,200	2.41%
VP JST I LP	–	–	–	–	56,004	8,129	–	–	64,133	1.79%	6,413,300	1.51%
Shanghai Blue Lake	–	–	–	–	–	95,305	–	–	95,305	2.66%	9,530,500	2.24%
Blue Lake Capital Fund II, L.P.	–	–	–	–	–	72,007	–	47,799	119,806	3.35%	11,980,600	2.81%
Blue Lake Capital Opportunity Fund I, L.P.	24,364	–	–	–	–	–	–	–	24,364	0.68%	4,979,700[4]	1.17%
Max Dazzle Limited	–	–	–	–	–	–	286,239	–	286,239	8.00%	28,623,900	6.72%
CICC Gongying Fund	–	–	–	–	–	–	–	94,251	94,251	2.63%	9,425,100	2.21%
Shanghai Zhuolu Management Consulting Partnership (L.P.)	–	–	–	37,409	–	–	–	–	37,409	1.05%	3,740,900	0.88%
IKARIA GROUP LIMITED	–	–	–	–	–	33,292	–	–	33,292	0.93%	3,329,200	0.78%

Shareholder[1]	Ordinary Shares	Series Angel Preferred Shares	Series Pre-A Preferred Shares	Series A Preferred Shares	Series B1 Preferred Shares	Series B2 Preferred Shares	Series B3 Preferred Shares	Series C Preferred Shares	As of the Latest Practicable Date[2] Number of Shares	As of the Latest Practicable Date[2] Ownership percentage	Immediately upon the completion of the Capitalization Issue and the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised) Number of Shares	Immediately upon the completion of the Capitalization Issue and the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised) Ownership percentage
JST Incentive Plan Limited	311,780	–	–	–	–	–	–	–	311,780	8.71%	31,178,000	7.32%
Other public investors taking part in the Global Offering	–	–	–	–	–	–	–	–	–	–	63,079,600[5]	14.81%
Total	**2,013,606**	**288,441**	**79,290**	**299,137**	**235,212**	**234,749**	**286,239**	**142,050**	**3,578,724**	**100%**	**426,038,600**	**100%**

Notes:

(1) Based on the Company's register of members upon the completion of the issuance of Shares set out in note (2) below.

(2) 311,780 Shares were issued to the ESOP Trustee on October 6, 2025.

(3) Comprises (i) 7,628,700 Shares held by GRANITE ASIA VIII INVESTMENTS PTE. LTD. as of the Latest Practicable Date (taking into account the Capitalization Issue); and (ii) 2,543,300 Shares to be subscribed for by GRANITE ASIA VIII INVESTMENTS PTE. LTD. as a Cornerstone Investor. For details, see the section headed "Cornerstone Investors" in this Prospectus.

(4) Comprises (i) 2,436,400 Shares held by Blue Lake Capital Opportunity Fund I, L.P. as of the Latest Practicable Date (taking into account the Capitalization Issue); and (ii) 2,543,300 Shares to be subscribed for by Blue Lake Capital Opportunity Fund I, L.P. as a Cornerstone Investor. For details, see the section headed "Cornerstone Investors" in this Prospectus.

(5) Excludes GRANITE ASIA VIII INVESTMENTS PTE. LTD. and GRANITE ASIA VIII INVESTMENTS PTE. LTD. who are existing Shareholders and who will subscribe for 2,436,400 Shares and 2,436,400 Shares, respectively, as Cornerstone Investors. For details, see the section headed "Cornerstone Investors" in this Prospectus.

ISSUE OF SHARES FOR EMPLOYEE INCENTIVE

Shanghai Jushuitan previously adopted two employee incentive plans (the "**Previous Employee Incentive Plans**") in January 2018 and March 2021 respectively, under which equity interests corresponding to a total of RMB311,780 of the registered capital of Shanghai Jushuitan were issuable in the form of share awards granted to employees of our Group. The Previous Employee Incentive Plans were terminated on June 8, 2023.

Our Company has reserved 311,780 Shares for employee incentive, representing approximately 8.71% of the issued share capital of our Company, as of the Latest Practicable Date. On April 15, 2024, the Pre-IPO Share Option Scheme was adopted. On October 6, 2025, our Company issued 311,780 Shares (which will be adjusted proportionally to 31,178,000 Shares immediately following the Capitalization Issue) underlying the Share Options which have been granted to specific participants to the ESOP Trustee appointed to administer the Pre-IPO Share Option Scheme prior to the Listing. Such number of Shares corresponds to awards granted to specific participants of the Pre-IPO Share Option Scheme prior to the Listing. No further grant will be made under the Pre-IPO Share Option Scheme after the Listing. Given that the 31,178,000 Shares (after taking into account the Capitalization Issue) for employee incentive (i) have already been issued prior to the Listing and (ii) form part of the Shares in issue and to be issued pursuant to the Capitalization Issue, for which listing has already been applied for, further listing application is not required to be made in respect of such 31,178,000 Shares after the Listing.

PRC REGULATORY REQUIREMENTS

Our PRC Legal Advisor has confirmed that the share transfers, reorganizations and acquisitions in respects of the PRC companies in our Group as described above have been properly and legally completed and all governmental approvals have been obtained in accordance with PRC laws and regulations.

M&A Rules

The Regulations on Mergers and Acquisitions of Domestic Enterprises by Foreign Investors (《關於外國投資者併購境內企業的規定》) ("**M&A Rules**") jointly issued by MOFCOM, the SASAC, the STA, the CSRC, the SAIC (currently known as the SAMR) and the SAFE on August 8, 2006, effective as of September 8, 2006 and amended on June 22, 2009 with immediate effect, require that a special purpose vehicle, formed for overseas listing purposes and controlled directly or indirectly by PRC companies or individuals through acquisitions of shares of or equity interests in PRC domestic companies, shall obtain the approval of the CSRC prior to the listing and trading of such special purpose vehicle's securities on an overseas stock exchange.

Our PRC Legal Advisor is of the opinion that prior CSRC approval for this offering is not required under the M&A Rules because (i) the CSRC currently has not issued any definitive rule or interpretation concerning whether offerings like ours under this document are subject to the M&A Rules; and (ii) our wholly-owned PRC subsidiaries were established by means of direct investment and not through mergers or acquisitions of a "PRC domestic company" owned by PRC companies or individuals as defined under the M&A Rules that are the beneficial owners of our Company. However, the M&A Rules may be subject to further interpretation and implementation, our PRC Legal Advisor further advises that its opinions summarized above are subject to any new laws, rules and regulations or detailed implementations and interpretations in any form relating to the M&A Rules.

SAFE Registration

Pursuant to the SAFE Circular 37 promulgated by SAFE on July 4, 2014, (a) a PRC resident must register with the local SAFE branch before he or she contributes assets or equity interests to an overseas special purpose vehicle (the "**Overseas SPV**") that is directly established or indirectly controlled by the PRC resident for the purpose of conducting investment or financing, and (b) following the initial registration, the PRC resident is also required to register with the local SAFE branch for any major change, in respect of the Overseas SPV, including, among other things, a change of the Overseas SPV's PRC resident shareholder(s), the name of the Overseas SPV, terms of operation, or any increase or reduction of the Overseas SPV's capital, share transfer or swap, and merger or division. Pursuant to SAFE Circular 37, failure to comply with these registration procedures may result in penalties. Pursuant to the ODI Rules, a domestic institution shall undergo the procedure of overseas direct investment registration for foreign investment in accordance with the provisions of the ODI Rules, which require the domestic institution to register with the local SAFE prior to its overseas direct investment and handle the overseas direct investment registration, modification or filing formalities for any major change of its overseas direct investment.

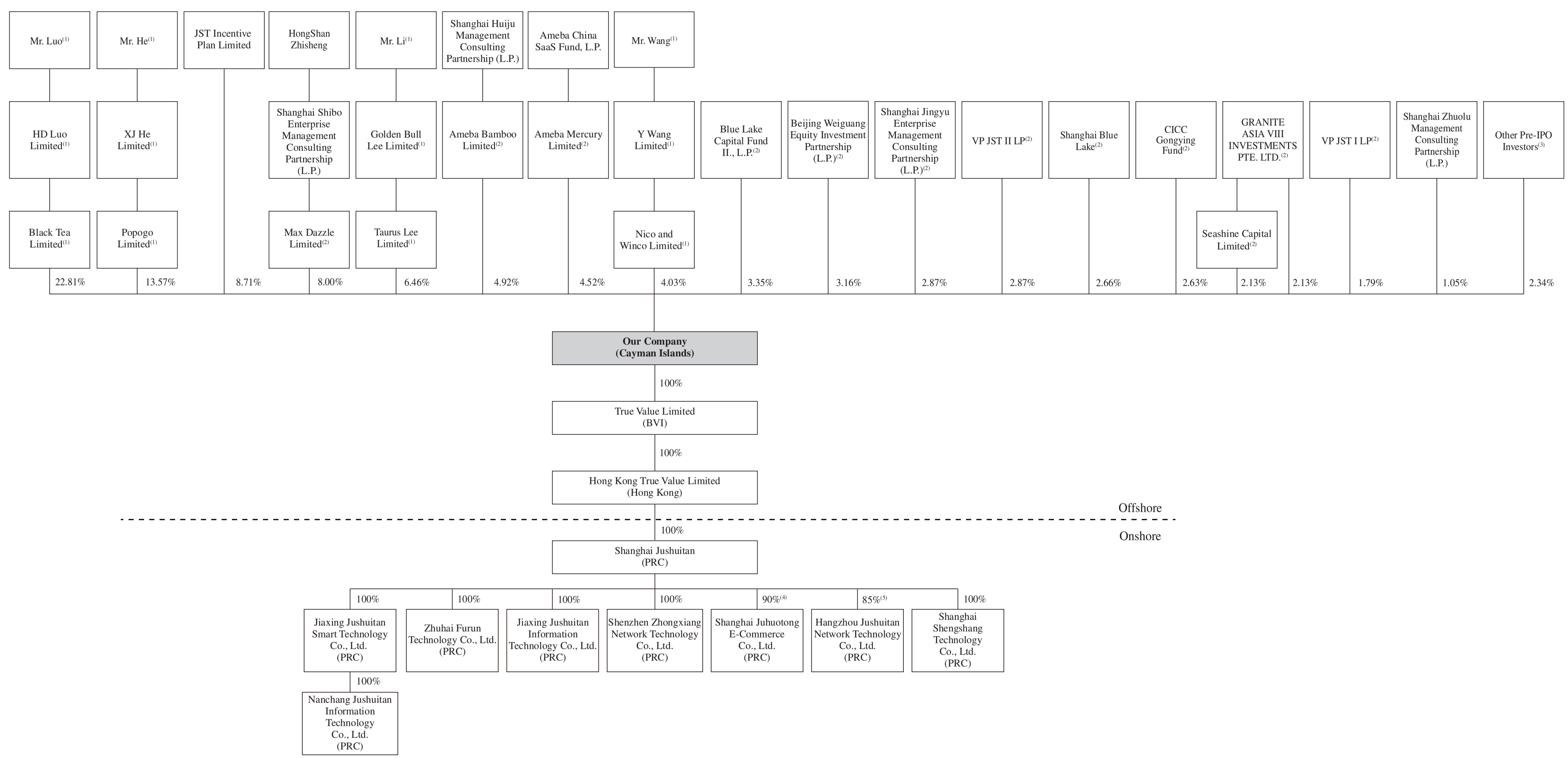
Pursuant to the SAFE Circular 13 promulgated by SAFE on February 13, 2015, the power to accept SAFE registration was delegated from local SAFE to local banks where the assets or interests in the domestic entity are located.

As advised by our PRC Legal Advisor, (i) our executive Directors who are PRC residents and indirectly hold shares in our Company, namely Mr. Luo, Mr. He, Mr. Li, and Mr. Wang, have completed their respective registration under SAFE Circular 13 and SAFE Circular 37 on December 17, 2021; and (ii) as part of the Reorganization, all our Shareholders which are domestic institutions under the ODI Rules have completed their overseas direct investment registration with relevant governmental authorities.

OUR CORPORATE STRUCTURE

Corporate Structure Immediately before the Completion of the Capitalization Issue and the Global Offering

The following chart sets forth our Group's corporate and shareholding structure immediately prior to the completion of the Capitalization Issue and the Global Offering, assuming that all of the Preferred Shares have been converted to ordinary Shares on a one-to-one basis:



Notes:

(1) Mr. Luo, our chairman of the Board, executive Director and CEO, controls the voting rights of approximately 46.87% of the total issued Shares immediately before the completion of the Capitalization Issue and the Global Offering, assuming that all of the Preferred Shares have been converted to ordinary Shares on a one-to-one basis, including (i) the voting rights of the Shares, representing approximately 22.81% of the total issued shares of our Company, held by Black Tea Limited, a wholly-owned company of HD Luo Limited, which is in turn wholly-owned by Mr. Luo; and (ii) by virtue of the Voting Proxy Agreement (as defined in "Relationship With our Controlling Shareholders" in this Prospectus), the voting rights of the Shares, representing approximately 24.07% in aggregate of the total issued share capital of our Company, which includes 13.57%, 6.46% and 4.03%, held by (a) Popogo Limited, (b) Taurus Lee Limited, and (c) Nico and Winco Limited, respectively.

(2) For details of such Shareholders, see "– 5. Information about the Pre-IPO Investors" above.

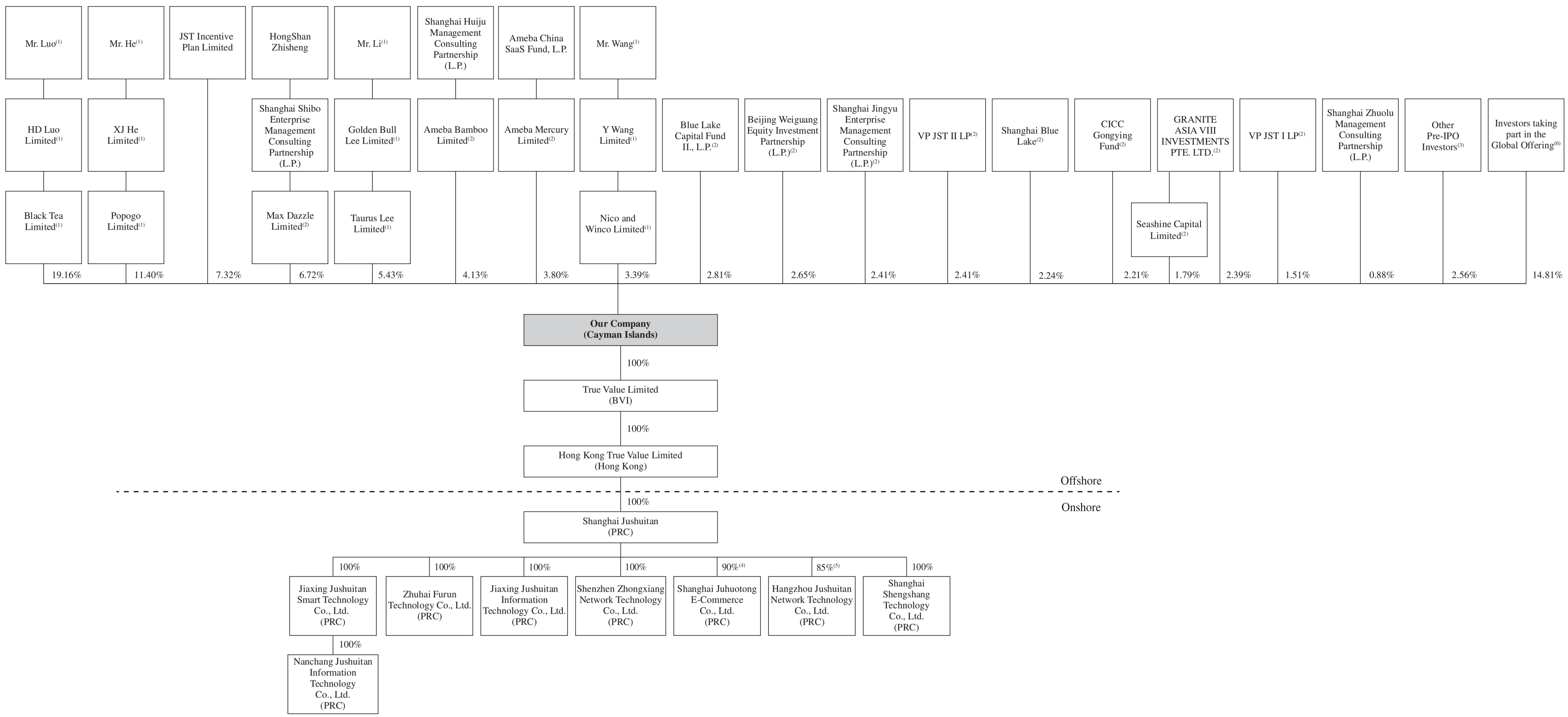
(3) These include all of our other Pre-IPO Investors, each holding less than 1% of our total issued Shares immediately before the completion of the Capitalization Issue and the Global Offering assuming that all of the Preferred Shares have been converted to ordinary Shares on a one-to-one basis, including IKARIA GROUP LIMITED, Blue Lake Capital Opportunity Fund I, L.P., Bottle Tea Limited and Daniel and Owen Limited. See "– 5. Information about the Pre-IPO Investors" above.

(4) Mr. Cen Wenchu, our chief technology officer, holds the remaining 10% shareholding in Shanghai Juhuotong E-Commerce Co., Ltd.

(5) Mr. Cen Wenchu, our chief technology officer, holds the remaining 15% shareholding in Hangzhou Jushuitan Network Technology Co., Ltd.

Corporate Structure Immediately Following the Completion of the Capitalization Issue and the Global Offering

The following chart sets forth our Group's corporate and shareholding structure immediately after completion of the Capitalization Issue and the Global Offering, assuming that (i) all of the Preferred Shares have been converted to ordinary Shares on a one-to-one basis, and (ii) the Offer Size Adjustment Option and the Over-allotment Option are not exercised:



Notes:

(1) Mr. Luo, our chairman of the Board, executive Director and CEO, controls the voting rights of approximately 39.37% of the total issued Shares immediately following the completion of the Capitalization Issue and the Global Offering, assuming that (i) all of the Preferred Shares have been converted to ordinary Shares on a one-to-one basis, and (ii) the Offer Size Adjustment Option and the Over-allotment Option are not exercised, including (i) the voting rights of the Shares, representing approximately 19.16% of the total issued shares of our Company, held by Black Tea Limited, a wholly-owned company of HD Luo Limited, which is in turn wholly-owned by Mr. Luo; and (ii) by virtue of the Voting Proxy Agreement (as defined in "Relationship With our Controlling Shareholders" in this Prospectus), the voting rights of the Shares, representing approximately 20.22% in aggregate of the total issued share capital of our Company, which includes 11.40%, 5.43% and 3.39%, held by (a) Popogo Limited, (b) Taurus Lee Limited, and (c) Nico and Winco Limited, respectively.

(2) For details of such Shareholders, see "– 5. Information about the Pre-IPO Investors" above.

(3) These include all of our other Pre-IPO Investors, each holding less than 1.2% of our total issued Shares immediately before the completion of the Capitalization Issue and the Global Offering assuming that all of the Preferred Shares have been converted to ordinary Shares on a one-to-one basis, including IKARIA GROUP LIMITED, Blue Lake Capital Opportunity Fund I, L.P., Bottle Tea Limited and Daniel and Owen Limited. See "– 5. Information about the Pre-IPO Investors" above.

(4) Mr. Cen Wenchu, our chief technology officer, holds the remaining 10% shareholding in Shanghai Juhuotong E-Commerce Co., Ltd.

(5) Mr. Cen Wenchu, our chief technology officer, holds the remaining 15% shareholding in Hangzhou Jushuitan Network Technology Co., Ltd.

(6) Excludes Blue Lake Capital Opportunity Fund I, L.P. and GRANITE ASIA VIII INVESTMENTS PTE. LTD. who are existing Shareholders and who will subscribe for 2,436,400 Shares and 2,436,400 Shares, respectively, as Cornerstone Investors. For details, see the section headed "Cornerstone Investors" in this Prospectus.

WHO WE ARE

Jushuitan (聚水潭) is China's largest e-commerce SaaS ERP provider in terms of relevant revenue in 2024, with a market share of 24.4%, exceeding the combined market share of the second through the fifth largest players, according to CIC. We also ranked first in China's e-commerce operation SaaS market in terms of total SaaS revenue in 2024 with a market share of 8.7%. In addition, we are China's second largest e-commerce SaaS provider in terms of relevant revenue in 2024, taking up 7.1% of the market share, according to CIC. Leveraging the industry insights we accumulated in the past over 25 years by our founder, we have developed cloud-based e-commerce SaaS products, and are able to facilitate the connection of merchants with over 400 e-commerce platforms in China and across the world. Our offerings provide customers of different kinds and sizes a unified and intuitive way to monitor, operate and manage their businesses, and make data-driven intelligent decisions that help them excel in the fast-evolving e-commerce industry. As of June 30, 2025, we served 92.6 thousand SaaS customers across various categories. In 2024, our net dollar retention rate was 115%.

We offer a broad range of SaaS products and services in one-stop, helping our customers seamlessly upgrade capabilities, improve performance and grow their cross-platform businesses, while greatly reducing installation and operation costs.

- *Jushuitan ERP* is our cornerstone SaaS product, serving the core demands of merchants associated with their fulfillment of e-commerce orders across major platforms. Our *Jushuitan ERP* is designed for simplicity and ease of use. Merchants can easily integrate, synchronize and coordinate all of their stores, orders, products, inventories, and other operating or financial data from various platforms through *Jushuitan ERP*, enjoying a streamlined cross-platform commerce experience. Key features that our *Jushuitan ERP* provides include Order Management System (OMS), Warehousing Management System (WMS), Procurement Management System (PMS) and Distribution Management System (DMS), among others. According to CIC, *Jushuitan ERP* has become the most popular e-commerce SaaS ERP brand among Chinese merchants.

- With ERP at the core, we have further expanded product and service offerings to include other e-commerce operation SaaS products, and became a one-stop e-commerce SaaS provider. Our comprehensive SaaS tools serve various needs of e-commerce participants to equip them with financial accounting, management reporting and analytics, workflow management, and wholesale market procurement, among others. With our products, they are better equipped in coordinating internal resources and collaborating with external partners, including suppliers, distributors, logistics and warehousing service providers.

Our operations are supported by a technology infrastructure that ensures our products stay reliable under large spikes in traffic. For instance, we successfully processed approximately 1.6 billion orders during the Double 11 Festival in 2024, an industry-leading record and powerful testament to the robustness of our technology infrastructure. We have also built a development platform with a scalable architecture and rich development toolkits for our engineers to facilitate timely launch and iteration of our products. We are able to embrace the latest industry trends, meet diverse needs under varied scenarios and maintain our leadership.

We have built a nationwide customer network, which we believe is a core competence to effectively acquire and retain customers, leading to long-term customer relationships and increasing operating productivity. Through the combination of our sales and marketing efforts and word-of-mouth referrals from customers, we are well positioned to expand sustainably and acquire new customers efficiently. Meanwhile, our customer service network enables us to cross-sell additional products and services to our customers. In 2022, 2023, 2024 and the six months ended June 30, 2025, our customers that purchased two or more of *Jushuitan* products contributed 30.6%, 33.0%, 37.7% and 39.3% of our total SaaS revenue for the same periods, respectively.

Our business has experienced rapid growth along with the success of our customers. Our total revenue and ARR reached RMB909.8 million and RMB1,098.1 million in 2024, respectively, each representing a CAGR of 31.9% and 33.6% from 2022 to 2024. Our core business and financial performance are shown in the following chart:

Note: (1) in China's e-commerce SaaS ERP sector and in terms of revenue.

OUR MARKET OPPORTUNITY

The e-commerce market in China has witnessed significant advancement and has been evolving rapidly. According to CIC, in 2024, the number of e-commerce merchants has exceeded 27 million and online retail sales of physical goods has reached RMB13.9 trillion, representing 28.4% of total consumption in China. With the increasing diversification of e-commerce platforms and emergence of innovative business models, more than half of China's e-commerce merchants now run their businesses across multiple platforms.

However, cross-platform operations without integrated software products can be chaotic and inefficient.

- Merchants and other participants may have to log into multiple independent systems to manage their large volumes of SKUs and orders, creating an unsmooth and fragmented operation experience. Additionally, merchants lack a tool for centralized and real-time management of orders, stock information and after-sales services.

- China's e-commerce industry landscape is extremely scattered with a large number of players participating in each part, such as e-commerce suppliers, merchants, and third-party logistics and warehousing service providers. Most participants often utilize disparate management software, making it difficult to interconnect and share data between themselves, and therefore compromising overall efficiencies.

Integrated cloud-based solutions thus became critical in helping e-commerce merchants streamline their operations and form a whole picture of their cross-platform business. As of June 30, 2025, Jushuitan e-commerce SaaS has connected with over 400 e-commerce platforms in China and across the world, representing one of the broadest platform coverages in the e-commerce SaaS industry in China, according to CIC. When using our products, merchants establish connectivity of their online stores on each e-commerce platform to our ERP products. As a result, merchants can easily integrate, synchronize and coordinate all of their online stores, orders, products, inventories, and other operating or financial information from various e-commerce platforms in one place, enjoying a streamlined cross-platform commerce management experience.

Merchants in China's e-commerce market are increasingly willing to pay for digital solutions that can help their e-stores thrive and succeed. According to CIC, Chinese e-commerce merchants' IT spending reached a total of RMB137.7 billion in 2024, which is expected to further grow to RMB252.9 billion by 2029. According to CIC, the penetration rate of e-commerce SaaS ERP among these merchants was at a relatively low level of 1.6% in 2024 and is expected to grow steadily. We believe there are extensive opportunities for us to increase the penetration of our e-commerce SaaS products among the diverse base of e-commerce merchants, and our current customer base only represents a small proportion of our target customers.

Our Values to Customers

We strive to provide e-commerce SaaS products that help customers to navigate among the intensified challenges and to expand. As such, *Jushuitan* has cemented its position as the go-to solution for e-commerce merchants in China. In particular, key values that we bring to our customers include:

- ***Choice of Solution for Cross-platform E-Commerce Growth:*** Our integrated e-commerce SaaS products include core e-commerce operation features, robust and secure infrastructure, and analysis and forecasting tools. We are able to fulfill e-commerce business across e-commerce platforms for customers in one-stop, helping them quickly seize opportunities such as live-streaming e-commerce and fostering their scaling up;

- ***Flexibility and Simplicity for Efficient Operation:*** Our SaaS products are fully cloud-based and are easy-to-use in nature, greatly reducing the upfront or local installation costs and automatically upgrading day-to-day operation capabilities for customers. Our products provide real-time stock and logistics information, and is able to automatically generate procurement plans advising both procurement timing and quantities. In addition, we provide real-time synchronization and centralized management of orders across multiple shops on e-commerce platforms for merchants to better manage their orders. As a result, we are able to help customers significantly reduce the risk of stock-outs, minimize overstocking, and improve the accuracy and efficiency of order management;

- ***Enabling Customers' Long-Term Success:*** We have built a responsive and extensible customer service network of over 2,000 experienced experts, consisting of sales personnel, engineers and after-sale service teams. With our nationwide coverage, our customer service network helps customers find the best-suited products for their needs, provides hands-on product training, system debugging and solutions for complex use cases, and offers prompt after-sale service; and

- ***Connection to a Wide Group of Industrial Partners:*** We have connected our customers with various industrial partners to form a close and cohesive network. As of June 30, 2025, *Jushuitan* e-commerce SaaS has connected with over 400 e-commerce platforms in China and across the world, as well as over 800 global logistics and warehousing service providers. Through introducing a wide group of industrial partners to our customers, we also form a self-reinforcing, win-win collaboration for the industry that greatly contributes to our customers' sustainable growth.

OUR STRENGTHS

Pioneer in China's E-commerce SaaS Industry

As Chinese e-commerce platforms became more vibrant and diverse, we quickly saw the need for cross-platform solutions and were an early mover and have become a market leader. We have been constantly innovating and improving our products to ensure that all of our customers have access to the latest technologies and features, cementing our strong brand reputation and market leadership.

- ***Established Leader and Solution of Choice***. We are China's largest e-commerce SaaS ERP provider in terms of relevant revenue in 2024, with a market share of 24.4%, exceeding the combined market share of the second through the fifth largest players, according to CIC. We also ranked first in China's e-commerce operation SaaS market in terms of total SaaS revenue in 2024. As of June 30, 2025, we have connected our merchants with over 400 e-commerce platforms worldwide, representing one of the broadest platform coverages in the e-commerce SaaS industry in China, according to CIC. Our brand awareness illustrates our leading market position. We have become the leading product provider in China's e-commerce SaaS ERP, according to CIC, in terms of the number of merchants served across key Chinese e-commerce platforms, including Alibaba, JD.com, Pinduoduo, Douyin and Kuaishou.

- ***Powerful and Comprehensive SaaS Products with Constant Innovation***. According to CIC, we are one of the earliest e-commerce SaaS ERP product providers to embed *Warehousing Management System* ("WMS") features in the ERP products, which initially only comprised basic functions like *Order Management System* ("OMS"), significantly improving logistic efficiency and stock management accuracy. Our e-commerce SaaS ERP products have become a trusted SaaS ERP tool with proven capabilities. In 2024, our *Jushuitan ERP* well managed the processing of approximately 100 million orders per day, with the daily maximum number of orders processed over 200 million, being acknowledged as an e-commerce SaaS ERP with the highest order processing efficiency in China. Furthermore, we continued to experiment with new ways of launching more products and pioneering the fee model of customer prepayment and charging based on the actual usage, which enables us in seizing numerous monetization and cross-selling opportunities. As of June 30, 2025, we have launched four e-commerce operation SaaS products beyond ERP. In 2022, 2023, 2024 and the six months ended June 30, 2025, our customers that purchased two or more of *Jushuitan* products contributed 30.6%, 33.0%, 37.7% and 39.3% of our total SaaS revenue for the same periods, respectively.

Strong Technology and R&D Capability

We regard continuous technology innovation and development as the key means to adapt to the evolving needs of our customers and thrive in the long term. In light of this, we have established an industry-leading technology infrastructure consisting of:

- ***Powerful R&D Infrastructure:*** Our R&D infrastructure provides extensive development toolkits, which enables us to cater to customers' complex and evolving demands through continuously developing and upgrading our standardized SaaS products. Our *Jushuitan ERP* is one of the fastest iterating e-commerce SaaS ERP products in China in terms of the number of iterations, according to CIC. During the Track Record Period, we have maintained an average response time of less than 50 milliseconds and an uptime of more than 99.5%;

- ***Advanced Technology Capabilities:*** We apply the latest technologies, including distributed and parallel computing, cloud-native database, real-time computing, and multi-level cache, to our cloud-based products and service, enabling our products to seamlessly process the data flow from different e-commerce platforms, and facilitating our customers to fully utilize their data assets and make informed decisions;

- ***Leading Data Security System:*** Data security and protection are among our highest priorities while serving our customers. We have built a multi-layer data security system with ISO27001 certification and Level 3 certification in the National Cybersecurity Classified Protection System. Data is stored in multiple geographically dispersed cloud data servers with encryptions to effectively prevent data loss and ensure efficient data transmission. With our disaster recovery mechanism, data can be recovered within minutes should any system meltdown happen. We do not allow unauthorized access to the stored data.

As of June 30, 2025, we have built an R&D team of 462 technical talents and are committed to invest in the future. We held a total of 85 registered invention patents and pending invention patent applications as of the Latest Practicable Date, being the most among e-commerce SaaS ERP companies in China, according to CIC.

Well-Established Customer Service Network Enabled Large and Loyal Customer Base

We are dedicated to facilitating our customers' success and have built a nationwide customer service network, which enables us to establish our worth and value, leading to long-term customer relationships. Leveraging the well-established network, we are also in a good position to quickly expand to potential customers by word-of-mouth referrals. This also provides us with deep insights into the latest trends, so that we are able to quickly launch and scale into new, appealing products and features, which further solidifies our strong customer attractions. By providing dedicated customer services, we have become a trusted service provider and retained an expanding and loyal customer base. With growing demands for our products, we had 88.4 thousand and 92.6 thousand SaaS customers as of December 31, 2024 and June 30, 2025, respectively. In 2024, our net dollar retention rate was 115%.

Our nationwide customer service network enables us to acquire and rapidly respond to the needs of our merchant customers with in-depth industry insights. Our customer service team are based in 26 provinces in China, and have the capability of covering all merchants across China. Our customer service network consists of:

- ***Sales personnel:*** Our experienced sales team was able to effectively capture customers' mindshare by reaching key decision makers and building strong bonds during follow-up visits. They understand customers' critical demands, assist them in finding the suitable *Jushuitan* products and win their long-term loyalty. In 2024, the average revenue contributed by each of our sales personnel exceeded RMB985 thousand, outperforming the industry average, according to CIC;

- ***Implementation engineers:*** Our implementation engineers are product experts. We help customers launch our products by bringing our implementation team to their site and giving hands-on instructions and assistance. Our implementation team provides on-site support and coaching to help customers better understand *Jushuitan* products and functionalities, and take full advantage of them to meet business goals; and

- ***After-sale service team***: Our service team provides industry-standard life-cycle services to our customers. They promptly answer queries, troubleshoot issues, and provide guidance and trainings step-by-step during daily operations or huge selling events. We also regularly hold "Waterdrop Academy (水滴學院)" training sessions for our customers, and bring them extensive access to industrial resources through the "Juhui Club (聚匯俱樂部)" we host, accompanying our customers throughout their long-term growth.

A Management Team Dedicated to Long-Term Value

Our founder, chairman and CEO, Mr. Luo Haidong (駱海東), has over 25 years of industry experience in ERP, enterprise service and IT. He has witnessed and promoted the upgrade of ERP, evolving from on-premise software and customized solutions to SaaS. Mr. Luo is a professor-level senior engineer in electronic information and multimedia technology. He was also elected as a representative of the People's Congress of Jing'an District, Shanghai in 2021. Mr. Luo has witnessed the digitalization and informatization process of enterprises in China, and is an undisputed pioneer in China's e-commerce SaaS industry.

Since our establishment, we have an innovative and visionary management team demonstrating deep expertise in the e-commerce SaaS sector. Thanks to our innovative and cohesive business culture sharing the same mission to empower enterprises to maximize their full potential through collaboration, we have formed a stable core management team since our establishment. Our management has been upholding our vision since day one and standing on the front line to work on business expansion and customer service, which laid the cornerstone to our corporate values that foster innovation, teamwork, long-term commitment for our customers and ambition for launching products with the latest technologies:

- ***Customer First:*** Creating value for customers is our constant pursuit. We are committed to delivering cloud-native SaaS products for merchants in one-stop, and constantly iterating and expanding our product suites according to the latest customer needs; Our iterations primarily focusing on (i) general performance improvements and bug fixes, (ii) enhancing existing modules based on customer feedback, (iii) introducing new functions to better meet customers' demands, and (iv) user interface optimization;

- ***Cooperation and Collaboration:*** We believe that cooperation and collaboration is an essential way to achieve win-win for the industry. We are committed to promoting cooperation and collaboration by connecting e-commerce merchants with various upstream and downstream market participants along the value chain, such as e-commerce platforms, suppliers, logistics and warehousing service providers; and

- ***Passion and Sincerity:*** Based on our commitment and practice of looking towards the long term, our team embraced work with great enthusiasm and sincerity. Empowered by our belief, the Company also showed strong resilience amid macroeconomic challenges and continued to maintain steady growth.

OUR STRATEGIES

We plan to implement the following strategies to solidify and expand our leadership in the e-commerce SaaS industry:

Continue to Enhance and Expand Our Product Offerings

Leveraging our market and product leadership in the e-commerce SaaS industry, we will continue to (i) upgrade our existing ERP products with additional modules and better functionalities and (ii) innovate and develop synergistic products that can be implemented holistically to create value for our customers.

We will continue to closely communicate with our customers to identify their evolving business needs and application scenarios, and to improve our existing products or develop new products accordingly. For example, to capitalize on the increasing popularity of live-streaming e-commerce, we have upgraded our SaaS ERP products and developed new modules specifically to help live-streaming e-commerce merchants analyze their business performance. For example, we launched functions allowing merchants to severally record order information and other statistics of different streamers for better management and evaluation. In addition, to cater to the demands of smaller-sized merchants, we will also offer standardized lite version products with simplified modules and optimized user interfaces at more attractive pricing.

We will continue to enhance our technology infrastructure and R&D capabilities, enabling us to collaborate across business functions and modularize our functionalities more efficiently, to achieve lower product development costs and a shortened product development cycle.

Continue to Strengthen the Relationships with Existing Customers and Grow Our Customer Base

We believe that the e-commerce SaaS industry still has significant runway for growth, both in terms of the numbers of merchants adopting e-commerce SaaS products and the breadth of usage in terms of the variety of products used. We aim to strengthen the relationship with our existing customers through improved sales services, implementation and ongoing maintenance efforts such as after-sales services. We will focus on increasing the timeliness and efficiency of addressing customer requests with both online and offline support, with the goal of improving customer experience and driving overall customer satisfaction.

Leveraging our years of experience and success in serving e-commerce merchants, we will continue to expand our customer base both by attracting more e-commerce merchants in new verticals to enhance our penetration, and along the supply chain to offline partners, such as manufacturers, distributors and warehouses. We will attract more e-commerce merchants in various verticals and geographies through continuous recruitment of experienced and skilled personnel, enhancing of our sales force with regular training, solidifying our brand reputation, and improving product and service offerings. For other participants along the supply chain, we will also continue to offer products that are designed to enhance their operational efficiency during transacting with e-commerce merchants. Moreover, we have the capability to provide customization services to cater to customers' specific needs, which we believe will further increase customer stickiness. In addition, we will strengthen our sales and marketing capabilities in order to broaden our customer base and boost our revenue growth.

Strengthen Our Monetization Efforts

We will leverage our extensive products and services to increase the average spending of our existing customers and attract new customers. We have already developed e-commerce SaaS products which can holistically serve the needs of our customers, comprising products built around our core e-commerce SaaS ERP that are synergistic to each other.

We will continue to strengthen our cross-selling and up-selling efforts across our product matrix. As for cross-selling, we aim to build on top of the success of our core e-commerce SaaS ERP and convert existing customers to also purchase additional products within our product suite. Through such initiatives, we hope to increase the number of products each of our customers purchase and the average revenue generated per customer, thereby driving our long-term revenue growth. For up-selling, as our customers expand their scales and business operations with the support of our ERP products, we can provide them with more advanced versions of our products (e.g., switching from the professional version to the enterprise version for our SaaS ERP), which offer enhanced modules with more premium pricing.

Capture International Opportunities

While we have established a strong foothold in China, we also plan to expand our business internationally, which comprises two prongs: (i) to capture additional business opportunities from Chinese customers that engage in cross-border e-commerce and (ii) to expand our coverage of overseas customers.

To cater to our cross-border e-commerce customers' using habits, we will continue to improve and customize our product functionalities, such as developing more functionalities to cover the cross-border process, and designing more streamlined user interfaces for specific business scenarios in cross-border e-commerce. As our cross-border e-commerce customer base grows in the future, we have also developed a standalone product version, and cross-sell together with our other product offerings to better address cross-border e-commerce customers' needs.

For overseas customers, we have been developing international versions of our products to expand to the global market. We will continue to enhance our international product versions through improved user interface and localized language options. Our localization efforts are also critical to support our overseas expansion, where we plan to first focus on regions with rapidly growing e-commerce markets with strong demands for digital transformation, gradually followed by other global regions.

Explore Strategic Investment Opportunities

We believe that strengthening product offerings through strategic investments is helpful to retain and expand our customer base. Drawing upon our deep industry know-how and relationships, we will proactively identify other innovative and high-quality products in the market that are complementary to our existing product portfolio. Our profound industry insights and extensive experience allow us to discover suitable investment targets which can help strengthen our product offerings and technology capabilities.

We will continue to supplement our products with new and better features based on our discovery process, or consider bolt-on investment or acquisition opportunities if they are considered more cost- and time-efficient compared to in-house development. We typically invest in software that are complementary to our existing products and can be considered bolt-on opportunities to expand our business. In evaluating such opportunities, we primarily consider criteria such as magnitude of synergies with our own product offerings, strategic alignment, quality and commercial opportunities of the target product, and track record of the business and management team, among others.

OUR OFFERINGS

We offer cloud-based SaaS products, providing our customers with an extensive, unified and intuitive way to monitor, operate and manage their businesses in the fast-evolving e-commerce industry. Our comprehensive offerings primarily include: (i) e-commerce SaaS ERP products, and (ii) other e-commerce operation SaaS products. *Jushuitan ERP*, our cornerstone e-commerce SaaS products, serve the core demands of merchants associated with their fulfillment of e-commerce orders across major platforms. Our e-commerce SaaS ERP products are designed for simplicity and ease-of-use. Merchants can easily integrate, synchronize and coordinate all stores, orders, products, inventories, and other operating or financial data from various platforms through e-commerce SaaS ERP products, enjoying a streamlined cross-platform commerce experience. In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, our revenue generated from e-commerce SaaS ERP products amounted to RMB457.1 million, RMB600.3 million, RMB765.0 million, RMB357.1 million and RMB427.9 million, respectively, accounting for 87.4%, 86.1%, 84.0%, 84.7% and 81.7% of our total revenues in the same periods, respectively. With ERP at the core, to a lesser extent, we also offer other e-commerce operation SaaS products that serve various needs of e-commerce participants to equip them with capabilities in financial accounting, management reporting and analytics, workflow management, wholesale market procurement, among others. In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, our revenues generated from e-commerce operation SaaS products amounted to RMB40.8 million, RMB69.6 million, RMB112.5 million, RMB49.5 million and RMB78.6 million, respectively, accounting for 7.8%, 10.0%, 12.4%, 11.8% and 15.0% of our total revenues in the same periods, respectively.

The following chart sets forth the core product matrix of our SaaS products:

Products	**Key features**	**Fee model**
Jushuitan ERP – Enterprise version	• Order Management System ("OMS") • Warehousing Management System ("WMS") • Procurement Management System ("PMS") • Distribution Management System ("DMS") • On-site deployment and other value-added services and online supports	Charged either (i) on an annual subscription basis or (ii) based on the number of orders processed on the products For products charged on a annual subscription basis, priced from RMB30,000 per year; for products charged based on number of orders processed, priced from RMB0.05 per order to RMB0.3 per order

Products	Key features	Fee model
Jushuitan ERP – Professional version	• Order Management System ("OMS") • Procurement Management System ("PMS") • Distribution Management System ("DMS") • Initial on-site deployment services and online support	Charged on an annual subscription basis Priced from RMB5,888 per year to over RMB16,888 per year
Jushengsuan	• Management reporting and analytics	Charged on an annual subscription basis Priced from RMB3,980 per year to over RMB19,980 per year
Other products	• Financial accounting • Workflow management • Wholesale market procurement management	Charged on an annual subscription basis

All of our products are cloud-native and provided to customers as SaaS. Our products are based on browser/server architecture which can be accessed through an Internet browser without upfront localized installation.

The following table sets forth a breakdown of our revenue and gross profit margin by product category:

	For the Year Ended December 31,									For the Six Months Ended June 30,					
	2022			2023			2024			2024			2025		
	Revenue	Percentage of total revenue (%)	Gross profit margin (%)	Revenue	Percentage of total revenue (%)	Gross profit margin (%)	Revenue	Percentage of total revenue (%)	Gross profit margin (%)	Revenue	Percentage of total revenue (%)	Gross profit margin (%)	Revenue	Percentage of total revenue (%)	Gross profit margin (%)
											(unaudited)				
	(RMB in thousands, except for percentages)														
SaaS	497,935	95.2	53.3	669,874	96.1	63.4	877,530	96.4	69.9	406,581	96.5	68.1	506,535	96.7	73.2
Sales of supportive equipment	17,697	3.4	25.8	17,813	2.6	27.5	18,002	2.0	33.6	9,582	2.3	35.3	7,931	1.5	29.0
Promotion service fees[(1)]	6,998	1.3	46.6	8,746	1.3	52.5	13,596	1.5	71.3	4,173	1.0	49.5	8,387	1.6	81.2
Others[(2)]	448	0.1	65.8	758	0.1	59.9	622	0.1	62.8	637	0.2	79.3	789	0.2	67.5
Total	**523,078**	**100.0**	**52.3**	**697,191**	**100.0**	**62.3**	**909,750**	**100.0**	**68.5**	**420,973**	**100.0**	**66.4**	**523,642**	**100.0**	**71.8**

Notes:

(1) Revenue generated from providing promotion services for products of other companies and charging commission.

(2) Our revenues from others in 2022 were primarily from short message services, which we have strategically suspended in March 2022. The short message service is a software function that enables e-commerce merchants to efficiently edit and manage short text messages. We suspended such services because these were immaterial in amount and did not have strong synergies with our core product offerings. In 2023, 2024 and the six months ended June 30, 2025, our revenues from others were primarily from miscellaneous items such as warehousing consulting services (e.g. warehouse design services) and materials used in implementation (e.g. sign posts for storage cubicles, aisles and function areas in the warehouses).

We typically require prepayments from our customers before we grant them access to our SaaS products. Typically, we either charge customers (i) on an annual subscription package that offers unlimited or maximum volume, or (ii) based on the volume of orders processed on the products. Under the unlimited or maximum volume subscription model, customers are provided with access to one or more of our SaaS products over the contract term. We typically require prepayments for the entire subscription period when charged by subscription period, and prepayments for all volume purchased when charged on volume-based fee model. According to CIC, such prepayment arrangement is in line with the industry norm. We generally provide discount for subscription with longer period and larger volume. Revenue is generally recognized ratably over the contract term. Under the limited volume model, customers first purchase certain number of volume, and consumed the volume upon usage. The minimum purchase amount under this volume model is RMB30,000. During the Track Record Period, there were no forfeited amount in respect of prepayment unused under this volume-based fee model. Related revenue is recognized upon the consumption. For details, see Note 2.20 to the Accountant's Report included in Appendix I to this Prospectus. We generally determine the pricing for a particular SaaS product by taking account of factors including the functionalities of our products, customers' usages, market condition, and our sales and marketing strategies, among others.

The following table sets forth a breakdown of our SaaS revenue by fee model:

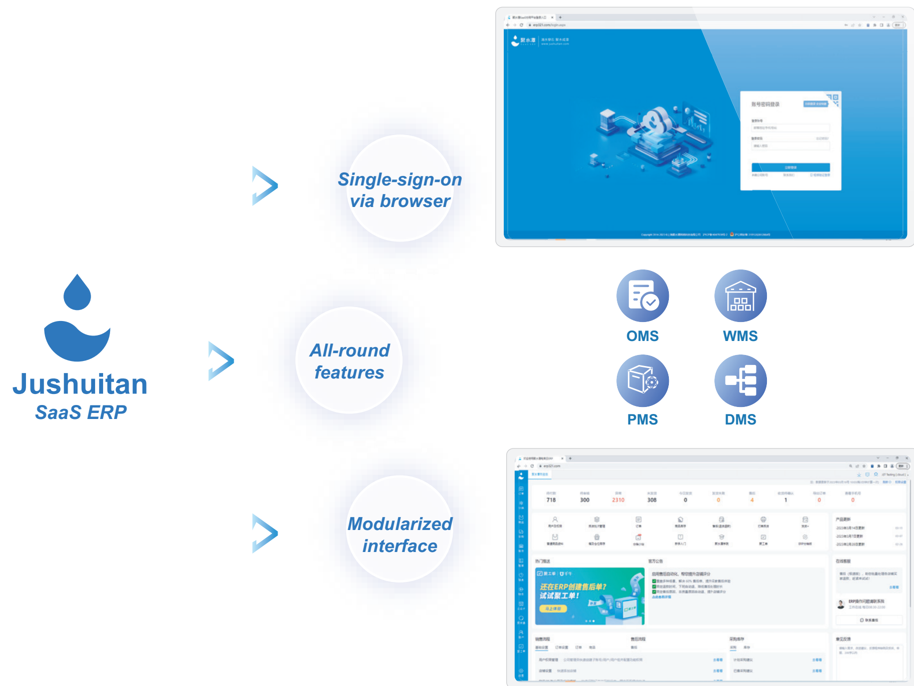
	For the Year Ended December 31,						For the Six Months Ended June 30,			
	2022		2023		2024		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*
							(unaudited)			
	(in thousands, except for percentages)									
By annual subscription	256,393	51.5	376,683	56.2	544,896	62.1	249,246	61.3	317,705	62.7
By volume of orders processed	235,408	47.3	285,073	42.6	323,222	36.8	152,915	37.6	173,929	34.4
Others*	6,134	1.2	8,118	1.2	9,412	1.1	4,420	1.1	14,901	2.9
Total	**497,935**	**100.0**	**669,874**	**100.0**	**877,530**	**100.0**	**406,581**	**100.0**	**506,535**	**100.0**

* Primarily refers to the insignificant SaaS revenue generated from customization services that we provide based on our standard SaaS products to SaaS customers catering to their specific needs. Such revenue was recognized over time.

In addition to our SaaS products, we also generate a small portion of revenue from (i) sale of a range of e-commerce supportive equipment, such as PDAs, barcode printers and scanners, and (ii) promotion service fees from referral of products offered by our associate companies. To support our customers' operation and enable them to better use our products, we sell certain e-commerce equipment. For example, we mainly sell PDAs with our software pre-installed, so merchants are able to digitalize the entire warehousing process and upload relevant information to our e-commerce SaaS ERP products. The PDAs can be used in both the merchants' self-operated warehouses and warehouses operated by third-party logistics and warehousing services providers, at the customers' choice. With our e-commerce supportive equipment, merchants can print and scan the barcodes attached to their goods. As a result, they can digitally keep track of and manage relevant information of such goods, such as category, stock information, location, etc., enabling them to digitalize the warehousing process. We have made certain strategic investments in companies whose offerings are complementary to our existing product portfolio. For details of such investments, see Note 18 to the Accountant's Report included in Appendix I to this Prospectus. We provide promotion services through our sales force for products offered by our associate companies and charges commissions accordingly. Our promotion services cover SaaS products offered by our associates, such as offline store management. We are entitled to commissions based on a pre-agreed ratio of the contract value, which shall be paid on a monthly basis. We do not have any reciprocal arrangement for such associated companies to promote our products. Our associates directly enter into contracts with their customers and are responsible for the delivery, implementation, customer support and any product claims. We are not responsible for any claims arising from the products offered by our associates and have no performance obligation towards the customers of our associates. Therefore, we view such associates as our customers. See also "—Customers and Customer Support—Our Customers."

E-Commerce SaaS ERP Products

Our e-commerce SaaS ERP products are designed to serve the core demands of e-commerce merchants associated with their fulfillment of orders across multiple major e-commerce platforms, by connecting over 400 platforms and over 800 logistics and warehousing service providers. Our ERP products are designed for simplicity and ease of use. Merchants can easily integrate, synchronize and coordinate all of their stores, orders, products, inventories, and other operating or financial information from various platforms in one place, enjoying a streamlined cross-platform commerce management experience.



Based on the business needs of different types of merchants, we primarily offer two versions of e-commerce SaaS ERP products, namely the enterprise version and the professional version. Both versions include features such as OMS, PMS and DMS. Our enterprise version includes additional features of (i) WMS, which enables merchants to better locate and manage the storage and stocking of various SKUs, and (ii) on-site deployment and other value-added services (other than the initial product deployment). For all customers, we provide initial on-site deployment and implementation services at the initial purchases without additional charge. For details of our implementation services, see "—Business Process and End-to-End Service—Implementation." For customers of the enterprise version, we provide additional on-site deployment services at the request of customers when they encounter any technical issues when using our products. Furthermore, we offer additional value-added and online support services, which mainly cover (i) responding to customer inquiries during their use of our products, (ii) troubleshooting and processing customer suggestions, and (iii) online trainings. To a lesser extent, we also offer other versions of ERP products to customers based on business needs, such as a lite version and a cross-border version. The lite version is designed for smaller e-commerce merchants with basic functions such as order printing for delivery. The cross-border version is designed for e-commerce merchants that primarily engage in cross-border sales, and offers functions such as connection with overseas e-commerce platforms, logistics and warehousing service providers, among others.

Other than technology support fee, we are not required to make other payments to e-commerce platforms to establish connectivity. For logistics and warehousing service providers, we are not required to make payments to establish connectivity. As our customers are e-commerce merchants, the allocation of orders processed on e-commerce platforms and logistics and warehousing service providers are business decisions of the merchants, not us. For risks relating to reliance on e-commerce platforms, see "Risk Factors—Risk Relating to Our Business and Industry—If we fail to maintain our relationships with e-commerce platforms or adapt ourselves to emerging e-commerce platforms, or if e-commerce platforms otherwise curtail or inhibit our ability to integrate or operate our products with their platforms, our business and prospects may be materially and adversely affected."

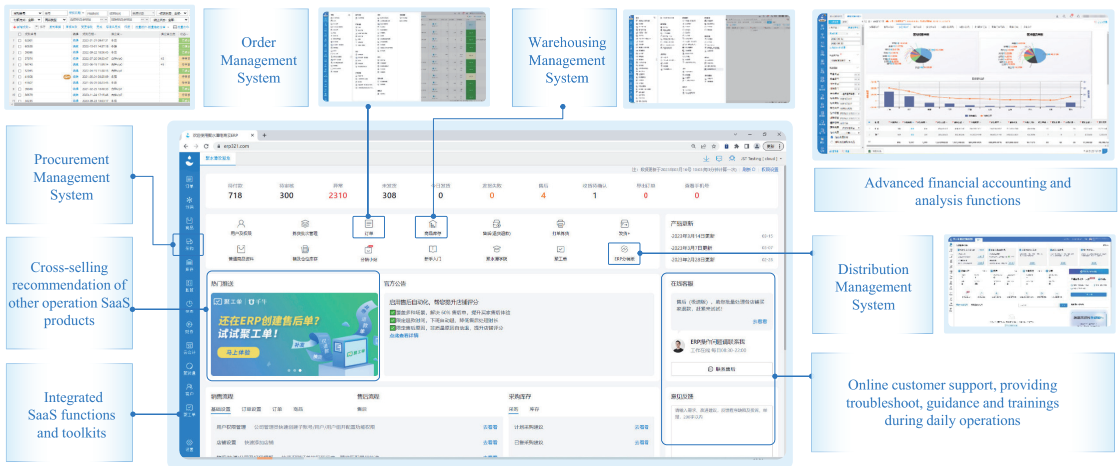
As a result of our business expansion efforts, the number of customers of our e-commerce SaaS ERP products has experienced rapid growth during the Track Record Period. The following table sets forth the number of customers of our e-commerce SaaS ERP products for the years/periods indicated:

	For the Year Ended December 31,			For the Six Months Ended June 30,	
	2022	**2023**	**2024**	**2024**	**2025**
	(in thousands)				
Number of Customers of E-commerce SaaS ERP Products					
– Enterprise version	16.3	18.9	20.9	19.1	20.3
– Professional version	27.5	36.6	45.6	37.7	44.6
– Other versions[(1)]	2.2	7.4	25.1	10.0	33.3

Note:

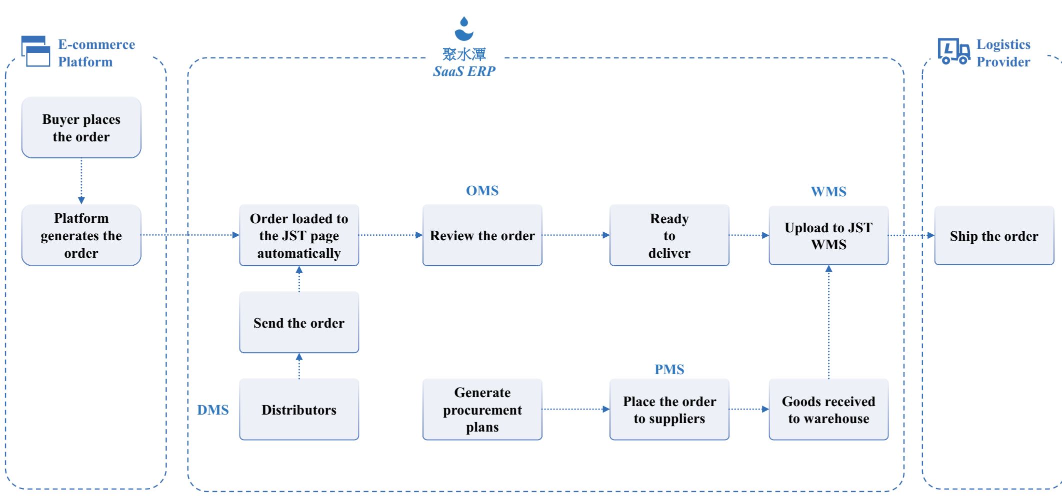
(1) The increase in number of customers of other versions of SaaS ERP products during the Track Record Period was primarily attributable to the increased customers using the lite version. In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, revenue generated from other versions of the ERP accounted for 1.4%, 3.6%, 8.2%, 7.0% and 11.5% of our total revenues from SaaS ERP products in the same years/periods, respectively.

The following screenshot illustrates the interface and key modules of our e-commerce SaaS ERP products:



Merchants can simply log into our ERP products on an Internet browser. The home page provides centralized and visualized key operating data for merchants' easy management. The modularized nature of our products enables merchants to perform desired tasks by clicking the relevant icons.

The following diagram summarizes how merchants use our SaaS ERP products:



Key features of our e-commerce SaaS ERP products include:

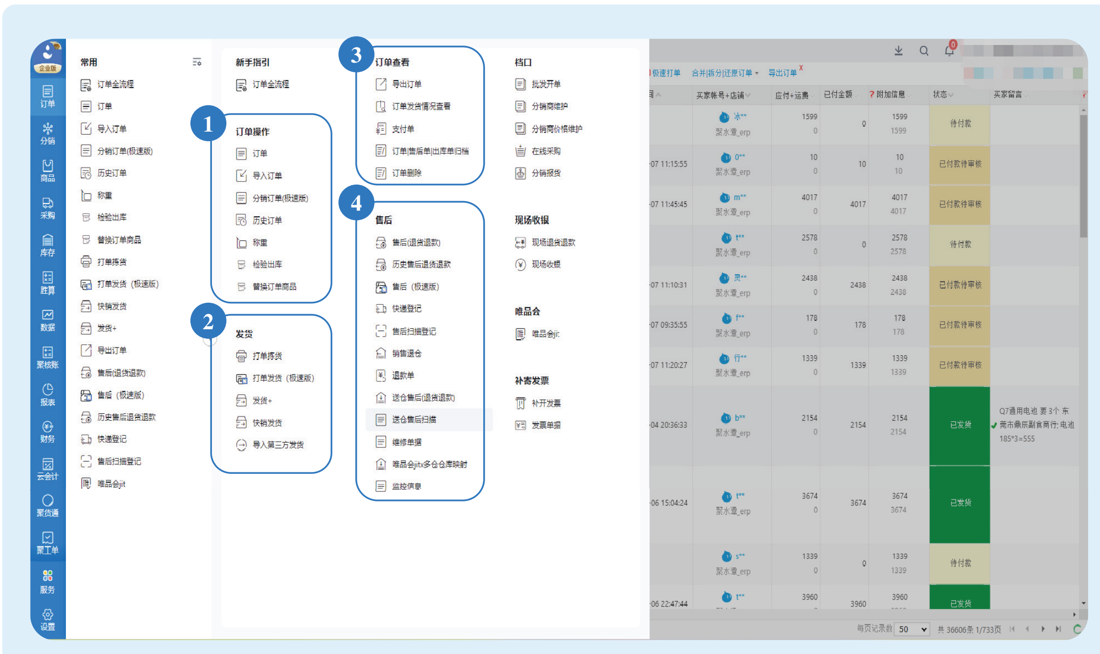
- *Order Management System ("OMS")*. OMS helps merchants efficiently manage their orders. It enables real-time synchronization and centralized management of orders across multiple shops on e-commerce platforms.

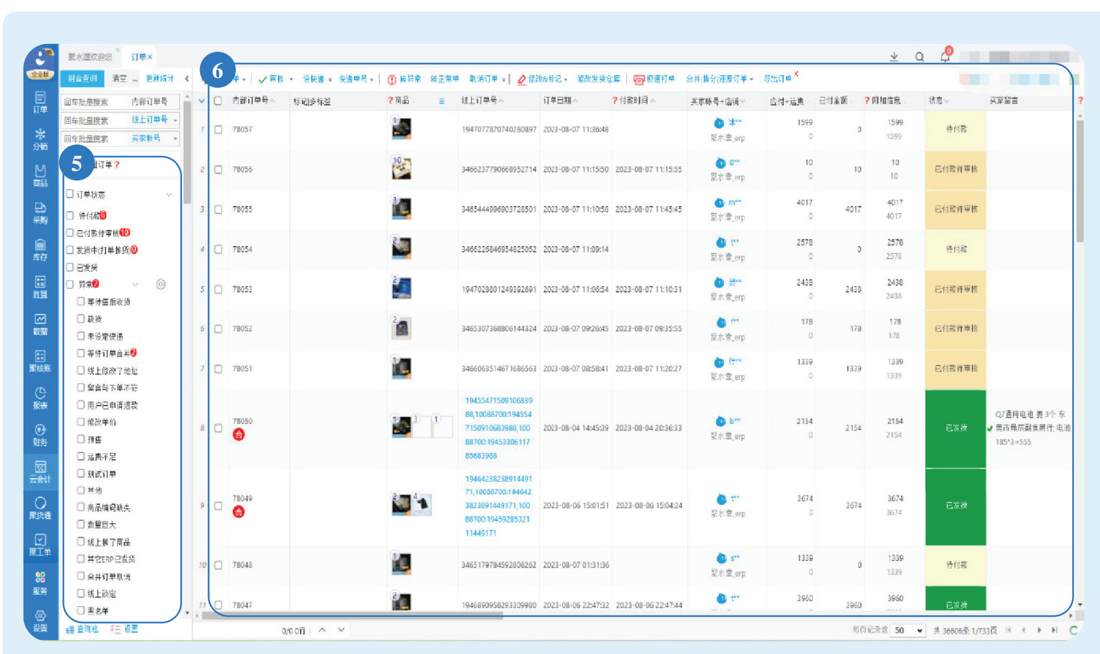
  Key function modules of OMS include order operation, order delivery, order information, after-sales operation, order filter and order dashboard.

  E-commerce merchants need to process orders received from consumers in their operations. When dealing with such orders, sometimes in massive numbers, merchants need an efficiency tool to help manage and process such orders. Orders placed by consumers across different shops and platforms are integrated into one interface for easy review and processing. Merchants are able to review, process, split and consolidate orders on one system. In addition, merchants often face risks of overselling, especially for live-streaming flash sales and during promotional events. OMS helps improve stock management efficiencies, significantly reduce the risk of stock-outs and minimize overstocking. Moreover, OMS also supports after-sales management, which enables merchants to process after-sales tickets and product returns and/or exchanges. Instructions processed on OMS can be transmitted to WMS for synchronous processing, such as order sorting and returning.

The following screenshots illustrate the interfaces and key functions of OMS:

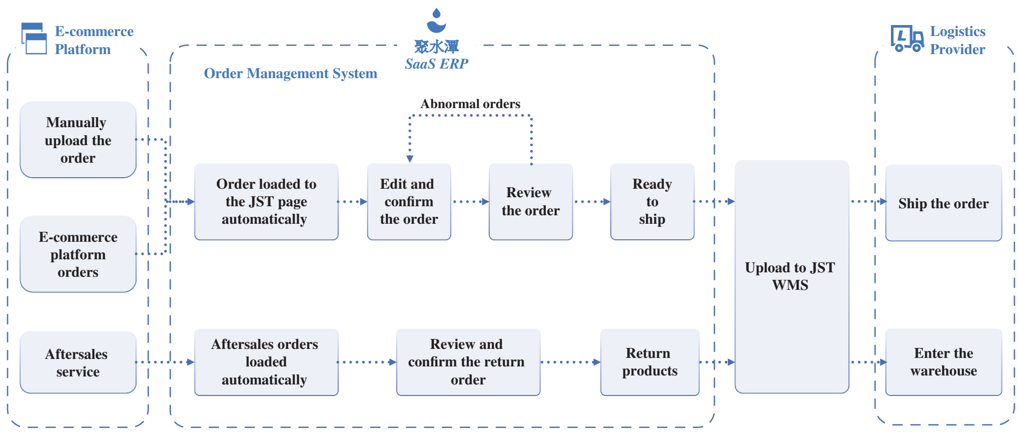
Order Management System





1	Order Operation	2	Order Delivery	3	Order Information
4	After-sales Operation	5	Order Filter	6	Order Dashboard

The following flow chart illustrates how OMS can be used by merchants:



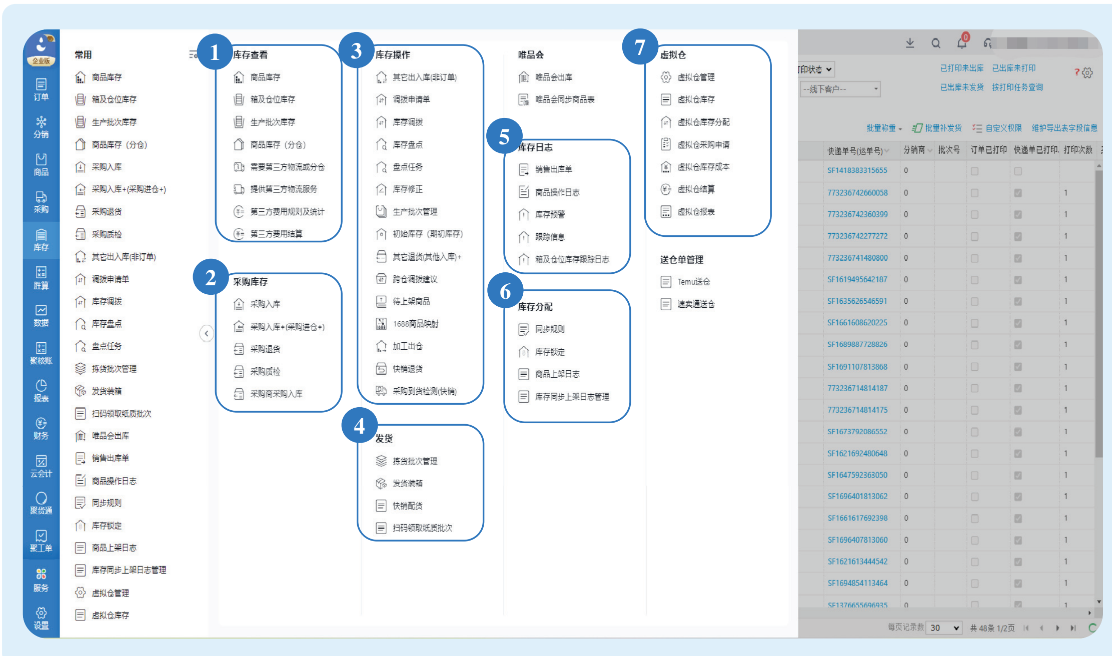
- *Warehousing Management System ("WMS").* WMS visualizes the warehousing management process by providing real-time stock and logistics information. According to CIC, we are one of the earliest e-commerce SaaS ERP product providers to embed WMS features in ERP products.

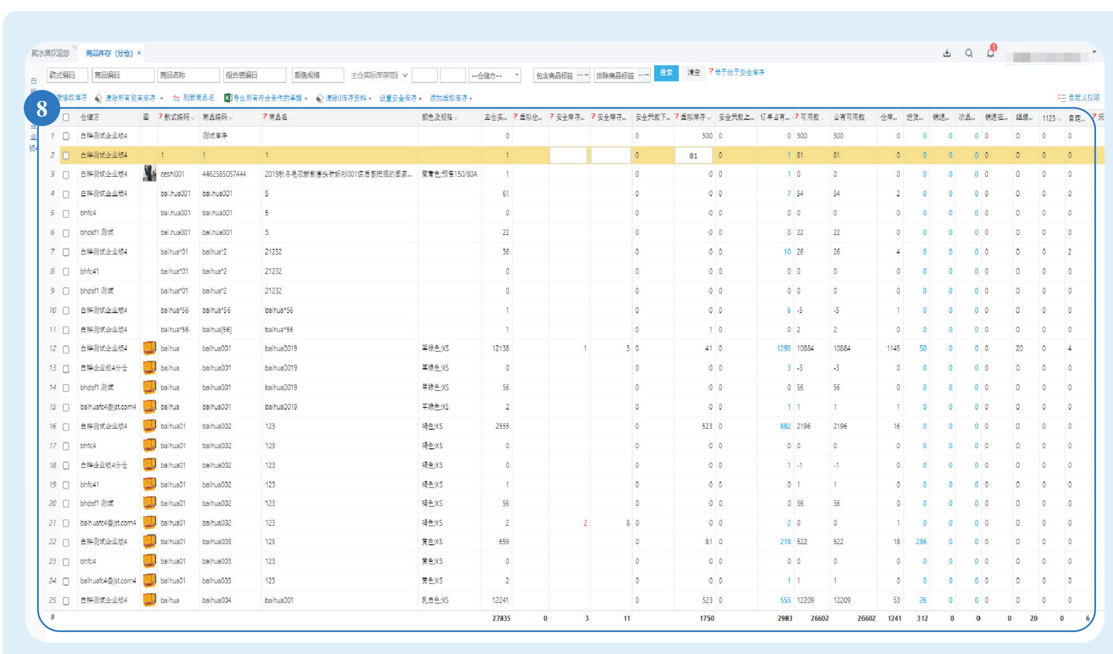
  Key function modules of WMS include inventory information, inventory procurement, inventory management, delivery, inventory log, inventory allocation, virtual warehouse and inventory statistics.

  Enabled by personal digital assistants ("PDAs") with our software pre-installed, merchants are able to digitalize the entire warehousing process from order picking, inspection, packing, sorting to shipping, and the information will be uploaded to the WMS. It automatically designs and optimizes the order-picking routing to enhance order processing efficiency. WMS processed orders from OMS and arranges for warehousing and shipment.

The following screenshots illustrate the interfaces and key functions of WMS:

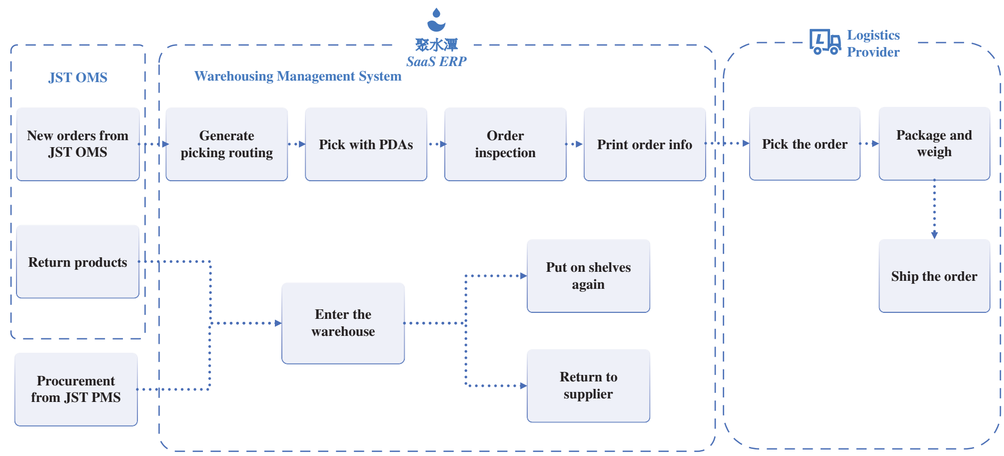
Warehousing Management System





1 Inventory Information
2 Inventory Procurement
3 Inventory Management
4 Delivery
5 Inventory Log
6 Inventory Allocation
7 Virtual Warehouse
8 Inventory Statistics

The following flow chart illustrates how WMS can be used by merchants:



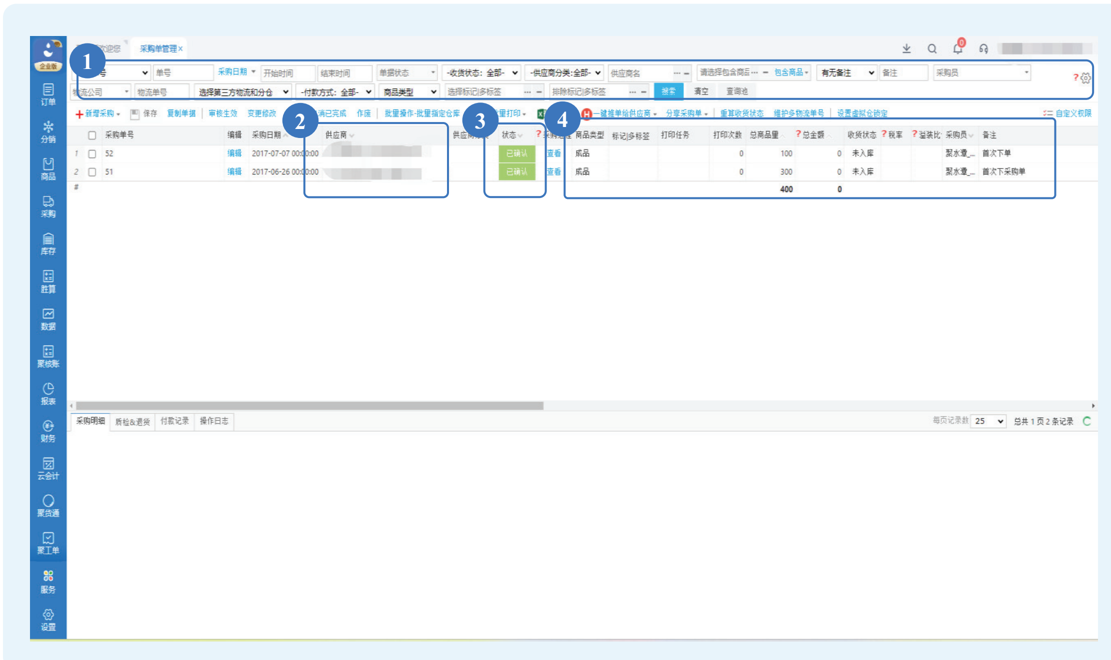
• *Procurement Management System ("PMS").* PMS helps merchants to optimize their procurement management by connecting manufacturers, suppliers and merchants in one system.

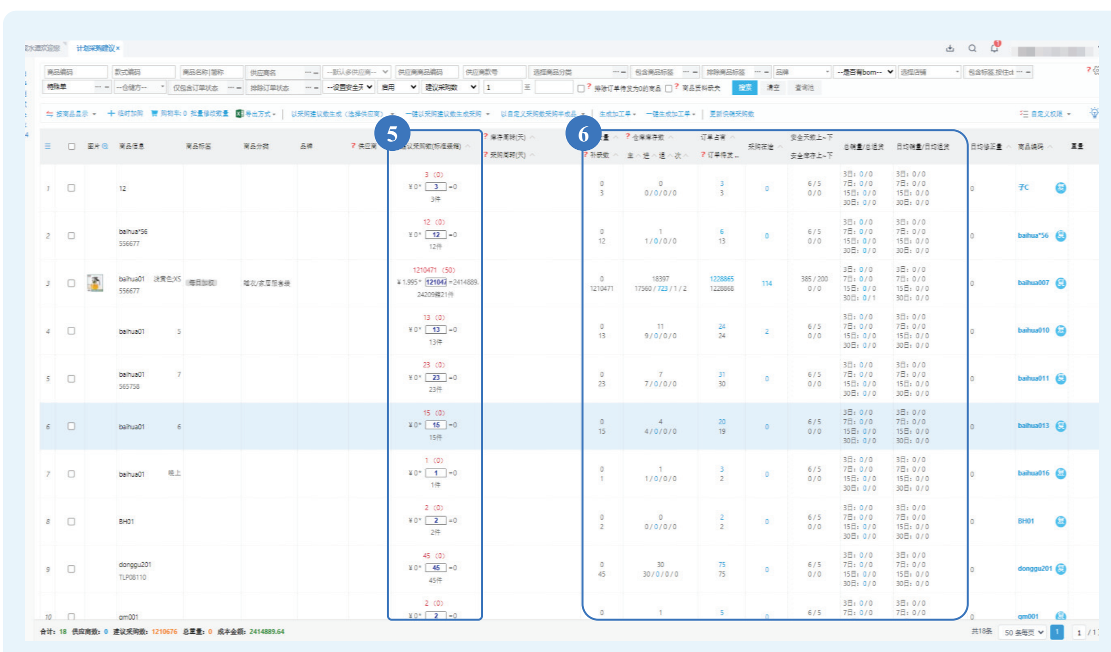
Key function modules of PMS include procurement filter, supplier information, procurement status, procurement details, procurement plan and procurement statistics.

PMS could identify historical procurement, sale and stock-level information, and automatically generates procurement plans advising both procurement timing and quantities. Merchants are able to place procurement orders with manufacturers and suppliers by simple clicks. PMS also enables real-time monitoring of goods in transportation, and records stock information upon receipt. For goods received and entered into warehouse, PMS will transmit relevant information to WMS for further processing.

The following screenshots illustrate the interfaces and key functions of PMS:

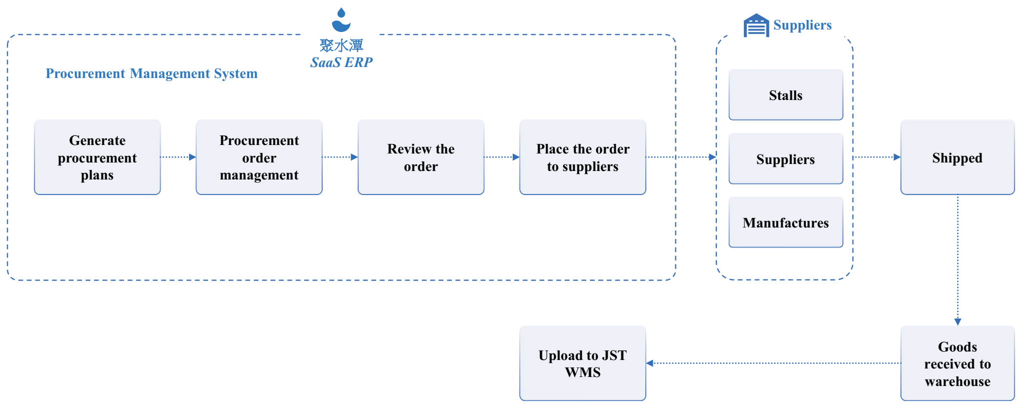
Procurement Management System





1 Procurement Filter	2 Supplier Information	3 Procurement Status
4 Procurement Details	5 Procurement Plan	6 Procurement Statistics

The following flow chart illustrates how PMS can be used by merchants:



- *Distribution Management System ("DMS").* For merchants with a distributorship model, DMS enables centralized management of orders from different channels – direct sales, online distribution and offline distribution.

  Key function modules of DMS include distributor (of the merchants) toolkits, supplier (the merchants) toolkits, distribution statistics, distributor (of the merchants) interface and supplier (the merchants) interface.

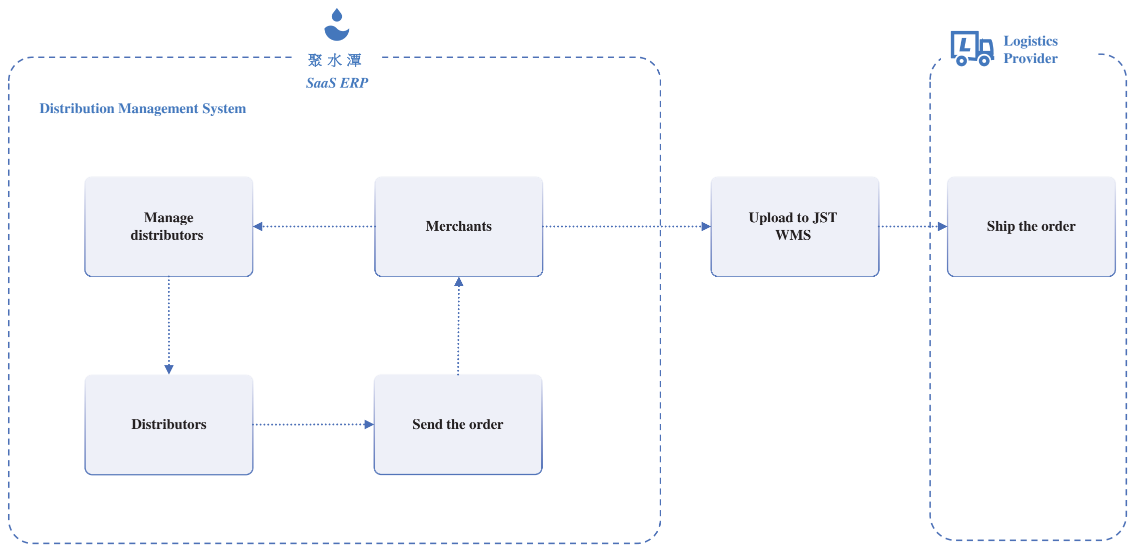
  Distributors can send orders by DMS to the merchants for handling. In addition, DMS enables merchants to monitor and manage the stock, order and sales information of their distributors. DMS also features distributor management functions, such as pricing control and account reconciliation.

The following screenshots illustrate the interfaces and key functions of DMS:

Distribution Management System

1 Distributor Toolkits
2 Supplier Toolkits
3 Distribution Statistics
4 Distributor Interface
5 Supplier Interface

The following flow chart illustrates how DMS can be used by merchants:



The key features of our e-commerce SaaS ERP products digitalize the online sale process for merchants, from upstream procurement to downstream sales, thereby enhancing their operation efficiencies. For example, for upstream procurement, merchants use PMS to monitor stock information, generate procurement plans and place orders. For downstream sales, orders placed in different shops on e-commerce platforms are integrated by OMS for easy review and management. Relevant order information is transmitted to WMS for picking, inspection, packing, sorting and shipping. For merchants with a distributorship model, DMS enables centralized management of orders from different channels – direct sales, online distribution and offline distribution.

Relationship with E-commerce Platforms

Our relationship with e-commerce platforms is important for us to serve the needs of merchants associated with their fulfillment of e-commerce orders across major platforms. As of December 31, 2022, 2023, 2024 and June 30, 2025, our e-commerce SaaS ERP products connected with 381, 403, 426 and 433 e-commerce platforms in China and across the world. For the years ended December 31, 2022, 2023, 2024 and June 30, 2025, orders processed on our top three e-commerce platforms in each year during the Track Record Period accounted for 83%, 83%, 84% and 84% of total orders on our ERP products, respectively. All of these major e-commerce platforms are leading e-commerce platforms based in China with nationwide coverage and global businesses. We had over five years' of business relationship with these e-commerce platforms, and we have not experienced any termination of relationships with e-commerce platforms that would have a material adverse effect on our business, financial condition and results of operations.

Salient terms of our agreements with e-commerce platforms include:

- Scope of collaboration: our products are available on the application marketplace operated by certain e-commerce platforms and can be accessed by merchants on such platforms. In each year during the Track Record Period, our ERP products are offered on application marketplaces operated by 10 e-commerce platforms. For the vast non-major e-commerce platforms, they typically do not have application marketplace and merchants can directly establish connectivity. We are responsible for the stability and quality of our products, and e-commerce platforms provide technical support regarding the connectivity of our products with merchants' online stores.

- Technology support fee: when merchants purchase our products on the application marketplace operated by e-commerce platforms, the e-commerce platforms may charge technology support fee based on the payments they received from merchants. The technology support fees are determined by the e-commerce platforms, rather than us. Other than technology support fee, we are not required to make other payments to e-commerce platforms to establish connectivity. One major e-commerce platform operates its application marketplace but does not deduct technology support fees, and the vast non-major e-commerce platforms do not operate application marketplace and do not deduct technology support fees.

- Term: Our contracts with e-commerce platforms typically have a term of one year.

- Ownership: We retain all intellectual property rights with respect to our SaaS products.

Our process of establishing connectivity with e-commerce platforms with application marketplace consists of the following five steps.

- Step 1: We enter into sales contracts with merchants for our e-commerce ERP products, which state the online stores of such merchants that they want to connect with our ERP products and the fees for our products.

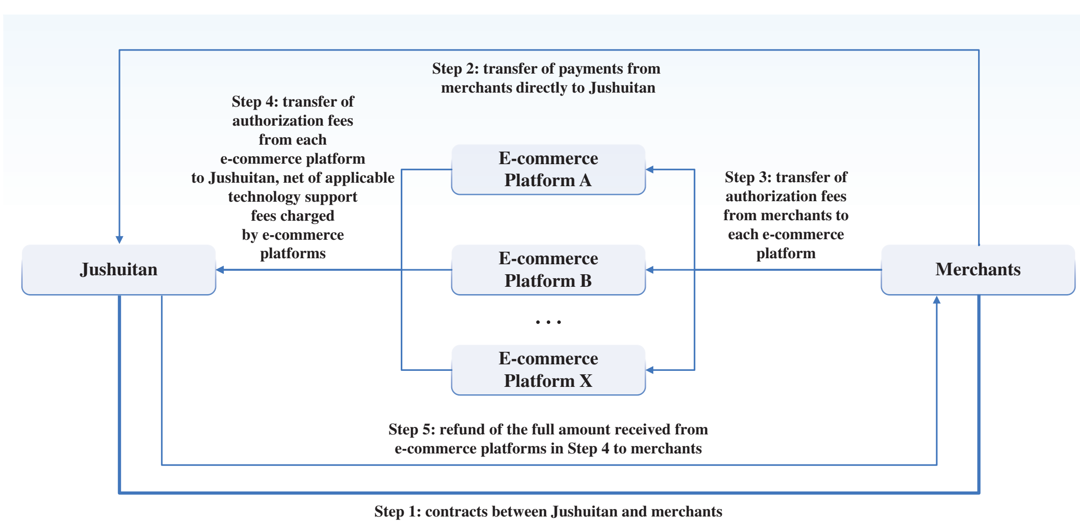
- Step 2: Pursuant to contracts between us and merchants, they shall pay the fees for our products directly to us. The prices are determined by us based on a number of factors including the functionalities of our products, customers' usages, market condition, and our sales and marketing strategies, among others.

- Step 3: While our customers typically enter into contracts with us in privity, in most cases, they also need to pay authorization fees to e-commerce platforms to grant each of their online store access to our products. For online stores on each e-commerce platform, merchants purchase our ERP products on the application marketplace operated by the platform to establish connectivity of such online stores to our ERP products, and pay authorization fees to the e-commerce platforms. The "marked price" for our products on the e-commerce platforms is referred to as "authorization fees", and such authorization fees do not represent, and are in addition to, the fees paid by merchants for our products pursuant to the sales contracts described in Step 1, which shall cover online stores by merchants on multiple e-commerce platforms. The price of such authorization fees on each e-commerce platform is determined by us, with reference to applicable minimum pricing requirements of the e-commerce platforms, market conditions and prices of comparable products on such application marketplace.

- Step 4: Pursuant to contracts between us and e-commerce platforms, the e-commerce platforms will transfer authorization fees they received from merchants to us, after deducting applicable technology support fees charged by e-commerce platforms. As we do not recognize revenue on the authorization fees received from e-commerce platforms, such fees are not subject to VAT.

- Step 5: We refund the full amount received from e-commerce platforms as described in Step 4, to the merchants upon application for refund that have met relevant criteria, including (i) the merchants have entered into sales contracts as described in Step 1, (ii) we have received payments from merchants for our products as described in Step 2, (iii) the merchants have paid such authorization fees on e-commerce platforms as described in Step 3, and (iv) such authorization fees have not been refunded to the merchants. During the Track Record Period, we did not have any authorization fees not refunded due to customers' failure to fulfill the criteria.

The following chart illustrates the process of establishing connectivity with e-commerce platforms with application marketplace and the relevant fund flow:



According to CIC, such arrangement is consistent with the industry norm in China's e-commerce SaaS ERP market, considering that (i) merchants often operate online stores on multiple e-commerce platforms, (ii) merchants demand for ERP products to provide centralized management of all online stores, and therefore they typically enter into a sales contract with ERP product providers covering all such online stores, and (iii) merchants need to establish connectivity of ERP products with online stores on each e-commerce platforms separately, and therefore they need to purchase ERP products on the application marketplace operated by each e-commerce platform, as applicable, to establish connectivity of such online stores to ERP products, and pay authorization fees to the e-commerce platforms.

The marked price (i.e. authorization fee) is determined by us with reference to applicable minimum pricing requirements of the e-commerce platforms, market conditions and prices of comparable products on such application marketplace.

Besides one major e-commerce platform which does not deduct technology support fees from authorization fees paid by merchants, many major e-commerce platforms charge technology support fee based on the marked price of ERP products offered on their application marketplaces. The technology support fees are determined by the e-commerce platform, not us, and are deducted from the authorization fees paid by merchants. Specifically:

- for major e-commerce platforms that charge technology support fee, they typically also have minimum pricing requirements for ERP products. For example, the minimum price for ERP products on one major e-commerce platform is RMB1,000 per year per store, and the minimum price for ERP products on another major e-commerce platform is RMB2,000 per year per store. To comply with relevant pricing requirements of the e-commerce platforms and minimize the technology support fees to be borne by merchants, we set the marked price of our ERP products on such e-commerce platforms as the respective minimum prices. According to CIC, the marked prices of ERP products offered by industry peers are typically also set as the respective minimum prices as required on such e-commerce platforms.

- for one major e-commerce platform that does not deduct technology support fees from authorization fees, the marked prices of our ERP products are set as RMB5,888 per year per store, which is consistent with the actual purchase prices of our entry-level products. We believe this consistency could help merchants have a clearer understanding of our price positioning and does not create additional burden on merchants as such e-commerce platform does not charge technology support fees. According to CIC, the marked prices of ERP products offered by industry peers on such e-commerce platform are typically also set as the same level to their respective actual purchase price.

For the vast non-major e-commerce platforms, as they typically do not have application marketplace and merchants can directly establish connectivity, merchants do not need to pay authorization fees for our ERP products. According to CIC, ERP products offered by industry peers typically do not charge authorization fees on such e-commerce platforms.

As merchants need to pay applicable authorization fees for all online stores for multiple stores on multiple e-commerce platforms that they want to establish connectivity with our ERP products through the e-commerce platforms' application marketplace, the aggregate authorization fees paid by each merchant for multiple stores on multiple e-commerce platforms may be higher than the actual purchase price prescribed in the agreements between us and the merchant.

Pursuant to our agreements with merchants, parties explicitly agreed that the fees to establish connection with e-commerce platforms shall be processed based on relevant requirements on each e-commerce platform. Only authorization fees are determined by us with reference to minimum price requirements of relevant e-commerce platforms, and the technology support fees and rates are charged and determined by the e-commerce platforms, rather by us. According to CIC, the minimum pricing requirements and technology support fees on each e-commerce platform are applicable to all ERP providers on such e-commerce platform.

The authorization fees we received from e-commerce platforms, after deducting applicable technology support fees by the e-commerce platforms, shall be refunded to merchants within 30 business days upon applications that have met relevant criteria. Before entering into agreements with merchants, our sales personnel will explain to merchants to ensure that they are aware of the relevant arrangement to establish connectivity. In addition, the agreements do not have any restrictions on the use of such authorization fees payable to merchants, and we give merchants sufficient time to review the agreements before signing. Historically, we do not have a designated separate bank account for the authorization fees payable to merchants. To enhance our management of the authorization fees, we have established a designated separate bank account for such authorization fees and have established an internal control policy prohibiting the use of authorization fees to fund our daily operation or purchase wealth management products.

As advised by our PRC Legal Advisor, the Relevant Arrangement is in compliance with applicable PRC laws and regulations in all material respects, considering that (i) the primary purpose of the Relevant Arrangement is to establish connectivity of our ERP products with merchants' online stores on each e-commerce platform; (ii) merchants purchase and pay authorization fees of our SaaS ERP products on the application marketplace, our receipt of merchants' authorization fees from e-commerce platforms (after deducting applicable technology support fees by the e-commerce platforms) is processed based on relevant requirements on each e-commerce platform, our refund of such amount to merchants is performed according to our agreements with merchants; and (iii) such Relevant Arrangement is based on the actual commercial needs and true expressions of intention of us and the merchants.

In each year/period during the Track Record Period, our ERP products are offered on application marketplaces operated by 10 e-commerce platforms, and the marked prices for our ERP products typically range from RMB1,000 to RMB5,888. In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, the average time the authorization fees payable to merchants withheld by us was approximately 23 days, 20 days, 19 days, 19 days and 5 days, respectively. In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, the authorization fees received by us from e-commerce platforms, after deducting applicable technology support fees charged by e-commerce platforms, amounted to RMB1,046.1 million, RMB1,397.0 million, RMB1,807.5 million, RMB894.7 million and RMB1,086.5 million, respectively, and the authorization fees refunded to merchants by us amounted to RMB900.6 million, RMB1,256.5 million, RMB1,725.4 million, RMB869.6 million and RMB1,024.3 million, respectively. During the Track Record Period, we did not forfeit any authorization fees. As of December 31, 2022, 2023, 2024 and June 30, 2025, we recorded authorization fees to be refunded amounted to RMB195.0 million, RMB335.5 million, RMB417.6 million and RMB479.8 million, respectively.

We have sufficient working capital and do not rely on the authorization fees payable to merchants to fund our operations. To ensure timely settlement of the authorization fees payable to merchants, we have designated finance manager to regularly inspect the status and aging of the relevant funds to be refunded. Such funds are recorded as other payables until the merchants meet the prescribed criteria for refund. If merchants failed to meet the prescribed criteria for refund of the authorization fees, the relevant funds shall remain as other payables pending, and we will proactively guide and assist relevant merchants to meet such criteria.

Comparison with ERP Products Offered by E-commerce Platforms

Certain major e-commerce platforms or their related companies also offer ERP products to merchants. However, ERP products offered by e-commerce platforms are more complementary to than competitive with ERP products offered by third-party providers, including us. On the one hand, ERP products offered by e-commerce platforms typically only provide functionalities such as order management, and lack other functionalities such as warehousing management, among others. On the other hand, the use of such ERP is usually limited to the e-commerce platform that provides the ERP itself. Given that the management of online stores is increasingly complicated and that more than half of Chinese e-commerce merchants are operating on multiple platforms, the vast e-commerce merchants need ERP products that enable multi-platform store management. Furthermore, the adoption of qualified and easy-to-use third-party ERP products would improve merchants' operating results, which is in turn beneficial to the e-commerce platforms. As a result, e-commerce platforms typically would not restrict connection with third-party ERP products in favor of their own products. For details, please refer to "Risk Factors—If we fail to maintain our relationships with e-commerce platforms or adapt ourselves to emerging e-commerce platforms, or if e-commerce platforms otherwise curtail or inhibit our ability to integrate or operate our products with their platforms, our business and prospects may be materially and adversely affected."

E-commerce Operation SaaS Products

With ERP at the core, we have further expanded our offerings to include other e-commerce operation SaaS products. Customers of our e-commerce SaaS ERP products may also purchase other products based on their own needs. Our offerings is able to serve various needs of e-commerce participants, helping them improve their operation efficiencies and succeed in the digital era.

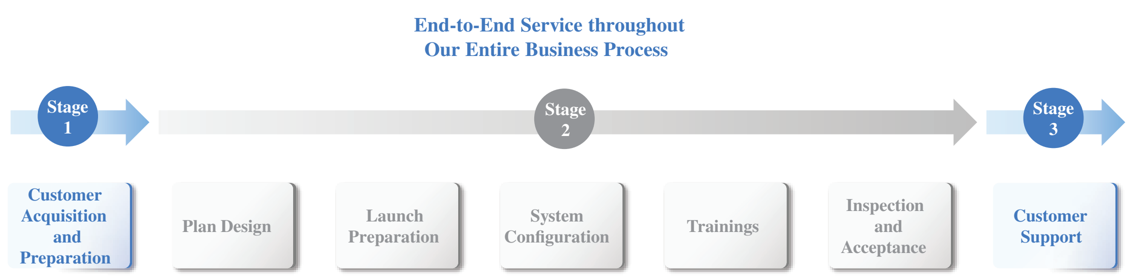
- *Jushengsuan* is a management reporting and analytics tool for merchants to better understand, analyze and plan for their operations. Typically, customers of Jushengsuan are also customers of *Jushuitan ERP*. Jushengsuan provides merchants with timely financial statements, allowing merchants to accurately and efficiently track their financial performance. It automatically prepares daily, weekly, monthly, quarterly and annual financial statements for merchants, which cover various types of costs and expenses in e-commerce businesses. Furthermore, it helps merchants analyze their financial results for each e-commerce store, SKU, live-streamer, sales event, etc. For example, Jushengsuan records the revenue and profit of each item of merchandise, identifies the major cost and expense items, analyzes the efficacy of promotional events, and generates suggestions for profitability improvement. We have experienced rapid growth in Jushengsuan since its launch. For the years ended December 31, 2022, 2023, 2024 and the six months ended June 30, 2025, we had 3.6 thousand, 4.2 thousand, 5.0 thousand and 5.0 thousand customers of Jushengsuan, respectively.

- *Others.* We also offer other e-commerce operation tools in terms of financial accounting, workflow management and wholesale market procurement, among others.

In 2022, 2023, 2024 and the six months ended June 30, 2025, we had 5.3 thousand, 7.7 thousand, 9.5 thousand and 9.4 thousand customers for our e-commerce operation SaaS products, respectively. Substantially all of such customers were also customers of our e-commerce SaaS ERP products.

Business Process and End-to-End Service

More than just providing SaaS products to customers, we are committed to further creating value for merchants through our value-added services. We have always adhered to the service philosophy of "customer first" and have built a customer service network of over 2,000 experienced experts with both extensive and in-depth service outreach. We regard our customer service network as a valuable and indispensable asset that contributed to our business success. Our services cover start from sales and customer acquisition, and extend to sales, implementation and after-sales support stages, creating value for customers throughout their use of our products. We provide end-to-end service throughout our entire business process, which is illustrated in the following diagram:



- *Customer acquisition and preparation.* We generate customer leads through both offline and online channels. Offline channels primarily consist of word-of-mouth referrals from existing customers, offline industry events and conferences, offline billboard advertisements, and direct promotions by our sales personnel. As of June 30, 2025, our sales and customer support team consisted of 1,257 people to cover e-commerce merchants. If we do not operate a branch at a merchant's location, we will send over a team on-site if necessary. Online channels mainly include advertisements on search engines, mobile applications and e-commerce platforms. We adapt our sales and marketing strategies to directly respond to customers' business needs and focus on driving customer experience. Our sales team are knowledgeable about both products and pain points faced by e-commerce merchants. At initiation stage, we proactively communicate with merchants to understand their business needs, and recommend suitable products for them. Our sales team also provide inquiry and consultation services to merchants.

- *Implementation.* Once merchants decide to use our products, we send a team on-site to help implement and configure the products. As of June 30, 2025, our implementation team consisted of 841 people to cover e-commerce merchants. If we do not operate a branch at a merchant's location, we will send over a team on-site from a nearby branch to ensure smooth and efficient implementation process. Our implementation services primarily include (i) plan design, (ii) launch preparation, (iii) system configuration, (iv) trainings, and (v) inspection and acceptance. Depending on the size and nature of customers' business and the products they purchased, the entire implementation process typically ranges from three days to one month.

  ◦ Our implementation services start with plan design. Based on their business nature, operation model and future development plans, we analyze merchants' business operating procedures and help design the implementation plan by advising merchants on storage and warehousing planning, standard operating procedures designing, hardware equipment required, and implementation timetable, among others. We recommend the suitable products, determine the compatibility of the products, present and explain the functions of our products and answer to any questions from merchants.

  ◦ Once a plan is determined, we establish a project team assigned to the merchants and to further discuss with the merchants about their demands, formulate detailed plans and timetable, establish project communication mechanism. Then the project team will work on-site to help merchants organize and modify, if needed, their existing IT assets and infrastructure, storage and warehouse planning, e-commerce stores and standard operating procedures, so that their business operations are ready for digitalization on our SaaS products. During this process, we will further optimize the implementation plans and timetable based on on-site findings.

  ◦ After conducting all preparation work, we are ready to connect our SaaS products to merchants' existing systems. We help establish system testing environment and set system parameters. We assist merchants with configuration and testing of our products, ensuring effective integration with and smooth ongoing operation on customers' existing systems. Once the testing completed, we help design operating and business procedures and launch our products.

  ◦ We provide trainings to illustrate key features and functions of our products, helping merchants use our products in a more efficient manner. For existing customers of our products, we also provide ongoing trainings on new functions, change of business operation procedures, trouble shooting, etc..

  - ◦ Before acceptance, we carefully conduct final check on our products and generate an inspection report for merchants to review. We ensure the smooth operation of our products and the operating and business procedures. To help merchants better use of our products, we provide trainings for warehouse planning, system operation, business operation and security operation. We also help merchants analyze the benefits of using of products.

- *Customer support.* We help customers proactively monitor the ongoing operations of our ERP products after the initial implementation and provide dedicated customer support. We offer on-demand technical and operational consulting, systematic inspection, troubleshooting, and routine adjustments and upgrades. We also offer on-site support services and remote customer services to enhance customer satisfaction. The satisfaction of the existing customers with our customer support may lead to new customers acquisition via word-of-mouth referrals from the existing customers.

BUSINESS SUSTAINABILITY AND PATH TO PROFITABILITY

Industry Background

SaaS products typically require substantial initial investment in (i) product development and (ii) customer acquisition and retention to drive market acceptance. Specifically, SaaS service providers need to make significant upfront investment in product development and subsequent continued optimization and upgrade of products to meet customers' evolving needs. Meanwhile, SaaS service providers need to drive the market acceptance of these products through acquiring and retaining a vast and loyal customer base from which they can continue to generate recurring revenues.

For these reasons, it takes a longer time for SaaS service providers to achieve breakeven. According to CIC, it is common for SaaS companies around the world, including in the United States and China, to remain loss-making for approximately 15 years before becoming profitable.

China's e-commerce SaaS market has experienced significant growth in recent years, driven by merchants' increasingly complex and ever-changing needs in their daily operation and management. For details of the evolvement of e-commerce SaaS ERP in China, see "Industry Overview—E-commerce SaaS ERP Market in China—The Evolvement of E-commerce SaaS ERP in China." As we see the evolving industry landscape and market opportunities, we believe that the e-commerce SaaS industry still has significant runway for growth, both in terms of the numbers of merchants adopting e-commerce SaaS products and in terms of their usages of such products.

Our Historical Performance

We have achieved significant growth during the Track Record Period, which helps cement our long-term sustainable market leadership. Our total revenues increased by 33.3% from RMB523.1 million in 2022 to RMB697.2 million in 2023, and further increased by 30.5% to RMB909.8 million in 2024. Our total revenue subsequently increased by 24.4% from RMB421.0 million for the six months ended June 30, 2024 to RMB523.6 million during the same period in 2025. Meanwhile, we typically require prepayment from customers in full before we grant them access to use our SaaS products, and revenue from provision of SaaS services is recognized over the period in which the services are rendered, either over the contract term for revenue generated on an unlimited or maximum volume subscription model, or upon consumption for revenue generated on a limited volume model. As a result, we have recorded healthy billings and robust operating cash flows, illustrating our sustainable operations. In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, our total SaaS billings were RMB740.7 million, RMB1,047.5 million, RMB1,301.7 million, RMB599.0 million and RMB698.7 million, respectively. In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, our SaaS revenue recognition rates* were 27%, 29%, 30%, 18% and 19%, respectively, providing sustainable future revenue streams. Our net cash generated from operating activities increased from RMB78.7 million in 2022 to RMB210.4 million in 2023, and further to RMB279.3 million in 2024, and we recorded net operating cash inflows of RMB159.9 million for the six months ended June 30, 2025, improved from net operating cash inflows of RMB1.9 million for the same period in 2024, illustrating our improving profitability and operating efficiency.

Our revenue growth during the Track Record Period was primarily attributable to our continuous efforts to expand and retain our customers. The total number of our SaaS customers increased throughout the Track Record Period, being 45.7 thousand, 62.2 thousand, 88.4 thousand and 92.6 thousand as of December 31, 2022, 2023, 2024 and June 30, 2025, respectively. We have also been constantly innovating and improving our products to ensure that all of our customers have access to the latest technologies and features, cementing our strong brand reputation and market leadership.

Furthermore, a significant portion of our cost of revenue consists of implementation service costs primarily associated with new customers. Therefore, driven by our efforts in retaining customers and increasing their spendings, revenue recognized from existing customers is expected to constitute a greater proportion of our revenue, thereby improving our profitability. In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, our revenue generated from existing customers accounted for 81.9%, 83.0%, 84.0%, 92.7% and 93.1% of our total SaaS revenues, respectively. In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, our gross profit margin for new customers was 24.2%, 38.0%, 49.0%, 32.9% and 43.8%, respectively, and our gross profit margin for existing customers was 59.7%, 68.6%, 73.9%, 68.8% and 74.5%, respectively. We also aim to enhance the efficiency of our implementation services, in particular, through providing customer assistance remotely and promoting internal knowledge sharing to boost our implementation efficiency. As a result, we recorded increasing gross profit margins during the Track Record Period, being 52.3% in 2022, 62.3% in 2023, 68.5% in 2024, 66.4% in the six months ended June 30, 2024 and 71.8% during the same period in 2025.

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* SaaS revenue recognition rate refers to SaaS revenue recognized for each period divided by accumulated SaaS billings for the same period. See "Financial Information—Key Operating Metrics."

In 2022 and 2023, we recorded net loss amounting to RMB507.1 million and RMB490.0 million, respectively, and our adjusted net loss (non-IFRS measure) amounted to RMB379.4 million, RMB205.7 million in the same periods, respectively. In 2024 and the six months ended June 30, 2025, we recorded net profit of RMB10.6 million and net loss of RMB39.5 million, respectively, and adjusted net profit (non-IFRS measure) of RMB49.0 million and RMB47.0 million, respectively. Our loss position narrowed in 2023 and we achieved net profit and adjusted net profit in 2024. Our net profit in 2024 was also attributable to the tax credit of RMB90.2 million recorded in 2024, primarily due to the recognition of previously unrecognized tax losses. In addition, despite our rapid revenue growth, we recorded narrowing operating loss during the Track Record Period, being RMB369.7 million in 2022, RMB239.4 million in 2023, RMB62.1 million in 2024, RMB48.0 million in the six months ended June 30, 2024, respectively, and we recorded operating income of RMB27.1 million during the same period in 2025, illustrating our improving profitability.

In 2024, we maintained strong growth momentum and our revenue increased by 30.5% as compared to 2023, primarily attributable to the increase of our SaaS revenue by 31.0%, driven by the expansion of our customer base and our successful customer retention. Moreover, as a result of (i) increasing revenue generated from recurring customers, which typically require less implementation costs compared to new customers, and (ii) the improvement of our operating efficiency, evidenced by a decrease of selling and marketing expenses, general and administrative expenses and research and development expenses in terms of percentage to revenue, we achieved net profit and adjusted net profit (a non-IFRS measure) in 2024. Specifically, in 2023 and 2024, our gross profit margin increased from 62.3% to 68.5%, and our operating loss margin narrowed from 34.3% to 6.8%. Furthermore, our net loss margin and adjusted net loss margin (non-IFRS measure) were 70.3% and 29.5% in 2023, while our net profit margin and adjusted net profit margin (non-IFRS measure) were 1.2% and 5.4% in 2024.

In addition, during the Track Record Period we incurred the significant amount of (i) finance costs, which mainly consist of interest expense on financial liabilities to investors, and (ii) loss on convertible redeemable preferred shares, both of which will be terminated upon the Global Offering. In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, we incurred finance income/(cost)—net of RMB(102.2) million, RMB(6.9) million, RMB5.4 million, RMB4.8 million and RMB4.5 million, respectively. In 2023, 2024 and the six months ended June 30, 2024 and 2025, we incurred loss on convertible redeemable preferred shares amounted to RMB225.4 million, RMB18.5 million, RMB14.3 million and RMB72.5 million, respectively.

Moreover, we recorded accumulated loss of RMB1,586.0 million, RMB2,072.6 million, RMB2,060.4 million and RMB2,101.6 million as of December 31, 2022, 2023, 2024 and June 30, 2025, respectively. Our accumulated loss as of these dates were attributable primarily to our loss incurred in the past. The increase in our accumulated loss from 2022 to 2023 was because we were still at a loss-making position. In 2024 and the six months ended June 30, 2025, as we turned profit-making, our accumulated loss decreased accordingly. As a result of the accumulated loss, and the accounting treatment of the financial liabilities to investors and convertible redeemable preferred shares as liabilities during the Track Record Period, we were in a negative equity position during the Track Record Period. Considering our sufficient working capital and healthy operating cash flow, we have not sought new equity financings since our Series C financing in 2020. We expect to achieve a positive equity position upon completion of the Global Offering, after which convertible redeemable preferred shares will be redesignated from financial liabilities to equity, and taking into consideration the net proceeds from the Global Offering.

Our Path to Profitability

We recorded operating income and adjusted net profit in the first half of 2025. Going forward, we plan to enhance our long-term profitability primarily by further (i) expanding our customer base, (ii) retaining our customers and increasing their spending, and (iii) managing expenses and enhancing operational efficiency. As our business grows and with our enhanced brand recognition, we expect to achieve economies of scale and network effect, which would enable us to acquire new customers more cost-efficiently. Specifically, as a result of our efforts in retaining customers and increasing their spendings, revenue recognized from existing customers is expected to constitute a greater proportion of our revenue, while the cost of implementation services associated with existing customers is significantly lower than new customers, thereby driving sustainable profitability. We will also enhance our operating efficiency and manage our expenses more efficiently, which will further improve our profitability.

Expand Our Customer Base

We successfully grew our customer base during the Track Record Period. The total number of our SaaS customers increased throughout the Track Record Period, being 45.7 thousand, 62.2 thousand, 88.4 thousand and 92.6 thousand as of December 31, 2022, 2023, 2024 and June 30, 2025, respectively. We intend to continue to expand our customer base to drive continued revenue growth and achieve long-term profitability. During the Track Record Period, we tapped into all major verticals of e-commerce merchants such as apparel, shoes and bags, home products, food and beverages, sports and entertainment, along with others. We are closely monitoring the development in the e-commerce industry. We will leverage our leadership and awareness in the e-commerce industry to reach more types of e-commerce merchants across China in emerging verticals with the continuous development in the e-commerce industry. We plan to expand our customer base in a sustainable manner and to enhance our profitability. As our products can be readily used by all e-commerce merchants, we do not make significant modifications tailored to e-commerce merchants in different verticals. Therefore, we do not expect to incur significant additional costs to acquire more e-commerce merchants in different verticals. Moreover, expanding customer base helps us further enhance our brand and market recognition, enabling us to acquire customers more cost-effectively. More specifically:

- *Enhance sales and marketing capabilities*. We have been focusing on expanding sustainably and acquiring new customers effectively through the combination of our sales and marketing efforts and word-of-mouth referrals from customers. Looking ahead, we plan to enhance our sales capabilities with regular training. We intend to enhance further our marketing capabilities through solidifying our brand and market recognition. On the one hand, we plan to retain our strong sales and marketing personnel and optimize their skills by providing on-the-job trainings. On the other hand, we will further promote our product offerings and brand awareness by actively organizing industry events and collaborating with media partners.

- *Capture the market growth leveraging our competitive strengths*. According to CIC, there were 27 million active e-commerce merchants in China in 2024, and the penetration rate of e-commerce SaaS ERP among these merchants was at a relatively low level of 1.6% in 2024 and is expected to grow steadily. The size of the e-commerce SaaS market in China is expected to further grow at a CAGR of 17.6% to RMB29.0 billion in 2029, according to CIC. We are China's largest e-commerce SaaS ERP provider in terms of relevant revenue in 2024, with a market share of 24.4%, exceeding the combined market share of the second through the fifth largest players, according to CIC. Our historical success was mainly attributable to our competitive strengths, including (i) our leading and pioneering position which manes us the solution of choice among merchants, (ii) our strong technology and R&D capacity which enables us to adapt to the evolving needs of customers, (iii) our well-established nationwide customer service network, which enables us to establish our worth and value, leading to long-term customer relationships, and (iv) our management team dedicated to long-term value, which laid the cornerstone to our corporate values that foster innovation, teamwork, long-term commitment for our customers and ambition for launching products with the latest technologies. For details, see "—Our Strengths." Specifically, we successfully processed approximately 1.6 billion orders during the Double 11 Festival in 2024, an industry-leading record and powerful testament to the robustness of our technology infrastructure, according to CIC. In addition, during the Track Record Period, we have maintained an average response time of less than 50 milliseconds and an uptime of more than 99.5%, as compared to an industry average of over 100 milliseconds and uptime of 99.0%, according to CIC. Furthermore, as a result of our strong technology capabilities, our Jushuitan ERP is one of the fastest iterating e-commerce SaaS ERP products in China in terms of the number of iterations, according to CIC. Moreover, in addition to e-commerce SaaS ERP products, we also offer a variety of other operational SaaS products, making us better positioned to serve merchants' comprehensive business needs as compared to competitors that only offer e-commerce SaaS ERP products. We believe that these competitive strengths will continue to differentiate us from our competitors, and therefore we are well-positioned to increase the penetration of our e-commerce SaaS products among the diverse base of e-commerce merchants to capture the significant market growth potentials.

- *Further optimize our products*. Leveraging our scalable architecture and rich development toolkits, we have modularized the functionalities of our products. We will continue to optimize our products, and the standardized nature of our solutions also makes it easier for us to efficiently expand and acquire more merchants. We will also continue to closely communicate with our customers to identify their evolving business needs and application scenarios, and to improve our existing products or develop new products accordingly. For example, to capitalize on the increasing popularity of live-streaming e-commerce, we have upgraded our SaaS ERP products and developed new modules specifically to help live-streaming e-commerce merchants analyze their business performance. Going forward, we will continue to optimize our products to keep up with the latest market and technology trends, thereby maintaining our competitive edges. Through relentless innovation, we seek to further optimize our products, thereby increasing the attractiveness to our customers, improving customer experience and driving our long-term business growth.

We expect our expanded customer base will lead to increasing economies of scale, which in turn helps to improve our overall profitability.

Retain Our Customers and Increase Their Spending

We derive our revenue primarily from our SaaS products, and we have a proven track record of retaining our customers and increasing their spending. Our net dollar retention rate has been growing steadily. In 2022, 2023 and 2024, our net dollar retention rate was 105%, 114% and 115%, respectively. A net dollar retention rate above 100% reflects that we have generated increased revenue from customers in the previous year and retained in a given year. Our recurring revenue streams allow us to grow along with the success of our customers and gain visibility into our future operating results. Our total revenue reached RMB909.8 million in 2024, representing a CAGR of 31.9% from 2022 to 2024, and increased by 24.4% from RMB421.0 million in the six months ended June 30, 2024 to RMB523.6 million during the same period in 2025.

Going forward, we seek to continue to retain our customers and increase their spending. More specifically:

- *Focus on customer success and satisfaction.* We strive to provide e-commerce SaaS products that help customers to navigate among the intensified challenges and to expand. We aim to strengthen the relationship with our existing customers and enhance stickiness through enhanced customer services, which include sales, implementation and ongoing customer support services. We will focus on increasing the timeliness and efficiency of addressing customer requests with both online and offline support, with the goal of improving customer experience and driving overall customer satisfaction. In this regard, we will provide more trainings to our existing personnel and also expand our customer service network.

- *Strengthen cross-selling and up-selling efforts.* Our customer service network enables us to cross-sell additional products and services to our customers. We continued to experiment with new ways of launching more products and pioneering the fee model of customer prepayment and charging based on the actual usage, which enables us in seizing numerous monetization and cross-selling opportunities. As of June 30, 2025, we have launched four e-commerce operation SaaS products beyond ERP. In 2022, 2023, 2024 and the six months ended June 30, 2025, our customers that purchased two or more of *Jushuitan* products contributed 30.6%, 33.0%, 37.7% and 39.3% of our total SaaS revenue for the same years/periods. For up-selling, as our customers expand their scales and business operations with the support of our ERP products, we can provide them with more advanced versions of our products (e.g., switching from the professional version to the enterprise version for our SaaS ERP), which offer enhanced modules with more premium pricing.

As a result of our efforts in retaining customers and increasing their spendings, we expect revenue from existing customers to account for an increasing proportion of our total revenues, while the cost of implementation services associated with existing customers is significantly lower than new customers, thereby improving our profitability.

Manage Costs and Improve Operational Efficiency

As we continue to grow in scale, we aim to improve operating leverage primarily through reducing cost of sales and operating expenses. See "Financial Information—Key Factors Affecting Our Results of Operations" for a description of the key components of our cost of revenue and operating expenses.

More specifically:

- *Improve gross profit margin.* Our revenues generated from e-commerce SaaS solutions are recognized over time on a ratable basis over the contract term, while a significant portion of our cost of revenue consists of the implementation service costs primarily associated with new customers. The revenue recognized from the contracts of existing customers is expected to constitute a greater proportion of our revenue, while the cost of implementation services associated with existing customers is significantly lower than new customers, thereby driving sustainable profitability. Implementation services for existing customers require less work than those for new customers, and therefore we offer higher incentive payments to implementation personnel on orders from new customers. We offer incentive payments to implementation personnel to improve the service quality and performance of our employees, thereby improving customer satisfaction and implementation efficiency. The incentive is calculated based on billings. In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, our revenue generated from new customers accounted for 18.1%, 17.0%, 16.0%, 7.3% and 6.9% of our total SaaS revenues, respectively. In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, our revenue generated from existing customers accounted for 81.9%, 83.0%, 84.0%, 92.7% and 93.1% of our total SaaS revenues, respectively. In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, our gross profit margin for new customers was 24.2%, 38.0%, 49.0%, 32.9% and 43.8%, respectively, and our gross profit margin for existing customers was 59.7%, 68.6%, 73.9%, 68.8% and 74.5%, respectively. As a result, we recorded increasing gross profit margins during the Track Record Period, being 52.3% in 2022, 62.3% in 2023, 68.5% in 2024, 66.4% in the six months ended June 30, 2024 and 71.8% in the six months ended June 30, 2025. As our business scales up with more existing customers accounting for an increasing portion of our total revenues, we expect our overall gross profit margin to increase in the future. In addition, we also aim to enhance the efficiency of our implementation services through providing customer assistance remotely. We also intend to promote internal knowledge sharing among our implementation engineers to boost our implementation efficiency. In addition, to further improve our gross profit margin, we intend to optimize our implementation team by delayering the organizational structure. We plan to reduce the levels of hierarchy, thereby enhancing the productivity and efficiency of our implementation personnel. We believe such efforts will improve the service capabilities and efficiency of our implementation personnel without incurring significant additional costs. As of the Latest Practicable Date, we have established a monthly knowledge sharing meeting mechanism and an internal knowledge sharing web page.

- *Improve sales and marketing efficiency.* Our selling and marketing expenses, which mainly consist of performance-based compensation to our sales personnel, formed a significant portion of our overall operating expenses. Compensation of our sales personnel includes both fixed salary and performance-based compensation, which is calculated based on their sales billings. For each type of product, the rate of performance-based compensation to sales personnel for billings from new customers is about 10% to 25% higher than that for billings from existing customers. We seek to continue to improve our sales and marketing efficiency by promoting cross-selling and up-selling opportunities, and enhancing our brand and market recognition. Given the value we create for our customers through our e-commerce SaaS offerings, we also plan to optimize our pricing strategy through cultivating our customers' mindsets and willingness to pay. In addition, our brand and market recognition also enable us to achieve better sales and marketing efficiency. We have achieved improved sales and marketing efficiency, as evidenced by the decrease in selling and marketing expenses as percentages of total revenues from 60.1% in 2022 to 49.3% in 2023, and to 40.7% in 2024, and from 40.5% in the six months ended June 30, 2024 to 36.1% during the same period in 2025. In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, our customer acquisition cost, which is calculated by dividing selling and marketing expenses with the number of acquired customers during the associated period, amounted to approximately

RMB18.5 thousand, RMB15.0 thousand, RMB10.2 thousand, RMB11.3 thousand and RMB8.2 thousand, respectively. Going forward, we believe that we will able to increase our billings without increasing the level of our sales and marketing expenses considering that (i) we expect existing customers to account for an increasing portion of our total revenues, while performance-based compensation to sales personnel for renewals from existing customers are lower than purchases from new customers, (ii) we expect to benefit from cross-selling and up-selling opportunities, and our enhanced brand and market recognition, enabling us to acquire customers more cost-effectively.

- *Improve operational efficiency.* Our other major cost components include research and development expenses and general and administrative expenses. In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, we incurred research and development expenses of RMB234.3 million, RMB233.9 million, RMB239.8 million, RMB112.1 million and RMB115.4 million, respectively, representing approximately 44.8% 33.6%, 26.4%, 26.6% and 22.0% of our revenues during the same periods. In 2022, 2023, 2024 and the six months ended June 30, 2025, we incurred general and administrative expenses of RMB98.1 million, RMB131.4 million, RMB90.5 million, RMB45.1 million and RMB49.0 million, respectively, representing approximately 18.8%, 18.9%, 9.9%, 10.7% and 9.4% of our revenues during the same periods. The increase in general and administrative expenses in 2023 was mainly attributable to expenses incurred relating to the Listing and increased employee compensations which primarily included one-off incentive compensations to managerial employees in 2023 as a result of our improved financial performance in 2023. As we expect the number of our general and administrative personnel to remain relatively stable and our revenue to continue to increase as discussed above, we believe that our general and administrative expenses as percentages of total revenue will decrease over time. While we expect to continue to incur significant research and development expenses and general and administrative expenses in absolute terms in the foreseeable future with the growth of our business, we expect such expenses as a percentage of total revenue to decrease over time due to economies of scale and operational leverage, which will have a long-term positive impact on our profitability. The enhancement of our technology infrastructure and R&D capabilities would enable us to collaborate across business functions and modularize our functionalities more efficiently, to achieve lower product development costs. For example, we have been investing in our technology infrastructure and modularizing the functionalities of our customized products, and introducing commonly requested features to other customers.

As a result of these efforts, we have achieved significant improvement in our profitability.

As a result of these efforts, we have achieved significant improvement in our profitability. Moreover, taking into account (i) the fact that SaaS products typically require substantial initial investment in product development and customer acquisition and retention to drive market acceptance, and such costs and expenses often exceed the profit generated from recurring revenue stream in the initial period, resulting in a loss-making position, (ii) the outlook of China's e-commerce SaaS market in which we operate, (iii) we recorded net profit in 2024 and our historical business growth and expansion plans aiming for long-term growth as described above, (iv) our healthy billings and robust operating cash flows, and the fact that customers prepayment are subsequently recognized in our revenue, and (v) our efforts and plans to continue to enhance our financial performance as detailed above, our Directors believe that our Group has a sustainable business.

SALES AND MARKETING

Sales

We believe that creating value for our customers is key to our success. We adopt a go-to-market strategy which starts with well-established merchants. We demonstrate the value of our products through one or a few entry collaborations with such customers. Once our value has been proven, we are then able to expand our products quickly to penetrate and to reach a larger customer base. We also seek to generate additional revenues through after-sale services and cross-sell other products.

Our sales cycle primarily consists of initial communications with customers, inquiry and consultation, product implementation and configuration, and ongoing maintenance and other support. For details, please also see "—Our Offerings—Business Process and End-to-End Service."

We acquire our customers through both physical and online sales channels. Our sales personnel will reach out to potential customers (i.e. e-commerce merchants) directly via onsite visits or phone calls. They also obtain contacts with potential customers through participating in physical events such as e-commerce industry conferences. We also solicit customers through billboards and other types of physical advertising. Additionally, we acquire customers through online channels such as short video platforms, search engines and service app stores operated by e-commerce platforms. With the word-of-mouth effect, some customers were also referred by other customers. As a result of these efforts, the total number of our SaaS customers increased throughout the Track Record Period, being 45.7 thousand, 62.2 thousand, 88.4 thousand and 92.6 thousand as of December 31, 2022, 2023, 2024 and June 30, 2025, respectively. To promote our products, we mainly reach out to our customers directly and on certain occasions we also cooperate with third-party agents. Direct sales supported by our experienced sales team is our primary sales approach. As of June 30, 2025, we had a total of 905 sales personnel. We have established a professional in-house sales team with deep knowledge of our customers and their business needs. Our in-house sales team works closely with our research and development team to ensure that they can propose and integrate suitable products to address the pain points faced by customers. To encourage and incentivize our in-house sales team, we have designed a compensation structure that includes a fixed component as well as a performance-based component. We evaluate each such employee's performance every month and pay performance-based compensation accordingly.

During the Track Record Period, we also engaged two third-party sales agents in Fujian province and Jinhua city in Zhejiang province. While we directly contract with all of our customers to sell our SaaS products, we engaged sales agents to leverage their resources in the local communities to expand our business and to maintain the customer relationships thereof. Our revenue generated from customers reached by the sales agents accounted for approximately 18.8%, 17.7%, 18.1% and 17.7% of our total revenue in 2022, 2023, 2024 and the six months ended June 30, 2025, respectively. The number of customers reached by the sales agents was 2,836, 3,656, 3,483 and 1,930 in 2022, 2023, 2024 and the six months ended June 30, 2025, respectively. According to CIC, it is consistent with the industry norm to have sales agents in particular regions for market expansion purpose. Since China's e-commerce merchants are dispersedly located across the nation, it is impractical for e-commerce SaaS ERP companies to establish direct sales teams in each of these regions, due to the significant resources to be invested and management difficulties. As a result, e-commerce SaaS ERP companies would usually engage sales agents to cover potential e-commerce merchants in regions where the direct sales force cannot reach, according to CIC.

Our key contractual terms with these sales agents are set forth below:

- Mutual exclusivity: In the two regions where we engage sales agents, our sales agents are contractually prohibited from serving any businesses similar to ours, and we are contractually prohibited from engaging other sales agents in the respective region.

- Scope of agency: Our sales agents are responsible for promotion and marketing of our SaaS products and coordination with customers. We directly enter into agreements with the customers, and are responsible for implementation of our products and customer support.

- Compensation: We compensate the regional sales agents with commissions based on a pre-agreed ratio of the payments we received from customers on a monthly basis. As compared to incentive payment rates to in-house sales personnel, the commission rates we offer to sales agents are 10% to 20% higher. According to CIC, the additional commission rates we offered to sales agents are comparable to those offered by industry peers, which typically also ranges from 10% to 20%, and are in line with market practice. In addition, unlike direct sales force, we are not responsible for maintaining the sales agents' personnel, or the relevant employee benefits and other costs. Therefore, we believe that such arrangement will not have a material negative effect on our profitability.

- Term of agency: We typically enter into long-term agency contracts of three to five years with our regional sales agents. Both parties may terminate or renew the agency contracts by mutual consents. Additionally, if the sales agents fail to meet a predetermined portion of the annual sales target, we are entitled to terminate the agency unilaterally.

- Pricing policy: Our sales agents are contractually obligated to abide by our pricing policies in marketing our products. They are strictly prohibited from adjusting our product prices in providing quotes to customers.

We became acquainted with the two third-party sales agents through referrals by our shareholders. We first engaged the two third-party agents in Fujian province and Jinhua city in Zhejiang province when we were at an early stage of commercialization and yet to establish a nationwide direct sales force. We do not engage sales agents in other regions in China because at our early stage of commercialization, we did not identify suitable agents in other regions. To promote the sales of products in such an early business stage, we, after thorough consideration, decided to engage the two third-party agents, given that they (i) agreed to follow the same pricing policies and client service standards as that would apply to our direct sales force, (ii) demonstrated excellent sales skills and abilities, and (iii) agreed to be fully dedicated to sales of our products. Over the years of cooperation, we formed trustful relationship with these agents and continued to engage these agents in the relevant regions because their sales performance has been satisfactory, and there has not been any material disruptions to the business relationship between the agents and us. We did not engage sales agents in other regions or any new sales agents because we have established a nationwide direct sales team as the primary sales force. We have not established any direct sales forces in Fujian Province and Jinhua City, Zhejiang Province, since our inception, and we do not conduct sales and marketing activities through our direct sales forces in these regions. We have chosen to continue our engagement with the two third-party sales agents primarily because they have consistently delivered satisfactory sales performance and maintained a strong working relationship with us.

Our sales agent in Fujian is an information technology company with registered capital of RMB1 million and its associates. Our sales agent in Jinhua city of Zhejiang is an information technology company with registered capital of RMB50,000 and its associates. To our best knowledge, the two agents do not have any other customers than the Group, and currently their sole business is to market our product. To our best knowledge, there is no past or present relationship (employment, financing, family or otherwise) between the relevant agents and the Group, including their directors, shareholders or senior management, or their respective associates.

We contract with customers directly, not through any such sales agents, and we pay the commissions to sales agents only after we receive payments from customers. Therefore, we view the sales agents as our suppliers. We also do not believe our business relationship with them raises any concern in relation to inventory risk, cannibalization or recoverability of accounts receivables.

We are responsible for product delivery, and we have discretion in establishing the prices for SaaS products. The sales agents have the contractual obligation to follow our pricing guidance and have no significant performance obligation towards the customer. Therefore, we are the principal and recognize revenue at the gross amount billed to the customers.

Marketing

We enhance the awareness of our brand and promote our new and existing products through both offline and online channels. We host and participate in various offline events, such as industry conferences, product launches and industry salons to showcase our technological advancements and develop relationships with industry participants. To further promote our brand, we hosted Waterdrop Academy training program to provide professional training sessions to e-commerce merchants and hosted Juhui Club program to connect participants in the e-commerce industry. We have also collaborated with several online media partners to promote our brand, products and technology.

PRICING POLICY

We generally determine the pricing for a particular SaaS product by taking account of factors including the functionalities of our products, customers' usages, market condition, and our sales and marketing strategies, among others. Leveraging our market recognition, we are in a position to optimize our pricing strategy through cultivating our customers' mindsets and willingness to pay, given the value we create for them through our e-commerce SaaS offerings.

OUR TECHNOLOGY

Technology underpins our success. We have consistently invested in technological development, which we believe has contributed to our sustained success and reinforced our market leadership. Our proprietary technologies are applied in the software architecture of our products to optimize the functions and performance of our products. As a result of our strong technology capabilities, our *Jushuitan ERP* is one of the fastest iterating e-commerce SaaS ERP products in China in terms of the number of iterations, according to CIC. During the Track Record Period, we have maintained an average response time of less than 50 milliseconds and an uptime of more than 99.5%, as compared to an industry average of over 100 milliseconds and uptime of 99.0%, illustrating industry leading performance, according to CIC. Moreover, we successfully processed approximately 1.6 billion orders during the Double 11 Festival in 2024, an industry-leading record and powerful testament to the robustness of our technology infrastructure. Our four core technologies, as described below, are designed to improve the efficiency, stability and accuracy of our systems and products.

Distributed and Parallel Computing

We utilize distributed and parallel computing to improve the efficiency of computing processes for our products. Parallel computing speeds up a computational task by dividing it into smaller jobs across multiple processors on one server. Distributed computing, on the other hand, uses a distributed system to increase the available computing power and enable larger, more complex tasks to be executed across multiple servers. Equipped with both technologies, our products are able to perform both complex and specific tasks, and large scale computing tasks more efficiently. As a result, our products can achieve strong performance while do not require significant computing resources.

Real-time Computing

Real-time computing technology is event driven and is able to react to system events within a specified time interval. The time frame for these actions to be carried out is in the order of milliseconds. The order placement and delivery processes involved different steps. Real-time computing technology enables our products to prioritize, manage, and execute workloads based on a prescribed time frame, thus providing higher predictability and reliability. As a result, merchants are able to easily handle the complex workflows in e-commerce and ensure smooth operations.

Cloud-native Database

Our cloud-native database is designed and deployed with an on-demand, multi-tenant, and multi-user architecture. We employ a configurable architecture to balance the load of customers on separate sub-environments, as well as to provide a flexible method for scalability without affecting other parts of the current environment. The cloud-native architecture allows us to provide our customers with high levels of uptime. This allows us to deliver reliable and stable customer experiences, enhancing customer satisfaction.

Multi-level Cache

In the architecture of our software, we adopt a multi-level cache memory architecture that uses a hierarchy of memory stores based on varying access speeds to cache data. It improves cache performance by providing faster access. It is a hierarchical system of caches, each of which is located at a different level in the memory hierarchy. The goal of multi-level cache architecture is to reduce the amount of time it takes to access data by providing faster access to frequently used data. As a result, our products respond more quickly to requests—especially during busy periods when merchants must handle numerous orders simultaneously—leading to improved performance and a better user experience.

Technology Infrastructure

Our information technology infrastructure is designed to satisfy the requirements of our operations, support the growth of our business and ensure the reliability of our operations as well as the security of information on our platform.

We are supported by servers of our suppliers in geographically dispersed areas that enables the high availability of our technology infrastructure. In addition, we have in place a comprehensive set of contingency plans to manage potential risks of any emergency or service disruption. For example, on a daily basis, we back up our operating data and perform inspection on our backup record to make sure all the operating data is properly archived. We also test the data recovery capability of our systems, which help us ensure our backup data can be completely retrieved. We did not experience any material service or technology interruptions during the Track Record Period and up to the Latest Practicable Date.

We also adopt a highly scalable, cloud-native technology architecture through our cooperation with trusted cloud computing service providers. Therefore, we do not expect any material technological issues or other hurdles for us to switch cloud computing service providers. Our cloud-based technology architecture allows us to process large volumes of data on a real-time basis and ensure high-speed and stable performances on a large scale to accommodate and support the increased complexity and diversity of our business operations. We have been enhancing our technology architecture by increasing the investment in third-party cloud computing services to ensure our cloud architecture can effectively address our growing business needs.

RESEARCH AND DEVELOPMENT

Our vision and focus on innovation have fueled our growth and enabled us to continuously improve our existing offerings and develop new products. Our SaaS products and their functions are self-developed, and we use certain open-source tools in the development process. We have been investing significantly in research and development. We incurred RMB234.3 million, RMB233.9 million, RMB239.8 million, RMB112.1 million and RMB115.4 million of research and development expenses in 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively.

Our leadership in technology is built by our highly innovative and dedicated research and development staff. We focus on building and maintaining a large pool of talented staff to drive our research and development efforts. We provide rigorous training to new recruits to familiarize them with our offerings and technologies and thereby closely integrate them into our research and development staff. We had a team of 462 research and development personnel as of June 30, 2025. We encourage different points of view to lead us to find inspiration and improve our products and technologies.

The development of our products are underpinned by our strong R&D capabilities. Our continuous investments in research and development activities result in a wealth of intellectual properties. As of the Latest Practicable Date, we had 37 patents registered with the National Intellectual Property Administration of the PRC and 51 pending patent applications in the mainland China.

Our research and development efforts focus on developing and supplementing our products with new and better feature, thereby increasing the attractiveness to our customers. Key processes of our research and development efforts include:

- Through our customer service network, we maintain close communications with merchants to collect their feedback on our products and to understand their business needs, which are passed to our research and development team. We create our product roadmap based on feedbacks we collect from our customers and a variety of other factors, including technology advancements, market prospects and our growth strategies.

- Following the product roadmap, our research and development team is responsible for developing new features to address customers' needs. The modularized feature of our products enables us to efficiently introduce new features by adding new modules.

- New products and features are tested and verified from technological, product and market perspectives. We continue to optimize these new product features and modules based on our internal feedbacks.

- After the new products and features are officially launched, we make continuous efforts in research and development and technology innovations and continue to optimize functions and performance based on user feedback. We continue to release updated versions with improved features and functionalities.

DATA PRIVACY AND SECURITY

The scope of data collected and stored by us in the course of business mainly includes: (i) the mobile phone numbers of the administrators and the contact persons of the clients, and their user account information when registering and logging in for customers. Such data is stored by the SaaS ERP system and controlled and processed by us for the purpose to provide services to the clients; (ii) when the clients use the SaaS ERP service provided by us, they will upload their shoppers' phone numbers, order information and addresses, most of which is redacted by the e- commerce platform, and other necessary operation data, such as the product description, the quantity of their product and the logistic information onto the SaaS ERP system. Unlike the traditional on-premises software where data is usually stored on a user's own server, when it comes to the SaaS software, data is generally stored on cloud servers. To ensure data privacy and security, we require that users' authorization must be obtained before we may access the users' data (including personal information of users' clients, if any). Such data is entrusted by the customers to us for storage and we act as entrusted data processors according to the clients' instruction.

As advised by our PRC Legal Advisor, the PIPL does not provide the definition of "posses" but provides definition of "personal information processor", which refers to organization or individual that independently determines the purpose and method of processing in their activities of processing of personal information. Furthermore, the PIPL also stipulates that if a personal information processor entrust others to process personal information on behalf of itself, it shall enter into an agreement with the entrusted party. The entrusted party can only process such personal information in according to the agreement and shall not take any personal information processing activity beyond such agreement and must delete or return such personal information when the agreement terminates or has not taken effect or is null and void, revoked, or rescinded. Based on the foregoing, we are of the opinion that we do not constitute personal information processor under PIPL in respect of personal information of users' clients. Therefore, when our clients use the SaaS ERP service provided by us, we are not the processors of phone numbers, addresses and other personal information of their shoppers.

All data of our customers are encrypted and, except for collecting limited personal information of our customers' employees for business contact and processing data as instructed by our customers, we do not own, nor do we collect any original data of our customers, nor do we store our customers' data on local servers.

Data security and protection are among our highest priorities. In this regard, we have designed strict data protection and information security policies to ensure strict compliance with applicable laws, regulations and prevalent industry practice. We have implemented comprehensive internal policies on protecting data privacy and security with the purpose to ensure data and information security, and ensure compliance with all applicable laws and regulations.

We implement a robust internal authentication and authorization system to ensure that the confidential and sensitive data of our customers can only be accessed for authorized use and by authorized personnel. We have clear and strict authorization and authentication procedures and policies in place. Our employees only have access to data which is directly relevant and necessary for their responsibilities and for limited purposes and are required to verify authorization upon every access attempt.

We have established an all-round information system in reference to data security requirements, national standards and industry best practices and intend to continually invest heavily in data security and privacy protection. Our information system applies multiple layers of safeguards, including both internal and external firewalls, to identity and protect us against security attacks. We have completed various information security, privacy and compliance certifications/validations, proving the security and reliability of our data protection technologies.

During the Track Record Period and up to the Latest Practicable Date, we have not experienced any material data leakage nor received any claim from any third party against us on the ground of infringement of such party's right to data protection as provided by applicable PRC laws and regulations or any applicable laws and regulations in other jurisdictions. During the Track Record Period and up to the Latest Practicable Date, we have not been subject to any government investigation or penalty, and we have not experienced any material data loss or breach incidents. During the Track Record Period and up to the Latest Practicable Date, we have not engaged in any cross border transfer of personal information. Based on the foregoing, our PRC Legal Advisor is of the view that the Company's products comply with data privacy and cybersecurity laws in the PRC effectively in all material respects and our PRC Legal Advisor, confirms that, during the Track Record Period and up to the Latest Practicable Date, we are in compliance with all material aspects of applicable PRC laws and regulations with respect to privacy and personal data protection.

CUSTOMERS AND CUSTOMER SUPPORT

Our Customers

During the Track Record Period, we did not have any substantial reliance on any single customer. Our top five customers in each of 2022, 2023, 2024 and the six months ended June 30, 2025, in aggregate only accounted for 1.2%, 1.2%, 1.0% and 1.3% of our total revenues in the respective year/period. Our largest customer in each of 2022, 2023, 2024 and the six months ended June 30, 2025, accounted for 0.3%, 0.5%, 0.5% and 0.6% of our total revenue for the respective year/period.

To the best of our knowledge, during the Track Record Period and up to the Latest Practicable Date, our customers were independent third parties. As of the Latest Practicable Date, none of our Directors, their associates or any of our shareholders (who or which to the knowledge of the Directors owned more than 5% of our issued share capital) had any interest in any of our five largest customers in each period during the Track Record Period.

Our E-Commerce Merchants Customers

With our SaaS products focused on e-commerce industry, our customers are primarily e-commerce merchants across various e-commerce platforms. We have accumulated a broad and solid customer base, which has expanded rapidly since our inception. The total number of our SaaS customers increased throughout the Track Record Period, being 45.7 thousand, 62.2 thousand, 88.4 thousand and 92.6 thousand as of December 31, 2022, 2023, 2024 and June 30, 2025, respectively. Our customers include both traditional e-commerce merchants and live streaming e-commerce merchants. A majority of our customers, being over 60% during the Track Record Period, are large scale merchants with an average daily order of over 100.

The salient terms of sales contracts with customers of our SaaS products are set out below:

- Scope of services: We provide SaaS products with standard functions and specifications to our customers.
- Fee model: We charge our customers either on (i) annual subscription basis, or (ii) the number of orders processed on the products.
- Term: Our sales contracts of SaaS products typically have a term of one to four years.
- Renewal of contract term: Customers can renew the contract term by notifying us and paying service fees at least one week before the expiration of the contract term. We may terminate customers' access to our SaaS products if the customers do not renew upon such expiration.
- Ownership: We retain all intellectual property rights with respect to our SaaS products.

We do not provide trial period for customers. After entering into sales contracts with us, according to the terms of relevant agreements, refund may only be granted on the condition that the customers requesting for refund have not started to use our products, in which case we may return the entire remaining contract amount paid after deducting any implementation costs incurred. Pursuant to the agreements, the refund provision is not subject to any prescribed temporal limitations. We issued refunds of RMB30.2 million, RMB22.1 million, RMB27.5 million and RMB13.3 million in 2022, 2023, 2024 and the six months ended June 30, 2025, respectively, representing 4.1%, 2.1%, 2.1% and 2.2% of our total SaaS billings in such periods, respectively. These refunds were primarily issued due to discovery of unsuitability to customers' demands during our preparation for implementation, or as a result of subsequent changes in our customers' business conditions. Furthermore, the sales contracts with customers of our SaaS products typically have a term of liability for breach of contract, which provides that if either party breaches any term of the sales contract, the other party may demand it to bear the corresponding liability for breach of contract, but the amount of damages shall not exceed 30% of total amount of such sales contract. As advised by our PRC Legal Advisor, the above term of liability for breach of contract does not violate the relevant PRC laws and regulations, including the Civil Code (《中華人民共和國民法典》), among others. If there is any defect of our products under the sales contract, which leads our customers to ask us to bear the corresponding liability for breach of contract and compensate for their loss, we would compensate the customers for their actual loss, which in any event cannot exceed 30% of the relevant contract amount. The 30% limit is in line with industry norm, according to CIC.

Our current customer base encompasses various industries such as apparel, shoes and bags, home products, food and beverages, sports and entertainment, along with others, highlighting the diverse appeal of our offerings. The following table sets forth a breakdown of the number of our customers by industry based on our knowledge during the Track Record Period:

	As of December 31,			As of June 30,
	2022	2023	2024	2025
	(in thousands)			
Apparel, shoes and bags	21.4	27.3	33.6	34.9
Home products	6.9	9.7	12.6	14.4
Food and beverages	4.4	6.7	9.6	10.7
Sports and entertainment	3.2	4.9	7.7	8.9
Other	9.8	13.6	24.9	23.7
Total	**45.7**	**62.2**	**88.4**	**92.6**

The following tables set forth the detailed information for our five largest e-commerce merchants customers (i.e. top five customers based on income attributable to the provision of SaaS services) for each of the years during the Track Record Period.

Rank	Customer	Amount of SaaS revenue	% of revenue contribution	Major SaaS products procured	Year of first transaction	Business scope	Year of establishment	Listing status	Registered capital	Location
		(RMB in thousands)							*(RMB in thousands, unless otherwise specified)*	
For the six months ended June 30, 2025										
1	Customer M	906	0.18	Jushuitan ERP, Jushengsuan, Jugongdan	2023	Sales of apparel, clothing and accessories	1996	Not listed	103,800	Guangzhou
2	Customer G	828	0.16	Jushuitan ERP, Jushengsuan, Jugongdan	2022	Daily goods and personal care products trade	2017	Not listed	10,000	Tianjin
3	Customer N	614	0.12	Jushuitan ERP, Jugongdan	2021	Manufacturing, wholesale and retail of cosmetics	2002	Listed	401,000	Guangzhou
4	Customer O	541	0.11	Jushuitan ERP	2024	Sales of equipment and household appliances	2014	Not listed	10,200	Qingdao
5	Customer P	447	0.09	Jushuitan ERP	2024	Sales of apparel and accessories	2018	Not listed	600,000	Kunshan

Rank	Customer	Amount of SaaS revenue	% of revenue contribution	Major SaaS products procured	Year of first transaction	Business scope	Year of establishment	Listing status	Registered capital	Location
		(RMB in thousands)							*(RMB in thousands, unless otherwise specified)*	
For the year ended December 31, 2024										
1	Customer G	1,295	0.14	Jushuitan ERP, Jushengsuan, Jugongdan	2022	Daily goods and personal care products trade	2017	Not listed	10,000	Tianjin
2	Customer K	972	0.11	Jushuitan ERP, Jushengsuan, Jugongdan	2021	Cosmetics and daily goods	2011	Not listed	150,000	Zhejiang
3	Customer F	888	0.10	Jushuitan ERP, Jushengsuan, Jugongdan	2021	Manufacturer of household paper and maternal & child hygiene product	1985	Listed	511,408	Fujian
4	Customer L	834	0.09	Jushuitan ERP, Juhuotong, Jugongdan	2022	Food and agricultural products	2021	Not listed	30,000	Shanghai
5	Customer H	760	0.08	Jushuitan ERP, Jushengsuan	2018	Daily goods	2018	Not listed	14,623	Fujian
For the year ended December 31, 2023										
1	Customer F	1,090	0.16	Jushuitan ERP, Jushengsuan, Jugongdan	2021	Manufacturer of household paper and maternal & child hygiene product	1985	Listed	511,408	Fujian
2	Customer G	817	0.12	Jushuitan ERP, Jushengsuan, Jugongdan	2022	Daily goods and personal care products trade	2017	Not Listed	10,000	Tianjin
3	Customer H	693	0.10	Jushuitan ERP, Jushengsuan	2018	Daily goods	2018	Not listed	14,623	Fujian
4	Customer I	611	0.09	Jushuitan ERP, Jushengsuan	2023	Textile and apparel	2011	Listed	US$10.0 million	Zhejiang
5	Customer J	577	0.08	Jushuitan ERP, Jushengsuan, Jugongdan	2022	Textile and apparel	2016	Not Listed	4,000	Guangdong

Rank	Customer	Amount of SaaS revenue	% of revenue contribution	Major SaaS products procured	Year of first transaction	Business scope	Year of establishment	Listing status	Registered capital	Location
		(RMB in thousands)							*(RMB in thousands, unless otherwise specified)*	
For the year ended December 31, 2022										
1	Customer A	840	0.16	Jushuitan ERP	2020	Wholesale and retail	2020	Not Listed	15,000	Guangdong
2	Customer B	655	0.13	Jushuitan ERP, Jushengsuan, Jugongdan, Juhuotong	2019	Retail	2012	Not Listed	5,000	Guangdong
3	Customer C	566	0.11	Jushuitan ERP, Jushengsuan	2021	Daily chemical products	2001	Not Listed	90,000	Zhejiang
4	Customer D	393	0.08	Jushuitan ERP	2021	Home appliances	2018	Listed (as a subsidiary)	400,000	Jiangsu
5	Customer E	352	0.07	Jushuitan ERP	2019	Other IT and internet services	2019	Not Listed	1,000	Shandong

Customer Support

In our ongoing efforts to enhance customer satisfaction and improve service quality, we maintain a dedicated customer support and service team focusing on real-time problem-solving with the ultimate goal of increasing user experience and customer stickiness. In addition, we also gather feedback on how to improve our products and responds to customer suggestions.

In addition, we have established two training centers for our customers, Waterdrop Academy and Juhui Club, to enhance our customers' business capabilities and provide networking opportunities for our customer community. For example, we provided several training sessions for our customers in Waterdrop Academy to help them improve warehousing management, which were all over-booked and well received. We also organized seminars in our Juhui Club, where our customers may develop sales and marketing skills or connect with commercial resources. These training centers serve as our customer community hub, and we are able to obtain new customers and maintain our existing customer relationships through these venues and the activities therein.

SUPPLIERS AND PROCUREMENT

During the Track Record Period, our suppliers primarily include cloud service providers, sales agents and hardware suppliers. Cloud server fees and technical service fees accounted for 20.8%, 28.8%, 33.1% and 34.2% of our cost of sales in 2022, 2023, 2024 and the six months ended June 30, 2025, respectively. While we believe we maintain good business relationship with our IaaS cloud services providers, we cannot assure you that such relationships will not worsen in the future. For details, see "Risk Factors—Risks Relating to Our Business and Industry—Our SaaS products are subject to third-party dependencies. In particular, we rely on one IaaS cloud service provider." According to CIC, there are several providers in the market that can provide comparable services to satisfy our business needs, and we do not anticipate there will be significant migration costs. Sales commission to sales agents accounted for 9.6%, 11.3%, 13.1% and 13.4% of our selling and marketing expenses in 2022, 2023, 2024 and the six months ended June 30, 2025, respectively. The cost of goods sold accounted for 5.3%, 4.9%, 4.2% and 3.8% of our cost of sales in 2022, 2023, 2024 and the six months ended June 30, 2025, respectively.

Our top five suppliers in each period during the Track Record Period in aggregate accounted for 72.6%, 66.3%, 85.0% and 84.7% of our total purchases in 2022, 2023, 2024 and the six months ended June 30, 2025, respectively. Our largest supplier in each period during the Track Record Period accounted for approximately 39.4%, 36.3%, 50.3% and 51.7% of our total purchases in 2022, 2023, 2024 and the six months ended June 30, 2025, respectively. Our largest supplier provides IaaS cloud services on which our SaaS products and related services are premised. We primarily rely on one cloud service provider and also purchase from other cloud service providers, which is an industry norm for e-commerce SaaS providers, according to CIC. We believe our operation would not be materially affected in case we are required to change our cloud service providers. Because the cloud services needed for our operations are relatively standard and customary, we believe that there are sufficient alternative cloud service providers in the market can provide comparable services in a timely manner without incurring significant costs in the event we need to change our cloud service providers. According to CIC, there are more than a dozen competent public cloud service providers in China. For risks involved in having one supplier material to our business, see "Risk Factors—Risk Relating to Our Business and Industry—Our SaaS products are subject to third-party dependencies. In particular, we rely on one IaaS cloud service provider."

The table below sets forth the details of our five largest suppliers in each period during the Track Record Period.

Rank	Supplier	Purchase amount	% of total purchase	Products or services purchased	Year of first transaction	Business scope	Year of establishment	Listing status	Registered capital	Location
		(RMB in thousands)							*(RMB in thousands, unless otherwise specified)*	
For the six months ended June 30, 2025										
1	Supplier A	59,456	53.5	Cloud Service	2015	Cloud services	2008	Listed (as a subsidiary)	1,010,101	Zhejiang
2	Supplier B	16,128	14.5	Sales agent	2020*	Marketing services of e-commerce SaaS products	2020	Not listed	50	Zhejiang
3	Supplier C	12,763	11.5	Sales agent	2018*	Marketing services of e-commerce SaaS products	2011	Not listed	1,000	Fujian
4	Supplier D	6,048	5.4	Leases	2020	Development and management of properties	2012	Not listed	200,000	Shanghai
5	Supplier E	3,113	2.8	PDA	2017	IT and software services	2010	Not listed	50,000	Jiangsu
For the year ended December 31, 2024										
1	Supplier A	109,538	50.3	Cloud Service	2015	Cloud services	2008	Listed (as a subsidiary)	1,010,101	Zhejiang
2	Supplier B	31,020	14.3	Sales agent	2020*	Marketing services of e-commerce SaaS products	2020	Not listed	50	Zhejiang
3	Supplier C	26,237	12.1	Sales agent	2018*	Marketing services of e-commerce SaaS products	2011	Not listed	1,000	Fujian
4	Supplier D	12,036	5.5	Leases	2020	Development and management of properties	2012	Not listed	200,000	Shanghai
5	Supplier E	6,165	2.8	PDA	2017	IT and software services	2010	Not listed	50,000	Jiangsu
For the year ended December 31, 2023										
1	Supplier A	79,588	36.3	Cloud service	2015	Cloud services	2008	Listed (as a subsidiary)	1,010,101	Zhejiang
2	Supplier B	25,768	11.8	Sales agent	2020*	Marketing services of e-commerce SaaS products	2020	Not Listed	50	Zhejiang
3	Supplier C	23,352	10.7	Sales agent	2018*	Marketing services of e-commerce SaaS products	2011	Not Listed	1,000	Fujian
4	Supplier D	9,850	4.5	Leases	2020	Development and management of properties	2012	Not Listed	200,000	Shanghai
5	Supplier E	6,674	3.0	PDA	2017	IT and software services	2010	Not Listed	50,000	Jiangsu

Rank	Supplier	Purchase amount	% of total purchase	Products or services purchased	Year of first transaction	Business scope	Year of establishment	Listing status	Registered capital	Location
		(RMB in thousands)							*(RMB in thousands, unless otherwise specified)*	
For the year ended December 31, 2022										
1	Supplier A	59,070	39.4	Cloud service	2015	Cloud services	2008	Listed (as a subsidiary)	1,010,101	Zhejiang
2	Supplier B	16,650	11.1	Sales agent	2020*	Marketing services of e-commerce SaaS products	2020	Not Listed	50	Zhejiang
3	Supplier C	13,661	9.1	Sales agent	2018*	Marketing services of e-commerce SaaS products	2011	Not Listed	1,000	Fujian
4	Supplier D	12,387	8.3	Leases	2020	Development and management of properties	2012	Not Listed	200,000	Shanghai
5	Supplier E	6,990	4.7	PDA	2017	IT and software services	2010	Not Listed	50,000	Jiangsu

* Supplier B and Supplier C refer to the entities through which our third-party sales agents enter into contracts with us, and the length of business relationships indicated in this table do not account for the length of time that such agents enter into contracts through the predecessors of these entities. We first engaged the two third-party agents, through the predecessors of Supplier B and Supplier C, in 2016, when we were at an early stage of commercialization and yet to establish a nationwide direct sales force. See "—Sales and Marketing—Sales."

We maintain good business relationships with our suppliers. During the Track Record Period, we did not have any material disputes with or any material operation interruptions caused by our suppliers. To the best of our knowledge, during the Track Record Period and up to the Latest Practicable Date, our suppliers were independent third parties. As of the Latest Practicable Date, none of our Directors, their associates or any of our shareholders (who or which to the knowledge of the Directors owned more than 5% of our issued share capital) had any interest in any of our five largest suppliers in each period during the Track Record Period.

Relationship with Supplier A

Supplier A is our largest supplier in each period during the Track Record Period, and it provides IaaS cloud services on which our SaaS products and related services are premised. The salient terms of our purchase agreement with such supplier are set out below:

- Scope of services: We purchase from such supplier IaaS cloud services such as usage of cloud servers, with specifications as set forth on the official website of such supplier at the time of purchase.

- Charging basis: For different types of cloud computing services, we are charged on periodic subscription basis or on volume basis. For example, certain database and cloud server services we procured were charged based on actual volume usage, and certain log, bandwidth and content delivery services we procured were charged based on periodic subscription with unlimited volume. Periodic subscription are purchased on a annual or monthly basis, and we pay the fixed subscription fees for unlimited volume usage. For cloud services that are charged on a volume basis, we purchase certain amount of volume based on the unit price offered by the supplier, and consume the volume upon usage.

- Payment for services: We may either deposit in our prepaid account or make payments as we procure services.

- Term: Our contract with such supplier has a term of three years.

Our Directors believe that, as confirmed by CIC, the terms of our purchase agreement with such supplier are consistent with the industry practice.

In addition to purchase of cloud services from Supplier A, our products are connected to the e-commerce platforms operated by an affiliate of Supplier A. The procurement of cloud services and the establishment of connectivity with such e-commerce platforms are not inter-conditional and we do not obtain any favorable treatment on such e-commerce platforms as a result of our procurement of cloud services. Moreover, to our best knowledge, such e-commerce platform does not deduct technology support fees for all applications offered on its marketplace, including those offered by us. Our Directors believe, based on our good business relationship with Supplier A in the past and their best knowledge, the likelihood of our relationship with Supplier A will materially adversely change is low. We are also in good business relationship with IaaS cloud service providers other than Supplier A. According to CIC, there are several providers in the market that can provide comparable services to satisfy our business needs, and we do not anticipate significant migration costs. Therefore, in the unlikely event that the relationship with Supplier A terminated, we can identify other IaaS cloud service providers.

COMPETITION

We face competition from other e-commerce SaaS ERP providers in China. E-commerce SaaS ERP providers compete to acquire market share in many ways, such as acquiring and maintaining more customers, increasing the order processing speed, strengthening the capability to connect to more e-commerce platforms and maintaining high product quality. The principal competitive factors in our industry include e-commerce and ERP industry know-how, advanced and user-friendly product offerings, expansion of solutions and features, technical capabilities, sales and marketing capabilities, implementation and customer service and industry-wide coordination. We believe we are well-positioned to compete effectively on the basis of the foregoing factors.

We are the largest e-commerce SaaS ERP provider in China in terms of relevant revenue in 2024, taking up to 24.4% of the market share, exceeding the combined market share of the second through the fifth largest players, according to CIC. Nevertheless, some of our existing or future competitors may have longer operating histories, larger customer bases, greater name recognition and broader global footprint as well as greater financial, technical and other resources. Moreover, as our business grows, we may also compete with other e-commerce operation SaaS providers. See "Risk Factors—Risks Relating to Our Business and Industry—We operate in a competitive market and may not be able to compete successfully against our existing and future competitors." For more information on the competitive landscape of our industry, see "Industry Overview."

INTELLECTUAL PROPERTY

We regard our intellectual property rights critical to our business operations. We rely primarily on a combination of patents, copyrights, trademarks, trade secret and unfair competition laws and contractual rights, such as confidentially agreement, to protect our intellectual property rights. We clearly state all rights and obligations regarding the ownership and protection of intellectual properties in all employment agreements and in most 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. During the Track Record Period, our core technologies were patented. Such patents are typically valid for 10 years to 20 years.

As of the Latest Practicable Date, we had 37 patents registered with the National Intellectual Property Administration of the PRC and 51 pending patent applications in mainland China. As of the Latest Practicable Date, we had 275 trademarks registered in mainland China, 22 trademarks in overseas countries and regions such as Hong Kong and Southeast Asia, 202 copyrights registered with the National Copyright Administration of the PRC, and 49 domain names. See "Appendix IV—Statutory and General Information—Further Information About Our Business— Intellectual Property Rights of Our Group" for details of our material intellectual property rights.

As of the Latest Practicable Date, we had not been subject to any material disputes or claims for infringement upon third parties' intellectual property rights in the PRC.

EMPLOYEES

We had 2,660 employees as of June 30, 2025. Substantially all of our employees are based in the PRC, primarily located at our offices in Shanghai and Zhejiang. The following table sets forth the quarterly average number of employees for the periods indicated.

	For the Year Ended December 31,			For the Six Months Ended June 30,
	2022	2023	2024	2025
Function				
Implementation	1,117	931	887	865
Sales	1,120	874	924	911
Customer support	502	383	376	377
Research and development	543	510	465	463
General and administrative	132	102	106	102
Total	**3,414**	**2,800**	**2,758**	**2,718**

The decrease in our quarterly average number of employees during the Track Record Period was primarily due to our optimized efficiency.

Our success depends on our ability to attract, retain and motivate qualified personnel. We adopt high standards and strict procedures in our recruitment, including campus recruitment, online recruitment, internal referral and recruitment through executive search, to satisfy our demands for different types of talents. We provide regular and specialized training tailored to the needs of our employees in different departments. Our employees can also improve their skills through mutual learning among colleagues. New employees will receive pre-job training and general training. As part of our human resource strategy, we offer employees competitive salaries, performance-based cash bonuses and other incentives. As a result, we have generally been able to attract and retain qualified employees and maintain a stable core management team.

As required by the Social Insurance Law (中華人民共和國社會保險法), the Regulations on the Administration of Housing Provident Funds (住房公積金管理條例) and other applicable 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 or agents engaged by us are required under such PRC laws and regulations to contribute to employee social insurance plans at specified percentages of the salaries, bonuses and certain allowances of our employees. And according to the New Judicial Interpretation, if an employer and an employee agree or the employee commits that social insurance contributions are not required to be paid, the People's Court shall deem such agreement or commitment invalid. See "Regulations — Regulations on Employment and Social Welfare" for details.

We believe that we maintain good working relationship with our employees and we have not experienced any material labor disputes or any difficulty in recruiting staff for our operations during the Track Record Period and up to the Latest Practicable Date. Our employees are represented by a self-established labor union, consisting of representatives of our employees and senior management. The labor union organize employee meetings to discuss critical labor topics and enter into collective labor contracts with us that set forth guidelines for individual labor contract terms periodically. During the Track Record Period and up to the Latest Practicable Date, we have not experienced any material labor disputes with the labor union or our employees.

INSURANCE

We consider our insurance coverage to be adequate as we have in place all the mandatory insurance policies required by PRC laws and regulations and in accordance with the commercial practices in our industry. Our employee-related insurance consists of pension insurance, maternity insurance, unemployment insurance, work-related injury insurance and medical insurance, as required by PRC laws and regulations. We also purchase supplemental commercial accident insurance for our employees.

In line with general market practice, we do not maintain any business interruption insurance or product liability insurance, which are not mandatory under PRC laws. We do not maintain key man life insurance, insurance policies covering damages to our network infrastructures or information technology systems or any insurance policies for our properties. See "Risk Factors—Risks Relating to Our Business and Industry—We may not have sufficient insurance coverage to cover our potential liability or loss, and our business, financial conditions, results of operations and prospects may be materially and adversely affected should any such liability or loss arise."

SEASONALITY

Our SaaS products and solutions are used by participants in the e-commerce industry. Therefore, our business is subject to seasonal trends and fluctuations associated with the e-commerce cycles in China. Specifically, we generally experience an increased revenue during special promotional events on major e-commerce platforms in the fourth quarter of a year. For example, our revenue and SaaS billings were RMB421.0 million and RMB599.0 million, respectively, in the first half of 2024, accounting for 46.3% and 46.0% of our total revenue and SaaS billings in the full year 2024. In addition, we recorded operating cash inflow of RMB1.9 million in the first half of 2024, as compared to operating cash inflow of RMB279.2 million in the full year 2024. According to CIC, such seasonal fluctuation is an industry norm in China's e-commerce operation SaaS market. See also "Risk Factors—Risks Relating to Our Business and Industry—Our results of operations are subject to substantial seasonal fluctuations due to a number of factors that could adversely affect our business."

ENVIRONMENTAL, SOCIAL AND GOVERNANCE MATTERS

We are committed to be a responsible corporate citizen and to provide sustainable value for our stakeholders, with our significant efforts in environmental, social and governance ("ESG") matters. During the Track Record Period and up to the Latest Practicable Date, we had not been subject to any fines or other penalties due to noncompliance with health, safety or environmental regulations.

Environment

Given our business nature as a technology-based company, we do not operate any production facilities or otherwise impose any significant impacts on the environment. Therefore, we are not subject to significant environmental risks. However, as an integral part of our ESG commitments, we have been making significant efforts towards environmental protection, change and sustainability. For example, our SaaS ERP products enable e-commerce transactions to be done in paperless manner. Our SaaS products have contributed significantly to the reduction of paper consumption, since details of goods and delivery orders no longer have to be paper-based with our ERP.

We also adopt a low-carbon policy in our workplace and daily operations, such as requiring double-sided printing of documents throughout our office, using electronic channels for internal communication to minimize paper waste, switching off all electronic equipment and lights when they are not in use, installing energy-saving lights, and strictly controlling air conditioner usages.

In line with our vision for sustainable development, we oversee our environmental protection performance in aspects such as the use of electricity. In 2024, our costs of electricity consumption for primary offices was RMB0.6 million. In 2024, our total electricity consumption for primary offices was 806 kWh’000, representing 0.9 kWh’000 per million (RMB) revenues. Our Scope 1 carbon emissions increased from 734 tonnes equivalent in 2022 to 762 tonnes equivalent in 2023 and decreased to 614 tonnes equivalent in 2024, while our Scope 2 carbon emissions increased from 584 tonnes equivalent in 2022 to 592 tonnes equivalent in 2023 and decreased to 564 tonnes equivalent in 2024. Our total carbon emissions per unit of revenue decreased continuously from 2.5 tonnes equivalent per million RMB in 2022 to 1.9 in 2023, and further to 1.3 in 2024. We expect to maintain our 2030 total carbon emissions per unit of revenue at a level not exceeding that of 2024, and target to continuously enhance the efficiency of electricity consumptions in our operations to fulfill our environmental and social responsibility, taking into account our historical performance and overall business prospects.

In addition, the operation of our SaaS products would indirectly cause carbon emissions as they consume electricity when using the data centers of our cloud service providers. To mitigate such indirect climate risks, we attach great importance to energy efficiency in our choice of service vendors, such as data centers that are committed to reducing carbon footprint and have implemented sustainable practices. We plan to initiate the assessment of our scope 3 greenhouse gas emissions after the Listing.

Social Responsibility

We take our social responsibility solemnly and proactively. We continue to invest in health, safety and wellness programs to help employees enjoy a better quality of life and contribute to our success. We also make significant efforts in expanding our positive influence to the wider community, purporting to increase the wellness of the society.

We are also dedicated in creating an inclusive work environment for all of our employees. In order to create a delightful working environment, we provide a refreshment area in the workplace and provide indoor sports venues for employees to improve fitness and facilitate casual communications among colleagues.

As of June 30, 2025, 25.3% of our employees were female. For our female employees, we also built mothers’ space in our office area, equipped with disinfection cabinet, air purifier and various mother and baby products. As of June 30, 2025, we had 13 employees who are people with impairments. To promote equal opportunities, we partnered with Zhejiang Welfare Foundation for People with Impairments in the “Angels with Hidden Wings” project, in which we provided comprehensive e-commerce training for people with impairments. More than 50 people receiving our training were able to secure employment in e-commerce industry subsequently.

Governance

Our Board has the collective and overall responsibility for establishing, adopting and reviewing our ESG vision, policy and target, and evaluating, determining and addressing our ESG-related risks. Our Board may engage independent third parties to evaluate the ESG risks and review our existing strategy, target and internal controls. Necessary improvement will then be implemented to mitigate the risks. Our Board also direct our dialogue with stakeholders regarding ESG matters. Our management presents and communicate the key highlights of ESG-related matters to the Board periodically.

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

PROPERTIES

We occupy certain properties for non-property activities as defined under Rule 5.01(2) of the Listing Rules. As of June 30, 2025, none of the properties leased by us had a carrying amount of 15% or more of our consolidated total assets.

We do not own any properties. As of the Latest Practicable Date, we leased premises in Shanghai and certain other cities where we operate with an aggregate gross floor area of approximately 19,037 square meters.

As of the Latest Practicable Date, certain of our leased properties from third parties had title defects, including four leased properties for which the relevant lessors had not provided us with valid title certificates or relevant authorization documents evidencing the right to lease the property to us. Such leased properties are used as our offices or staff accommodations, our major fixed assets are not located in such leased properties. 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 or government authorities. 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." As of the Latest Practicable Date, we were not aware of any challenge being made by a third party or government authority on the title of such leased properties. As advised by our PRC Legal Advisor, the relevant laws and regulations do not expressly stipulate that we would be subject to any administrative penalty as the lessees by the competent government authorities due to the title defects in such leased properties. We believe we could find comparable leased properties as alternatives, and such relocation would not have a material adverse effect on our business, financial condition and results of operations.

As of the Latest Practicable Date, despite our efforts to secure registrations, 69 of our leased properties have not been registered with the relevant PRC government authorities, primarily due to the lack of cooperation from our lessors in registering the relevant lease agreements. We will continue to seek cooperation from the lessors of the leased properties to register executed lease agreements with the relevant PRC government authorities in the future. Pursuant to the relevant PRC laws and regulations, failure to register such lease agreements with relevant PRC government authorities does not affect the effectiveness of the lease agreements. While the relevant PRC government authorities may order us to register the lease agreements within a prescribed time limit, if we fail to do so within the prescribed time limit, the relevant PRC government authorities may further subject us to a fine ranging from RMB1,000 to RMB10,000 for each lease agreement. 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." As of the Latest Practicable Date, no administrative action or penalty had been imposed by the relevant PRC government authorities with respect to our failure to register such lease agreements, nor had we received any order to complete such registration of the lease agreements. Considering the above, as advised by our PRC Legal Advisor, failure to register such lease agreements with competent government authorities does not affect the effectiveness of the lease agreements, and the risk of the competent government authorities would impose fines on us due to our failure to register such lease agreements is low as long as the we could complete such registration of the lease agreements with a prescribed time limit upon request from the relevant competent government authorities. We undertake to cooperate and do our best effort to coordinate our lessors to facilitate such registration of the lease agreements once we receive any order to do so from the competent government authorities.

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 and compliance.

LICENSES, REGULATORY APPROVALS AND COMPLIANCE RECORD

Licenses and Regulatory Approvals

As of the Latest Practicable Date, there is no material license, permit, approval or certificate which must be obtained to conduct our current main business operations from the relevant government authorities in the PRC.

Compliance Record

We are subject to various regulatory requirements and guidelines issued by the regulatory authorities in the jurisdictions in which we operate. 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.

According to our PRC Legal Advisor, the business operations we engaged in had been carried out in compliance with applicable PRC laws and regulations in all material respects as of the Latest Practicable Date.

Social Insurance and Housing Provident Fund Contributions

During the Track Record Period, social insurance and housing provident fund contributions for some of our employees had not been made in full in accordance with the relevant PRC laws and regulations, primarily because our staff in charge of the administration of our employee benefit scheme lacked a comprehensive understanding of the PRC laws and regulations, which resulted in an inadvertence in monitoring our compliance status. We have not fully settled the shortfall amount of social insurance and hosing provident fund contribution as of the Latest Practicable Date. In 2022, 2023, 2024 and the six months ended June 30, 2025, the amount of shortfall in respect of social insurance and housing provident fund contributions was RMB1.5 million, RMB65.7 thousand, nil and nil, respectively. Pursuant to relevant PRC laws and regulations, if there is a failure to pay the full amount of social insurance as required, the social insurance premium collection department may require payment of the outstanding amount within a prescribed period, and it may charge a late fee of 0.05% per day of the delayed payment amount. If such payment is not made within the stipulated period, the competent authority may further impose a fine of one to three times of the overdue amount. 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.

As of the Latest Practicable Date, no administrative action or penalty had been imposed by the relevant regulatory authorities with respect to our social insurance and housing provident fund contributions, nor had we received any order to settle the deficit amount. Moreover, as of the Latest Practicable Date, we were not aware of any complaint filed by our employees regarding our social insurance and housing provident fund policy. As of the Latest Practicable Date, we have settled all outstanding payment obligations of social security insurance and housing provident fund contributions for all of our employees. Given these circumstances, we have not made provision in relation to the shortfall during the Track Record Period.

See "Risk Factors—Risks Relating to Our Business and Industry—Failure to comply with the PRC regulations regarding contribution of social insurance premium or housing provident fund may subject us to fines and other legal or administrative penalties."

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. 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 subsidiary and functional department.

Information System Risk Management

Sufficient maintenance, storage and protection of data and other related information are critical to our success. We have implemented relevant internal procedures and controls to ensure that data is protected and that leakage and loss of such data are avoided.

We have established an all-round information system in reference to data security requirements, national standards and industry best practices and intend to continually invest heavily in data security and privacy protection. Our information system applies multiple layers of safeguards, including both internal and external firewalls, to identity and protect us against security attacks. We have completed various information security, privacy and compliance certifications/validations, proving the security and reliability of our data protection technologies.

We implement a robust internal authentication and authorization system to ensure that our confidential and sensitive data can only be accessed for authorized use and by authorized personnel. We have clear and strict authorization and authentication procedures and policies in place. Our employees only have access to data which is directly relevant and necessary for their responsibilities and for limited purposes and are required to verify authorization upon every access attempt.

To prevent data loss, we regularly conduct data backup and archive. We also have an emergency response mechanism to evaluate critical risks, formulate disaster response plans and perform emergency drills on a regular basis.

During the Track Record Period and up to the Latest Practicable Date, we did not cause any material information leakage or loss of our data. See "—Data Privacy and Security" for more information about our information security procedures and policies.

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 also conduct periodic performance reviews for our employees, and introduce performance-based factors in determining remunerations. 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 incompliance with our code of conduct, work ethics, and violations of our internal policies or illegal acts.

In particular, we have in place a set of comprehensive anti-corruption and anti-bribery policies within our company (the "Anti-corruption Policy") to promote and support the compliance with applicable anti-corruption laws and regulations, providing guidance on anti-corruption and anti-bribery practices, the whistleblowing channel, as well as the responsibilities for implementing the policies. All of our employees are required to understand and comply with the Anti-corruption Policy, and we from time to time provide anti-corruption trainings to our employees.

Financial Reporting Risk Management

We have adopted comprehensive accounting policies in connection with our financial reporting risk management, such as financial management, budget management and financial statement preparation. We also have procedures in place to carry out such accounting policies, and our finance department reviews our management accounts in accordance with such procedures. In addition, we provide ongoing training to our finance staff to ensure that these policies are well observed and effectively implemented.

Compliance and Intellectual Property Risk Management

We have designed and adopted strict internal procedures to ensure the compliance of our business operations with the relevant rules and regulations, as well as the protection of our intellectual property rights. Our legal department examines the contract terms and reviews all relevant documents for our business operations, including licenses and permits obtained by the counterparties or us to perform contractual obligations and all the necessary underlying due diligence materials, before we enter into any contract or business arrangements. Our legal department is also responsible for obtaining any requisite governmental pre-approvals or consent, including preparing and submitting all necessary documents for filing with relevant government authorities within the prescribed regulatory timelines and ensuring all necessary application, renewals or filings for trademark, copyright and patent registration have been timely made to the competent authorities. There was no material and systemic noncompliance during the Track Record Period and as of the Latest Practicable Date.

Internal Control Risk Management

We have designed and adopted strict internal procedures to ensure the compliance of our business operations with the relevant rules and regulations. We also continually review our risk management policies and measures to ensure our policies and implementation are effective and sufficient.

Our Audit Committee to be established and comprised of independent directors, will lead our anti-corruption and anti-bribery efforts. We have already established an internal audit department to manage and continuously enhance our overall internal controls. We designated employees with rich experiences in internal control and compliance to carry out the internal audit function.

Our employee handbook unambiguously states: "Any employee seeking, receiving, or unlawfully offering benefits—including but not limited to gifts, loans, remuneration, positions, contracts, services, or favors—by exploiting their position will be deemed to have committed a serious violation of the company's rules and regulations." We also emphasize our zero-tolerance stance towards any form of corruption or bribery in our employee training. Furthermore, to foster transparency and detect potential violations, we have established a dedicated whistleblower email that creates an open channel for employees and other stakeholders to report any suspicions or evidence of corrupt practices.

AWARDS AND RECOGNITION

The following table sets forth major awards and recognitions we received as of the Latest Practicable Date.

Award/Recognition	Award Year	Awarding Institution/Authority
Shanghai Enterprise Technology Center	2021	Shanghai Municipal Commission of Economy and Informatization
Shanghai Brand Leading Model Enterprise	2021	Shanghai Municipal Commission of Economy and Informatization
Shanghai Outstanding Enterprise of Digital Technology	2021	Shanghai E-Commerce Association
Shanghai Small Giant Enterprise of Science and Technology	2021	Shanghai Science and Technology Commission
Shanghai SRDI (Specialized, Refinement, Differential, Innovation) Enterprise	2021	Shanghai Municipal Commission of Economy and Informatization
Shanghai Key Trademark Protection List	2022	Shanghai Intellectual Property Office

Award/Recognition	Award Year	Awarding Institution/Authority
Shanghai Quality Benchmark (2022-2023)	2023	Shanghai Municipal Commission of Economy and Informatization
Shanghai Software Core Competitiveness Enterprise (Scale Category)	2023	Shanghai Software Industry Association
Shanghai High and New Technology Achievement Transformation Project	2024	Shanghai Municipal Science and Technology Commission

DIRECTORS

Upon Listing, our Board will consist of seven Directors, including four executive Directors and three independent non-executive Directors. The following table provides certain information about our Directors:

Name	Age	Position	Date of appointment as Director	Date of joining our Group	Roles and responsibilities
Executive Directors					
Mr. Luo Haidong (駱海東)	56	Chairman of the Board, executive Director and CEO	August 2021	January 2014(1)	Overall management and business strategies of the Group
Mr. He Xingjian (賀興建)	48	Executive Director and chief product officer	February 2023	January 2014(1)	Overall product development of the Group
Mr. Li Cansheng (李燦升)	43	Executive Director and chief security officer	February 2023	January 2014(1)	Overall network and data security of the Group
Mr. Wang Yu (王瑜)	38	Executive Director and chief marketing officer	February 2023	November 2015	Overall sales management of the Group
Non-Executive Directors					
Mr. Wang Donghui(2)	55	Non-Executive Director	February 2023	August 2020	Providing advice on our Company's overall development as a private company
Mr. Chen Hongliang (陳洪亮)(2)	51	Non-Executive Director	February 2023	November 2018	Providing advice on our Company's overall development as a private company
Mr. Zhou Kui (周逵)(2)	57	Non-Executive Director	February 2023	April 2019	Providing advice on our Company's overall development as a private company

Name	Age	Position	Date of appointment as Director	Date of joining our Group	Roles and responsibilities
Independent Non-executive Directors					
Ms. Luo Mei (羅玫)	49	Independent non-executive Director	Listing Date	Listing Date	Participating in the decision making for our Company's significant events and advising on issues relating to corporate governance, audit and the remuneration and assessment of our Directors and senior management
Mr. Li Jiajun (李嘉俊)	43	Independent non-executive Director	Listing Date	Listing Date	Participating in the decision making for our Company's significant events and advising on issues relating to corporate governance, audit and the remuneration and assessment of our Directors and senior management
Mr. Sheng Kaiqiang (盛凱強)	36	Independent non-executive Director	Listing Date	Listing Date	Participating in the decision making for our Company's significant events and advising on issues relating to corporate governance, audit and the remuneration and assessment of our Directors and senior management

Notes:

(1) Jiaxing Jushuitan Information Technology Co., Ltd. (嘉興聚水潭信息科技有限公司) ("**Jiaxing Jushuitan IT**"), our wholly-owned subsidiary, was established in January 2014. Jiaxing Jushuitan IT did not have any substantive operations from January 2014 to September 2014, and was merely established procedurally prior to the establishment of Shanghai Jushuitan in September 2014. Only after the establishment of Shanghai Jushuitan did we commence our primary business operations through Shanghai Jushuitan. Mr. Luo, Mr. He and Mr. Li joined Jiaxing Jushuitan IT in January 2014. Jiaxing Jushuitan IT was initially owned by an employee of our Group and the spouse of Mr. Li as to 30% and 70%, respectively. In March 2014, Mr. Luo and Mr. He received equity interests of 40% and 20% in Jiaxing Jushuitan IT, respectively. Jushuitan IT has been wholly-owned by Shanghai Jushuitan since November 2015. For details of establishment of Shanghai Jushuitan, please refer to the section headed "History, Reorganization and Corporate Structure".

(2) As of the Latest Practicable Date, Mr. Wang Donghui, Mr. Chen Hongliang (陳洪亮) and Mr. Zhou Kui (周逵) were our non-executive Directors. Each of Mr. Wang Donghui, Mr. Chen Hongliang (陳洪亮) and Mr. Zhou Kui (周逵) has already tendered his resignation from directorship, conditional and effective upon Listing, and the appointment of Ms. Luo Mei (羅玫), Mr. Li Jiajun (李嘉俊) and Mr. Sheng Kaiqiang (盛凱強) as independent non-executive Directors will become effective at the same time. Mr. Wang Donghui, Mr. Chen Hongliang (陳洪亮) and Mr. Zhou Kui (周逵) are board representatives of our Pre-IPO Investors prior to Listing and have performed non-executive functions through providing advice on our overall development as a private company. Each of them has tendered his resignation based on internal decision-making of the Pre-IPO Investor which he represents and intention to focus on other endeavours. Furthermore, the replacement of three non-executive directors with three independent non-executive directors would allow us to meet the requirements under Rules 3.10(1) and 3.10A of the Listing Rules that our Board shall include at least three independent non-executive directors, who shall represent at least one-third of our Board.

Each of Mr. Wang Donghui, Mr. Chen Hongliang (陳洪亮) and Mr. Zhou Kui (周逵) has confirmed to the Board that he has no disagreement with the Board and there are no other matters in relation to his resignation that need to be brought to the attention of the Shareholders of the Company.

Executive Directors

Mr. Luo Haidong (駱海東), aged 56, joined our Group in January 2014. He was appointed as a director of Shanghai Jushuitan in November 2015 and our Director in August 2021, and was re-designated as our executive Director in June 2023.

Mr. Luo has over 25 years of industry experience in ERP, enterprise service and IT. Prior to founding our Group, Mr. Luo worked as the senior manager in the department of technology in Jiaxing Maibao Technology Information Co., Ltd. (嘉興麥寶科技信息有限公司) ("**Jiaxing Maibao**"), an e-commerce company principally engaged in online sales of bags and suitcases, from November 2009 to December 2013. Before that, Mr. Luo served as the chairman of the board and general manager of Shanghai Shengxun Technology Development Co., Ltd. (上海晟訊科技發展有限公司), a company focused on research and development and sales of information technology systems, from May 2000 to October 2009.

Mr. Luo received a master's degree in theoretical electrical engineering (理論電工) from Shanghai University (上海大學) in the PRC in January 1995. Mr. Luo was granted the title of Professor Level Senior Engineer (正高級工程師) by Shanghai Municipal Human Resources and Social Security Bureau (上海市人力資源和社會保障局) in December 2022 in recognition of his professional skills of information technology and multi-media. Mr. Luo was elected as a member of the National People's Congress (人大代表) of Jing'an District in Shanghai, PRC in November 2021.

Mr. He Xingjian (賀興建), aged 48, joined our Group in January 2014. He was appointed as a director of Shanghai Jushuitan in December 2015 and our Director in February 2023, and was re-designated as our executive Director in June 2023.

Prior to joining our Group, Mr. He served as senior technical expert in the department of technology in Jiaxing Maibao from February 2009 to November 2013. Before that, he worked as the manager of department of technology of Shanghai Shengxun Technology Development Co., Ltd. (上海晟訊科技發展有限公司) from August 2000 to January 2009.

Mr. He graduated from Shanghai University of Sport (上海體育大學) in the PRC in July 2000.

Mr. Li Cansheng (李燦升), aged 43, joined our Group in January 2014. He was appointed as a director of Shanghai Jushuitan in November 2018 and our Director on in February 2023, and was re-designated as our executive Director in June 2023.

Prior to joining our Group, Mr. Li served as the senior development manager in Jiaxing Maibao from November 2010 to October 2013.

Mr. Li obtained the graduation certificate in computer application and software through passing the self-taught higher education examinations from Jilin University (吉林大學) in the PRC in June 2010.

Mr. Wang Yu (王瑜), aged 38, joined our Group in November 2015. He was appointed as a director of Shanghai Jushuitan in April 2019 and our Director in February 2023, and was re-designated as our executive Director in June 2023.

Prior to joining our Group, Mr. Wang worked as the chief executive officer of Hangzhou Zhimaibao Network Technology Co., Ltd. (杭州智脈寶網絡技術有限公司) from April 2013 to October 2015. Before that, Mr. Wang served as the manager for key customers in Taobao (China) Software Co., Ltd. (淘寶(中國)軟件有限公司) from June 2011 to November 2012, and the sales manager in China supplier sales department in Alibaba (China) Network Technology Co., Ltd. (阿里巴巴(中國)網絡技術有限公司) from August 2008 to December 2010.

Mr. Wang obtained a bachelor's degree in measuring and control technology and instrumentations from Hangzhou Dianzi University (杭州電子科技大學) in the PRC in June 2008, and an executive master of business administration from China Europe International Business School (中歐國際工商學院) in the PRC in November 2023.

Non-executive Directors

Each of Mr. Wang Donghui, Mr. Chen Hongliang (陳洪亮) and Mr. Zhou Kui (周逵) are board representatives of our Pre-IPO Investors prior to Listing and have performed non-executive functions through providing advice on our overall development as a private company. Each of them has already tendered his resignation from directorship, conditional and effective upon Listing, based on internal decision-making of the Pre-IPO Investor which he represents and intention to focus on other endeavours. Solely for the information of the prospective investors, the Company sets out below the biography of them.

Mr. Wang Donghui, aged 55, was appointed as our non-executive Director in February 2023.

Prior to joining our Group, Mr. Wang served as the vice president in Kingsoft Corporation Limited (金山軟件有限公司), a company listed on the Stock Exchange (stock code: 3888), in 2005, and was appointed as the chief financial officer and executive director in December 2005 and May 2008, respectively. He resigned as the executive director and chief financial officer in October 2011. Mr. Wang founded Ameba Capital in November 2011 and has served as the managing partner since its inception.

Mr. Wang received a bachelor's degree in engineering from Tianjin Polytechnic University (天津工業大學) in the PRC in July 1992, and a master's degree of business administration from Victoria University of Technology in Australia in October 1997.

Mr. Chen Hongliang (陳洪亮), aged 51, was appointed as our non-executive Director in February 2023.

Prior to joining our Group, Mr. Chen served as a director in Taobao (China) Software Co., Ltd. (淘寶(中國)軟件有限公司) from October 2009 to September 2015. Mr. Chen has served as an investment partner in Hangzhou Yuanjing Ruiheng Investment Management Co., Ltd. (杭州元璟睿恒投資管理有限公司) since September 2015.

Mr. Chen received a doctorate's degree in mechanical engineering from Zhejiang University (浙江大學) in the PRC in August 2002.

Mr. Zhou Kui (周逵), aged 57, was appointed as our non-executive Director in February 2023.

Mr. Zhou joined HongShan (紅杉中國) in October 2005 and currently serves as a partner there, where he focuses on early investments in technology, media, telecom and healthcare industries. Mr. Zhou previously served as a director in different public companies, including Yunnan Botanee Bio-Technology Group Co., Ltd. (雲南貝泰妮生物科技集團股份有限公司) (Shenzhen Stock Exchange stock code: 300957) from November 2016 to May 2025, iRay Group (奕瑞電子科技集團股份有限公司) (Shanghai Stock Exchange stock code: 688301) from May 2019 to March 2022, and Dada Nexus Limited (NASDAQ stock code: DADA) from November 2014 to February 2022.

Mr. Zhou received a master's degree in business administration from Tsinghua University (清華大學) in the PRC in June 2000.

Independent Non-executive Directors

Ms. Luo Mei (羅玫), aged 49, was appointed as our independent non-executive Director of our Company in June 2023 with effect upon Listing Date.

Ms. Luo joined Tsinghua University (清華大學) in 2009 and is currently an associate professor of the Department of Accounting at the School of Economics and Management of Tsinghua University, and the director of the Research Center for Digital Financial Assets, School of Economics and Management, Tsinghua University. Ms. Luo served as an independent non-executive director of Bank of Gansu Co., Ltd. (甘肅銀行股份有限公司), a company listed on the Stock Exchange (stock code: 2139) from August 2017 to September 2023. Ms. Luo was formerly an independent director of Beijing Gehua CATV Network Co., Ltd. (北京歌華有線網絡股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600037), from March 2013 to March 2019, an independent director of Baofeng Group Co., Ltd. (暴風集團股份有限公司) from June 2013 to December 2014, and an independent director of Canaan Inc., a company listed on the NASDAQ (stock ticker: CAN), from December 2019 to July 2020.

Ms. Luo received a doctorate's degree from the University of California, Berkeley, the United States, majoring in business administration, in December 2004.

Mr. Li Jiajun (李嘉俊), aged 43, was appointed as our independent non-executive Director of our Company in June 2023 with effect upon Listing Date.

Mr. Li has been serving as chief financial officer, secretary of the board and vice president in Shanghai Wensheng Asset Management Co., Ltd. (上海文盛資產管理股份有限公司), since April 2016. Prior to that, he worked as financial director in RDA Microelectronics (Shanghai) Co., Ltd. (鋭迪科微電子上海有限公司) from January 2010 to April 2016, and in Dell (China) Co., Ltd. (戴爾(中國)有限公司) from October 2009 to January 2010. Mr. Li had also worked in PricewaterhouseCoopers Zhongtian Accounting Firm (普華永道中天會計師事務所) from August 2004 to November 2009. Since February 2022, has been serving as an independent director in Jiangxi Bohai Zinc Product Co., Ltd. (江西寶海微元再生科技股份有限公司), a company listed on the National Equities Exchange and Quotations (stock code: 835723) in 2016.

Mr. Li received his bachelor's degree in electronic and information engineering from Tongji University (同濟大學) in the PRC in July 2004, and an executive master of business administration from China Europe International Business School (中歐國際工商學院) in the PRC in November 2022. Mr. Li has been a fellow member of China Certified Public Accountant (CPA) since March 2013.

Mr. Sheng Kaiqiang (盛凱強), aged 36, was appointed as our independent non-executive Director of our Company in June 2023 with effect upon Listing Date.

Mr. Sheng founded Shanghai Wupao Network Technology Co., Ltd. (上海舞泡網絡科技有限公司) in January 2010 and has been serving as executive director since then.

Mr. Sheng received his bachelor's degree in marketing from Donghua University (東華大學) in the PRC in July 2010, and an executive master of business administration from China Europe International Business School (中歐國際工商學院) in the PRC in November 2022.

OTHER DISCLOSURE

Pursuant to 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 June 2023, and (ii) understands his or her obligations as a director of a listed issuer under the Listing Rules.

Pursuant to Rule 3.13 of the Listing Rules

Each of the independent non-executive Directors has confirmed (i) his/her independence as regards each of the factors referred to in Rules 3.13(1) to (8) of the Listing Rules, (ii) he/she has no past or present financial or other interest in the business of 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 are no other factors that may affect his/her independence at the time of his/her appointments.

Pursuant to Rule 13.51(2) of the Listing Rules

Save as disclosed above and in this Prospectus, each of our Directors confirms with respect to himself or herself that he or she (i) did not hold other long positions or short positions in the Shares, underlying Shares, debentures of our Company or any associated corporation (within the meaning of Part XV of the SFO) as of the Latest Practicable Date; (ii) did not hold any other directorships in the three years prior to the Latest Practicable Date in any public companies of which the securities are listed on any securities market in Hong Kong and/or overseas; and (iii) there are no other matters concerning his or her appointment that need to be brought to the attention of our Shareholders and the Stock Exchange or shall be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules. As of the Latest Practicable Date, none of our Directors or senior management is related to other Directors or senior management of our Company.

COMPETITION

As of the Latest Practicable Date, none of the Directors 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.

SENIOR MANAGEMENT

The following table sets out information regarding the members of senior management of our Company:

Name	Age	Position	Date of Joining the Group	Date of Appointment as a member of senior management of the Group	Roles and Responsibilities
Mr. Luo Haidong (駱海東)	56	Chairman of the Board, executive Director and CEO	January 2014	January 2014[(1)]	Overall management and business strategies of the Group
Mr. He Xingjian (賀興建)	48	Executive Director, chief product officer	January 2014	January 2014[(1)]	Overall product development of the Group
Mr. Li Cansheng (李燦升)	43	Executive Director and chief security officer	January 2014	January 2014[(1)]	Overall network and data security of the Group
Mr. Wang Yu (王瑜)	38	Executive Director and chief marketing officer	November 2015	November 2015	Overall sales management of the Group
Mr. Cen Wenchu (岑文初)	46	Chief technology officer	August 2020	August 2020	Overall research and development of the Group
Mr. Liu Luyao (劉路遙)	38	Chief financial officer	February 2021	February 2021	Financial, legal, capital markets and investor relationship affairs of the Group

Note:

(1) Please refer to Note (1) to the table under "– Directors" in this section.

Mr. Luo Haidong (駱海東), aged 56, is the Chairman of the Board, our executive Director and CEO. For details of his biography, see "Directors – Executive Directors" above.

Mr. He Xingjian (賀興建), aged 48, is our executive Director and chief product officer. For details of his biography, see "Directors – Executive Directors" above.

Mr. Li Cansheng (李燦升), aged 43, is our executive Director and chief security officer. For details of his biography, see "Directors – Executive Directors" above.

Mr. Wang Yu (王瑜), aged 38, is our executive Director and chief marketing officer. For details of his biography, see "Directors – Executive Directors" above.

Mr. Cen Wenchu (岑文初), aged 46, joined our Group in August 2020 as the chief technology officer.

Prior to joining our Group, Mr. Cen served as a partner in charge of product technology in Hangzhou Lefit Network Technology Co., Ltd. (杭州樂刻網絡技術有限公司) from August 2018 to March 2020. From March 2006 to August 2018, Mr. Cen worked for Alibaba Group Holding Limited and successively served as development engineer and senior technology experts.

Mr. Cen received his bachelor's degree in computer application from Hangzhou Dianzi University in the PRC in June 2001, and a master's degree in software engineering from Beihang University (北京航空航天大學) in the PRC in December 2006.

Mr. Liu Luyao (劉路遙), aged 38, joined our Group in February 2021 as the chief financial officer.

Prior to joining our Group, Mr. Liu served as the chief financial officer of BitMain Technologies Holding Company from July 2018 to February 2021. He worked in China International Capital Corporation Limited (中國國際金融股份有限公司), a company listed on the Stock Exchange (stock code: 3908) and Shanghai Stock Exchange (stock code: 601995), from July 2012 to June 2018, and his last position was vice president of investment banking department. Mr. Liu has served as an independent director of Jiangxi Tianxin Pharmaceutical Co., Ltd. (江西天新藥業股份有限公司), a company listed on Shanghai Stock Exchange (stock code: 603235), since November 2023.

Mr. Liu received his bachelor's degree in finance from Peking University (北京大學) in the PRC in July 2009, and his master's degree in accounting from Tsinghua University (清華大學) in the PRC in June 2012. Mr. Liu has been a fellow member of Chartered Financial Analyst Institution (CFA) since August 2015 and China Certified Public Accountant (CPA) since May 2012.

JOINT COMPANY SECRETARIES

Mr. Liu Luyao (劉路遙), aged 38, was appointed as a joint company secretary of our Company in June 2023 with effect from the Listing Date. For details of his biography, see "Senior Management" above.

Ms. Chan Sau Ling (陳秀玲) ("**Ms. Chan**"), was appointed as a joint company secretary of our Company in August 2024 with effect from the Listing Date. Ms. Chan is a director of Company Secretarial Services of Tricor Services Limited. She has over 25 years of experience in the company secretarial field, and has provided professional corporate services to Hong Kong listed companies as well as multinational, private and offshore companies.

Ms. Chan is currently the company secretary or joint company secretary of several listed companies on the Hong Kong Stock Exchange.

Ms. Chan is a Chartered Secretary, a Chartered Governance Professional and a Fellow of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.

CORPORATE GOVERNANCE

Audit Committee

We have established an audit committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The audit committee of the Company comprises three members, namely Ms. Luo Mei, Mr. Li Jiajun and Mr. Sheng Kaiqiang, with Ms. Luo Mei, one of our independent non-executive Director, as chairperson of the audit committee. Ms. Luo Mei and Mr. Li Jiajun are both the independent non-executive Directors with the appropriate professional qualifications or accounting or related financial management expertise as required under Rules 3.10(2) and 3.21 of the Listing Rules. The primary duties of the Company's audit committee are, among other things, to review and supervise the financial reporting process and internal controls system of our Group, review and approve connected transactions and provide advice and comments to the Board.

Remuneration Committee

We have established a remuneration committee with written terms of reference in compliance with Rule 3.25 of the Listing Rules and the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The remuneration committee of the Company comprises three members, namely Mr. Li Jiajun, Mr. Luo Haidong and Mr. Sheng Kaiqiang, with Mr. Li Jiajun as chairperson of the remuneration committee. The primary duties of the Company's remuneration committee are to review and make recommendations to the Board on the terms of remuneration packages, bonuses and other compensation payable to our Directors and other senior management.

Nomination Committee

We have established a nomination committee with written terms of reference in compliance with Rule 3.27A of the Listing Rules and the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The nomination committee of the Company comprises three members, namely Mr. Sheng Kaiqiang, Mr. Luo Haidong and Ms. Luo Mei, with Mr. Sheng Kaiqiang as chairperson of the nomination committee. The primary duties of the nomination committee are to make recommendations to our Board on the appointment of Directors and management of Board succession.

Board Diversity

We are committed to promoting the culture of diversity in the Company. We have strived to promote diversity to the extent practicable by taking into consideration a number of factors in our corporate governance structure.

Our Company has adopted a board diversity policy which sets out the objective and approach to achieve and maintain diversity of the Board in order to enhance the effectiveness of our Board. Pursuant to the board diversity policy, we seek to achieve Board diversity through the consideration of a number of factors, including but not limited to gender, age, educational background, industry experience and professional experience. Our Directors have balanced mix of gender, knowledge, skills and experiences, including management, strategic planning, finance, investment and technology industries. They obtained degrees in various areas such as computer application, engineering, accounting, marketing and business administration. We have also taken, and will continue to take steps to promote gender diversity at the Board level of our Company. Upon Listing, our Board comprises six male members and one female member. After Listing, the nomination committee will revisit the board diversity policy and monitor its implementation from time to time. The nomination committee will also use their best efforts to identify and recommend suitable female candidates for the Board's consideration in the future to ensure that gender diversity can be maintained. With reference to our board diversity policy, we will also ensure that there is gender diversity when recruiting staff at mid to senior level so that we will have a pipeline of female senior management and potential successors to our Board in due time to ensure gender diversity of the Board. Our Group will continue to emphasize training of female talent and providing long-term development opportunities for our female staff.

Corporate Governance Code

Pursuant to code provision C.2.1 of the Corporate Governance Code, companies listed on the Stock Exchange are expected to comply with, but may choose to deviate from the requirement that the roles of chairman and chief executive should be separate and should not be performed by the same individual. We do not have separate Chairman of the Board and Chief Executive Officer and Mr. Luo, the Chairman of our Board and CEO, currently performs these two roles. Our Board believes that, in view of his experience, personal profile and his roles in our Company as mentioned above, Mr. Luo is the Director best suited to identify strategic opportunities and focus of the Board due to his extensive understanding of our business as our CEO. Our Board also believes that the combined role of Chairman of the Board and CEO can promote the effective execution of strategic initiatives and facilitate the flow of information between management and the Board. Our Board will continue to review and consider splitting the roles of Chairman of the Board and the CEO at a time when it is appropriate by taking into account the circumstances of our Group as a whole. We aim to implement a high standard of corporate governance, which is crucial to safeguard the interests of our Shareholders. To accomplish this, we expect to comply with the Corporate Governance Code after the Listing save for the matter disclosed above.

COMPENSATION OF DIRECTORS AND SENIOR MANAGEMENT

Our Directors receive compensation in the form of salaries, bonuses, other allowances and benefits in kind, including our Company's contribution to the pension scheme on their behalf and share-based payment. Our Directors' remuneration is determined with reference to the relevant Director's experience and qualifications, level of responsibility, performance and the time devoted to our business, and the prevailing market conditions.

The aggregate amount of remuneration (including salaries, allowances and benefits in kind, bonuses, retirement scheme contributions, discretionary bonuses and share based payments) to our Directors for the three years ended December 31, 2022, 2023 and 2024, and the six months ended June 30, 2025 were RMB9.1 million, RMB13.9 million, RMB12.7 million and RMB5.1 million, respectively. It is estimated that remuneration and benefits in kind (excluding any possible payment of discretionary bonus) equivalent to approximately RMB13.0 million in aggregate will be paid and granted to our Directors by us in respect of the financial year ending December 31, 2025 under arrangements in force at the date of this Prospectus.

The five highest paid individuals of our Group for the year ended December 31, 2022, 2023 and 2024, and the six months ended June 30, 2025 included two, one, two and three Directors, respectively. The aggregate amount of remuneration (including salaries, allowances and benefits in kind, bonuses, retirement scheme contributions, discretionary bonuses and share based payments) for the remaining three, four, three and two highest paid individuals for the three years ended December 31, 2022, 2023 and 2024, and the six months ended June 30, 2025 were RMB17.1 million, RMB26.8 million, RMB22.3 million and RMB8.5 million, respectively.

During the Track Record Period, (i) no remuneration was paid to our Directors or the five highest paid individuals as an inducement to join, or upon joining our Group; (ii) no compensation was paid to, or receivable by, our Directors, past Directors or the five highest paid individuals for the loss of office as director of any member of our Group or of any other office in connection with the management of the affairs of any member of our Group; and (iii) none of our Directors waived any emoluments.

For more details on remuneration of our Directors and the highest paid individuals, see Notes 36 and 8 to the Accountant's Report.

COMPLIANCE ADVISER

Our Company has appointed Guotai Junan Capital Limited as our compliance adviser pursuant to Rule 3A.19 of the Listing Rules. Pursuant to Rule 3A.23 of the Listing Rules, our compliance adviser will advise our Company in the following circumstances:

- before the publication of any regulatory announcement, circular or financial report;

- where a transaction, which might be a notifiable or connected transaction, is contemplated, including shares issues and share repurchases;

- where our Company proposes to use the proceeds of the Global Offering in a manner different from that detailed in this Prospectus or where our business activities, developments or results deviate from any forecast, estimate or other information in this Prospectus; and

- where the Stock Exchange makes an inquiry of our Company under Rule 13.10 of the Listing Rules.

The term of the appointment of our compliance adviser shall commence on the Listing Date and end on the date on which our Company publishes our annual report in respect of our financial results for the first full financial year commencing after the Listing Date.

OUR CONTROLLING SHAREHOLDERS

Immediately following the completion of the Capitalization Issue and the Global Offering (on the basis that all the Preferred Shares are converted into Shares on a one-to-one basis and assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised), Mr. Luo, our chairman of the Board, executive Director and CEO, will control the voting rights of approximately 39.37% of the total issued share capital of our Company, including:

(i) the voting rights of the Shares, representing approximately 19.16% of the total issued share capital of our Company, held by Black Tea Limited, a wholly-owned company of HD Luo Limited, which is in turn wholly-owned by Mr. Luo; and

(ii) by virtue of the Voting Proxy Agreement (as summarized in the subsection "Voting Proxy Agreement" below), the voting rights of the Shares, representing approximately 20.22% in aggregate of the total issued share capital of our Company, which includes 11.40%, 5.43% and 3.39%, held by (a) Popogo Limited, (b) Taurus Lee Limited, and (c) Nico and Winco Limited, respectively.

Accordingly, Mr. Luo, HD Luo Limited and Black Tea Limited are the Controlling Shareholders of our Company.

For the background of our Controlling Shareholders, please refer to the sections headed "History, Reorganization and Corporate Structure" and "Directors and Senior Management".

Voting Proxy Agreement

Mr. Luo, HD Luo Limited and Black Tea Limited entered into an irrevocable voting proxy agreement (the "**Voting Proxy Agreement**") dated September 13, 2021 with Mr. He, XJ He Limited, Popogo Limited, Mr. Li Cansheng, Golden Bull Lee Limited, Taurus Lee Limited, Mr. Wang Yu, Y Wang Limited and Nico and Winco Limited (the "**Proxy Grantors**", and together with Mr. Luo, HD Luo Limited and Black Tea Limited, the "**Parties to the Voting Proxy Agreement**").

Pursuant to the Voting Proxy Agreement, Mr. Luo, HD Luo Limited and Black Tea Limited are entitled to exercise, in Mr. Luo's sole discretion, all rights of the Proxy Grantors as the Shareholders of the Company (including but not limited to their voting rights at Shareholders' general meetings) to their exclusion and without their prior written consent, in accordance with the applicable laws and rules with respect to corporate governance.

The primary reasons for the Voting Proxy Agreement were to: (a) more effectively streamline the Company's long-term strategic planning and decision-making processes, thereby facilitating consistent leadership and management of the Company; (b) affirm the belief of the Proxy Grantors – and in particular Mr. He, Mr. Li and Mr. Wang – in Mr. Luo's vision for the Company and ability to act in the best interests of our Group and our Shareholders; and (c) reflect the importance of Mr. Luo's role in guiding and promoting our growth and development since our Group's establishment.

The Voting Proxy Agreement took immediate effect upon the date thereof and shall continue in force during the lifetime of Mr. He, Popogo Limited, Mr. Li, Taurus Lee Limited, Mr. Wang and Nico and Winco Limited, unless otherwise earlier terminated by Mr. Luo and Black Tea Limited. The Voting Proxy Agreement provides for amendment or waiver only by the written consent of all parties, subject to the proposal of any amendment by any applicable regulatory authority including the Stock Exchange, in which case the Voting Proxy Agreement shall be so amended.

As a result of the arrangements set out in the Voting Proxy Agreement, Mr. Luo, HD Luo Limited and Black Tea Limited control approximately 39.37% of the voting rights of the Company immediately after the completion of the Capitalization Issue and the Global Offering (on the basis that all the Preferred Shares are converted into Shares on a one-to-one basis and assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised).

INDEPENDENCE OF OUR BUSINESS

We believe that we are capable of carrying out our business independently of our Controlling Shareholders and their close associates after the Listing for the reasons set out below.

Management Independence

Upon the Listing, our Board will consist of four executive Directors and three independent non-executive Directors, and our senior management team will comprise six members.

The executive Directors and the senior management team are responsible for the day-to-day management of our operations. Notwithstanding the roles of Mr. Luo, our Directors are of the view that our Company is able to function independently from our Controlling Shareholders for the following reasons:

(i) we have appointed three independent non-executive Directors, comprising over one-third of the total members of our Board, who are independent of our Controlling Shareholders and have sufficient knowledge, experience and competence to provide a balance of the potentially interested Directors with a view to promote the interests of our Company and of the Shareholders as a whole;

(ii) our Company has established internal control mechanisms to identify connected transactions to ensure that our Shareholders or Directors with conflicting interests in a proposed transaction will abstain from voting on the relevant resolutions;

(iii) in the event that there is a potential conflict of interest arising out of any transaction to be entered into between our Company and our Directors or their respective close associates, the interested Director is obliged to declare and fully disclose such potential conflict of interests and shall abstain from voting at the relevant Board meetings in respect of such transactions and shall not be counted in the quorum; and

(iv) each of our Directors is aware of his or her fiduciary duties and responsibilities under the Listing Rules as a director, which require that he or she acts for the benefit and in the best interest of our Company and does not allow any conflict between his or her duties as a Director and his or her personal interests; and

(v) in order to support our independence, management, our Company has adopted a series of corporate measures to manage conflicts of interest, if any, between our Company and our Controlling Shareholders. Please refer to "Corporate Governance Measures" below for further information.

Based on the above, our Directors believe that our Board and senior management as a whole are able to play a managerial role in our Company independently from our Controlling Shareholders and their close associates after the Listing.

Operational Independence

Our Group is not operationally dependent on our Controlling Shareholders. Our Company (including through our subsidiaries) holds all relevant licenses and owns all relevant intellectual properties and research and development facilities necessary to carry on our business. We have sufficient capital, facilities, equipment and employees to operate our business independently from our Controlling Shareholders. We also have independent access to our customers.

Based on the above, our Directors consider there to be no operational dependence on our Controlling Shareholders or any of their close associates.

Financial Independence

Our Group is not financially dependent on our Controlling Shareholders, and we do not expect to rely on our Controlling Shareholders or any of their close associates for financing after the Listing. Our Company has established an independent finance department, as well as implemented its own sound and independent audit, accounting, internal control and financial management systems. We make financial decisions and determine our use of funds according to our own business needs. We have opened accounts with banks independently and do not share any bank account with our Controlling Shareholders. We have made tax filings and paid tax independently of our Controlling Shareholders pursuant to applicable laws and regulations. We have adequate internal resources to support our daily operation, and we are capable of obtaining financing from third parties, if necessary, without reliance on our Controlling Shareholders.

As of the Latest Practicable Date, there was no outstanding loan extended by our Controlling Shareholders or their close associates to us and no guarantee has been provided for our benefit by our Controlling Shareholders or any of their close associates.

Based on the above, our Directors consider that there is no financial dependence on our Controlling Shareholders or any of their close associates.

DISCLOSURE UNDER RULE 8.10 OF THE LISTING RULES

Save and except for the interests of our Controlling Shareholders in our Company and its subsidiaries, our Controlling Shareholders, their close associates and our Directors do not have any interest in any business, other than our Group, which competes or is likely to compete, either directly or indirectly, with our Group's business and which requires disclosure pursuant to Rule 8.10 of the Listing Rules.

CORPORATE GOVERNANCE MEASURES

Our Company will comply with the provisions of the Corporate Governance Code which sets out principles of good corporate governance in relation to, among other matters, directors, the chairman and chief executive officer, board composition, the appointment, re-election and removal of directors, their responsibilities and remuneration and communications with shareholders, except for code provision C.2.1 of the Corporate Governance Code, details of which are set out in "Directors and Senior Management – Corporate Governance – Corporate Governance Code" in this Prospectus.

Our Directors recognize the importance of good corporate governance to protect the interests of our Shareholders. We have adopted the following corporate governance measures to safeguard good corporate governance standards and to avoid potential conflict of interests between our Group and our Controlling Shareholders:

(i) our Company has established internal control mechanisms to identify connected transactions. Upon Listing, if our Group enters into connected transactions with our Controlling Shareholders or their close associates, our Company will comply with the applicable requirements under the Listing Rules;

(ii) where a Shareholders' meeting is to be held for considering proposed transactions in which our Controlling Shareholders or any of their close associates has any material interest, our Controlling Shareholders and their close associates (as applicable) will not vote on the resolutions and shall not be counted in the quorum for the voting;

(iii) our Board consists of a balanced composition of executive, non-executive and independent non-executive Directors, with not less than one-third of independent non-executive Directors to ensure that our Board is able to effectively exercise independent judgment in its decision-making process and provide independent advice to our Shareholders. Our independent non-executive Directors individually and collectively possess the requisite knowledge and experience to perform their duties. They will review whether there is any conflict of interests between our Group and our Controlling Shareholders on an annual basis (the "**Annual Review**") and provide impartial and professional advice to protect the interests of our minority Shareholders; the Controlling Shareholders will undertake to provide all information necessary, 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;

(iv) 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;

(v) where the advice from an independent professional, such as a financial or legal advisor, is reasonably requested by our Directors (including the independent non-executive Directors), the appointment of such an independent professional will be made at our Company's expense; and

(vi) we have appointed Guotai Junan Capital Limited as our Compliance Adviser, who will provide advice and guidance to us in respect of compliance with the applicable laws and the Listing Rules including various requirements relating to Directors' duties and corporate governance matters.

Based on the above, our Directors are satisfied that sufficient corporate governance measures have been put in place to manage conflict of interests between our Group and our Controlling Shareholders and to protect our minority Shareholders' rights after the Listing.

SUBSTANTIAL SHAREHOLDERS

So far as our Directors are aware, immediately following the completion of the Capitalization Issue and the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are 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 to us pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or be 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 or any other member of our Group:

		As of the Latest Practicable Date		Upon the Completion of the Capitalization Issue and the Global Offering (Assuming the Offer Size Adjustment Option and the Over-allotment Option are Not Exercised)	
Name of Shareholder	Capacity/ Nature of Interest	Number of Shares Held	Approximate Percentage of Shareholding	Number of Shares Held	Approximate Percentage of Shareholding
			(%)		*(%)*
Mr. Luo[(2)(3)]	Interest in a controlled corporation; interest held through voting powers entrusted by other persons	1,677,462	46.87	167,746,200	39.37
HD Luo Limited[(2)(3)]	Interest in a controlled corporation; interest held through voting powers entrusted by other persons	1,677,462	46.87	167,746,200	39.37
Black Tea Limited[(2)(3)]	Beneficial interest; interest held through voting powers entrusted by other persons	1,677,462	46.87	167,746,200	39.37
Mr. He[(4)]	Interest in a controlled corporation	485,806	13.57	48,580,600	11.40
XJ He Limited[(4)]	Interest in a controlled corporation	485,806	13.57	48,580,600	11.40

		As of the Latest Practicable Date		Upon the Completion of the Capitalization Issue and the Global Offering (Assuming the Offer Size Adjustment Option and the Over-allotment Option are Not Exercised)	
Name of Shareholder	Capacity/ Nature of Interest	Number of Shares Held	Approximate Percentage of Shareholding	Number of Shares Held	Approximate Percentage of Shareholding
			(%)		(%)
Popogo Limited[(4)]	Beneficial interest	485,806	13.57	48,580,600	11.40
Mr. Wang Donghui[(5)]	Interest in a controlled corporation; interest of spouse	337,912	9.44	33,791,200	7.93
Trident Trust Company (HK) Limited[(6)]	Interest in a controlled corporation	311,780	8.71	31,178,000	7.32
JST Incentive Plan Limited[(6)]	Beneficial interest	311,780	8.71	31,178,000	7.32
Mr. Zhou Kui[(7)]	Interest in a controlled corporation	286,239	8.00	28,623,900	6.72
Ningbo Meishan Bonded Port Area HongShan Huanjia Investment Management Co., Ltd.[(7)]	Interest in a controlled corporation	286,239	8.00	28,623,900	6.72
Jiaxing HongShan Kunsheng Investment Management Partnership (L.P.)[(7)]	Interest in a controlled corporation	286,239	8.00	28,623,900	6.72
HongShan Zhisheng[(7)]	Interest in a controlled corporation	286,239	8.00	28,623,900	6.72
Shanghai Shibo Enterprise Management Consulting Partnership (L.P.)[(7)]	Interest in a controlled corporation	286,239	8.00	28,623,900	6.72
Max Dazzle Limited[(7)]	Beneficial interest	286,239	8.00	28,623,900	6.72

Notes:

(1) The table above assumes that (i) all of the Preferred Shares have been converted into the Shares on a one-to-one basis, and (ii) the Offer Size Adjustment Option and the Over-allotment Option are not exercised.

(2) Black Tea Limited is wholly-owned by HD Luo Limited, which is in turn wholly-owned by Mr. Luo. Therefore, Mr. Luo and HD Luo Limited are deemed to be interested in the Shares held by Black Tea Limited under the SFO.

(3) Pursuant to the Voting Proxy Agreement dated September 13, 2021, Mr. Luo and Black Tea Limited are entitled to exercise the rights of the Shares of Popogo Limited, Taurus Lee Limited and Nico and Winco Limited. See the section headed "Relationship With Our Controlling Shareholders" in this Prospectus for details. Therefore, Mr. Luo, HD Luo Limited and Black Tea Limited are deemed to be interested in the Shares held by Popogo Limited, Taurus Lee Limited and Nico and Winco Limited under the SFO.

(4) Popogo Limited is wholly-owned by XJ He Limited, which is in turn wholly-owned by Mr. He. Therefore, Mr. He and XJ He Limited are deemed to be interested in the Shares held by Popogo Limited under the SFO.

(5) To the best of our Directors' knowledge, Ameba Bamboo Limited is wholly-owned by Shanghai Huiju Management Consulting Partnership (L.P.), whose general partner is Shanghai Ameba Investment Management Co., Ltd., which in turn is held as to 80% by Ms. Cheng Qi, who is the spouse of Mr. Wang Donghui. Therefore, under the SFO, Mr. Wang Donghui is deemed to be interested in the Shares held by Ms. Cheng Qi, that is, the Shares held by Ameba Bamboo Limited. Moreover, to the best of our Directors' knowledge, Ameba Mercury Limited is wholly-owned by Ameba China SaaS Fund, L.P., whose general partner is Mr. Wang Donghui. Therefore, under the SFO, Mr. Wang Donghui is also deemed to be interested in the Shares held by Ameba Mercury Limited.

(6) JST Incentive Plan Limited is wholly owned by Trident Trust Company (HK) Limited, being the trustee appointed for the trust established by the Company to facilitate the administration of the Pre-IPO Share Option Scheme. Therefore, under the SFO, Trident Trust Company (HK) Limited is also deemed to be interested in the Shares held by JST Incentive Plan Limited.

(7) To the best of our Directors' knowledge, Max Dazzle Limited is wholly-owned by Shanghai Shibo Enterprise Management Consulting Partnership (L.P.), which is owned as to 99.92% by HongShan Zhisheng as limited partner. The general partner of HongShan Zhisheng and Shanghai Shibo Enterprise Management Consulting Partnership (L.P.) is Jiaxing HongShan Kunsheng Investment Management Partnership (L.P.). The general partner of Jiaxing HongShan Kunsheng Investment Management Partnership (L.P.) is Ningbo Meishan Bonded Port Area HongShan Huanjia Investment Management Co., Ltd., which is ultimately controlled by Mr. Zhou Kui. Therefore, Shanghai Shibo Enterprise Management Consulting Partnership (L.P.), HongShan Zhisheng, Jiaxing HongShan Kunsheng Investment Management Partnership (L.P.), Ningbo Meishan Bonded Port Area HongShan Huanjia Investment Management Co., Ltd. and Mr. Zhou Kui are deemed to be interested in the Shares held by Max Dazzle Limited under the SFO.

Save as disclosed above and in "Statutory and General Information—Further Information about our Directors and Substantial Shareholders—Disclosure of Interests" of Appendix IV to this Prospectus, our Directors are not aware of any other person who will or any other entity which will, immediately following the completion of the Capitalization Issue and the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised), have any interests and/or short positions in the Shares or underlying shares of our Company which would fall to be disclosed to us and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or be 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 or any other member of our Group. Our Directors are not aware of any arrangement which may at a subsequent date result in a change of control of our Company.

THE CORNERSTONE PLACING

We have entered into cornerstone investment agreements (each a "**Cornerstone Investment Agreement**" and collectively, the "**Cornerstone Investment Agreements**") with the cornerstone investors set out below (each a "**Cornerstone Investor**" and collectively, the "**Cornerstone Investors**"), pursuant to which the Cornerstone Investors have agreed to, subject to certain conditions, subscribe, or cause their designated entities to subscribe, at the Offer Price for such number of Offer Shares (rounded down to the nearest whole board lot of 100 Shares) that may be purchased for an aggregate amount of US$130 million (or approximately HK$1,011.76 million, calculated based on the conversion rate of US$1.00 to HK$7.7828) (the "**Cornerstone Placing**"). The aggregate amount of the investment contributed by the Cornerstone Investors does not include brokerage, SFC transaction levy, AFRC transaction levy and Hong Kong Stock Exchange trading fee which the Cornerstone Investors will pay in respect of the International Offer Shares to be subscribed by them.

Assuming an Offer Price of HK$30.60, the total number of Offer Shares to be subscribed by the Cornerstone Investors would be 33,062,900 Offer Shares. The table below reflects the shareholding percentage immediately after the completion of the Global Offering.

Assuming the Offer Size Adjustment Option is not exercised				Assuming the Offer Size Adjustment Option is fully exercised			
Assuming the Over-allotment Option is not exercised		Assuming the Over-allotment Option is fully exercised		Assuming the Over-allotment Option is not exercised		Assuming the Over-allotment Option is fully exercised	
Approximate % of the Offer Shares	Approximate % of the Shares in issue upon completion of the Global Offering	Approximate % of the Offer Shares	Approximate % of the Shares in issue upon completion of the Global Offering	Approximate % of the Offer Shares	Approximate % of the Shares in issue upon completion of the Global Offering	Approximate % of the Offer Shares	Approximate % of the Shares in issue upon completion of the Global Offering
48.5%	7.76%	42.18%	7.58%	42.18%	7.58%	36.68%	7.38%

The Company is of the view that the Cornerstone Placing will help to raise the profile of the Company and to signify that such Cornerstone Investors have confidence in the business and prospects of the Group. Further, we believe that we will benefit from the Cornerstone Placing, taking into account the business sectors the Cornerstone Investors focus on. Two of our Cornerstone Investors, namely Blue Lake Capital Opportunity Fund and GRANITE ASIA VIII INVESTMENTS PTE. LTD., are our existing minority Shareholders and close associates of certain existing minority Shareholders, namely Shanghai Blue Lake and Seashine Capital Limited respectively. Our Company became acquainted with each of the other Cornerstone Investors during its ordinary course of operations, either through the Group's business network or through introduction by the Company's business partners or the Overall Coordinators.

The Cornerstone Placing will form part of the International Offering, and save as otherwise consented to by the Stock Exchange, the Cornerstone Investors will not subscribe for any Offer Shares under the Global Offering other than pursuant to the Cornerstone Investment Agreements. The Offer Shares to be subscribed by the Cornerstone Investors will rank *pari passu* in all respects with the fully paid Shares in issue and all the Shares to be subscribed by the Cornerstone Investors will be counted towards the public float for the purpose of Rule 8.08 of the Listing Rules. Immediately following the completion of the Global Offering, the Cornerstone Investors will not have any Board representation in our Company; and none of the Cornerstone Investors nor their associates will become a substantial shareholder of our Company. The Cornerstone Investors do not have any preferential rights in the Cornerstone Investment Agreements compared with other public Shareholders, other than a guaranteed allocation of the relevant Offer Shares at the Offer Price.

As confirmed by each of the Cornerstone Investors, there are no side arrangements or agreements between our Company and the Cornerstone Investors or any benefit, direct or indirect, conferred on the Cornerstone Investors by virtue of or in relation to the Listing, other than a guaranteed allocation of the relevant Offer Shares at the final Offer Price, following the principles as set out in Chapter 4.15 of the Guide for New Listing Applicants.

The Cornerstone Investors have agreed to pay for the relevant Offer Shares that they have subscribed before dealings in the Company's Shares commence on the Stock Exchange. Certain Cornerstone Investors have agreed that the Company and the Overall Coordinators in their sole discretion may defer the delivery of all or part of the Offer Shares it will subscribe to on a date later than the Listing Date. There will be no deferred settlement of the Offer Shares to be subscribed by the Cornerstone Investors. Where delayed delivery takes place, each Cornerstone Investor that may be affected by such delayed delivery arrangement has agreed that it shall nevertheless pay for the relevant Offer Shares in full before the Listing. Such delayed delivery arrangement is in place to facilitate the over-allocation in the International Offering. There will be no delayed delivery if there is no over-allocation in the International Offering.

Among the Cornerstone Investors, Blue Lake Capital Opportunity Fund and GRANITE ASIA VIII INVESTMENTS PTE. LTD. are existing minority Shareholders and close associates of certain existing minority Shareholders, namely Shanghai Blue Lake and Seashine Capital Limited respectively. The Stock Exchange has granted a waiver from strict compliance with the requirements under Rule 10.04 and consent under paragraph 1C of Appendix F1 to the Listing Rules to permit Shares in the International Offering to be placed to certain existing minority Shareholders and/or their close associates. For further details, see "Waivers and Exemption—Waiver from Strict Compliance with Rule 10.04 of the Listing Rules and the Stock Exchange's Consent under Paragraph 1C of Appendix F1 to the Listing Rules in respect of Subscriptions of Offer Shares by Certain Existing Shareholders as Cornerstone Investors".

Save as otherwise disclosed, to the best of the knowledge, information and belief of our Company, (i) other than the Cornerstone Investors who are existing minority Shareholders, the Cornerstone Investors are independent of the Company, its connected persons and their respective associates; (ii) other than the Cornerstone Investors who are existing minority Shareholders, none of the Cornerstone Investors is accustomed to take and has not taken instructions from the Company, our Directors, chief executive, the Controlling Shareholders, substantial shareholders, existing Shareholders or any of the Company's subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Offer Shares; and (iii) other than the Cornerstone Investors who are existing minority Shareholders, none of the subscription of the Offer Shares by the Cornerstone Investors is directly or indirectly financed by the Company, our Directors, chief executive, the Controlling Shareholders, substantial shareholders, existing Shareholders or any of the Company's subsidiaries or their respective close associates.

Save as otherwise disclosed, to the best knowledge of the Company and the Overall Coordinators, and based on the indicative interest of investment of the Cornerstone Investors and/or their close associates as of the date of this Prospectus, certain Cornerstone Investors and/or their close associates may participate in the International Offering as placees and subscribe for further Offer Shares in the Global Offering. The Company will seek the Stock Exchange's consent and/or waiver to allow the Cornerstone Investors and/or their close associates to participate in the International Offering as placees pursuant to Chapter 4.15 of the Guide for New Listing Applicants. Whether such Cornerstone Investors and/or their close associates will place orders in the International Offering is uncertain and will be subject to the final investment decisions of such investors and the terms and conditions of the Global Offering.

In addition, to the best knowledge of our Company, save that China Universal (HK) is a wholly-owned subsidiary of CUAM, each of the Cornerstone Investors is independent from each other and makes independent investment decisions. Their subscription of the Offer Shares under the Cornerstone Investment Agreements would be financed by their own internal resources, financial resources of their shareholders or (in the case of Cornerstone Investors which are funds or investment managers) the assets managed for their investors, and they each have sufficient funds to settle their respective investments under the Cornerstone Placing. Each of the Cornerstone Investors has confirmed that all necessary approvals have been obtained with respect to the Cornerstone Placing, and that no specific approval from any stock exchange (if relevant) or its shareholders is required for their participation in the Cornerstone Placing.

Details of the actual number of Offer Shares to be allocated to the Cornerstone Investors will be disclosed in the allotment results announcement of our Company to be published on or around Monday, October 20, 2025.

Set out below is the details of the Cornerstone Placing (*in alphabetical order*):

Cornerstone Investor	Investment amount(1)	Number of Offer Shares(2)	Assuming the Offer Size Adjustment Option and the Over-allotment Option is not exercised: Approximate % of the Offer Shares	Assuming the Offer Size Adjustment Option and the Over-allotment Option is not exercised: Approximate % of our total issued share capital	Assuming the Offer Size Adjustment Option and the Over-allotment Option is fully exercised: Approximate % of the Offer Shares	Assuming the Offer Size Adjustment Option and the Over-allotment Option is fully exercised: Approximate % of our total issued share capital
	(US$ in millions)					
Blue Lake Capital Opportunity Fund	10	2,543,300	3.73%	0.60%	2.82%	0.57%
CUAM Entities	10	2,543,300	3.73%	0.60%	2.82%	0.57%
DAMSIMF	10	2,543,300	3.73%	0.60%	2.82%	0.57%
Fourier Global Master Fund	10	2,543,300	3.73%	0.60%	2.82%	0.57%
GRANITE ASIA VIII INVESTMENTS PTE. LTD.	10	2,543,300	3.73%	0.60%	2.82%	0.57%
Greenwoods HK	10	2,543,300	3.73%	0.60%	2.82%	0.57%
GTCS Holdings	10	2,543,300	3.73%	0.60%	2.82%	0.57%
HongShan Growth	10	2,543,300	3.73%	0.60%	2.82%	0.57%
Jain Global Master Fund	10	2,543,300	3.73%	0.60%	2.82%	0.57%
Perseverance Asset Management	10	2,543,300	3.73%	0.60%	2.82%	0.57%
Stoneylake Global Alpha Fund	10	2,543,300	3.73%	0.60%	2.82%	0.57%
WT Asset Management	10	2,543,300	3.73%	0.60%	2.82%	0.57%
3W Fund	10	2,543,300	3.73%	0.60%	2.82%	0.57%
Total	**130**	**33,062,900**	**48.50%**	**7.76%**	**36.68%**	**7.38%**

Notes:

(1) The investment amount excludes brokerage, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee, and is calculated based on the exchange rate set out in the section headed "Information about this Prospectus and the Global Offering—Exchange Rate Conversion" in this Prospectus. The number of Offer Shares to be subscribed by the Cornerstone Investors are subject to the exchange rate to be determined in accordance with each relevant Cornerstone Investment Agreement.

(2) Subject to rounding down to the nearest whole board lot of 100 Shares.

THE CORNERSTONE INVESTORS

The information about our Cornerstone Investors set forth below in alphabetical order has been provided by our Cornerstone Investors in connection with the Cornerstone Placing.

Blue Lake Capital Opportunity Fund

Blue Lake Capital Opportunity Fund I, L.P. ("**Blue Lake Capital Opportunity Fund**") is our existing minority Shareholder. For details of this Cornerstone Investor, please refer to "History, Reorganization and Corporate Structure—Pre-IPO Investments—5. Information about the Pre-IPO Investors".

CUAM Entities

China Universal Asset Management Co., Ltd (匯添富基金管理股份有限公司) ("**CUAM**") is a joint stock company established in the PRC with limited liability on February 3, 2005 and is principally engaged in the business of fund and asset management covering areas such as mutual funds, segregated accounts, international business and pension funds. CUAM possesses all the licenses required to engage in fund management business in the securities industry in the PRC. As of the second quarter of 2025, CUAM managed 363 mutual funds, covering equity funds, bond funds, index funds, QDII funds, mixed funds and money market funds. CUAM is owned by Orient Securities Co., Ltd (東方證券股份有限公司) ("**OSC**"), Shanghai Jingjujin Investment Management Partnership (Limited Partnership) (上海菁聚金投資管理合夥企業(有限合夥)) ("**Shanghai Jingjujin**"), Shanghai United Media Asset Management Co., Ltd (上海上報資產管理有限公司) ("**Shanghai United**") and CES Finance Holding Co., Ltd (東航金控有限責任公司) ("**CES**") as to 35.412%, 24.656%, 19.966% and 19.966%, respectively.

OSC is a public company dually listed on the Shanghai Stock Exchange (stock code: 600958) and the Hong Kong Stock Exchange (stock code: 3958) and is a professional and integrated financial service provider. To the best of our Directors' knowledge, information and belief after making reasonable enquiries and as confirmed by OSC, it does not require any approval from the Shanghai Stock Exchange or the Hong Kong Stock Exchange, nor its shareholders, to indirectly invest in our Company.

Shanghai Jingjujin is an employee shareholding platform of CUAM. Shanghai Jingjujin is a limited partnership enterprise established in the PRC and is principally engaged in the business of investment management. The general partner of Shanghai Jingjujin is Shanghai Jingju Investment Management Co., Ltd. (上海菁聚投資管理有限公司) ("**Jingju Investment Management**") and none of the shareholders of Jingju Investment Management holds 30% or more of its shareholding interests. Shanghai Jingjujin has five limited partners, among which Shanghai Jingjumu Investment Management Centre (Limited Partnership) (上海菁聚木投資管理中心(有限合夥)) and Shanghai Jingjushui Investment Management Centre (Limited Partnership) (上海菁聚水投資管理中心(有限合夥)) holds 40.93% and 34.11% of the limited partnership interests of Shanghai Jingjujin, respectively, and each of their general partner is Jingju Investment Management. None of the other limited partners holds 30% or more of the partnership interests of Shanghai Jingjujin.

Shanghai United is a limited liability company established in the PRC and is a professional investment platform focusing on the investment in property and financial equity areas. Shanghai United is ultimately controlled by the Shanghai State-owned Assets Supervision and Administration Commission (上海市國有資產監督管理委員會).

CES is a limited liability company established in the PRC and is an investment holding vehicle of China Eastern Airline Holding Company (中國東方航空集團有限公司) ("**CEAHC**") focusing on financial assets management and investment. CES is a wholly-owned subsidiary of CEAHC, which is in turn ultimately controlled by State-owned Assets Supervision and Administration Commission of the State Council of the PRC (中華人民共和國國務院國有資產監督管理委員會).

As confirmed by CUAM, the subscription of the Offer Shares as a Cornerstone Investor will be made by CUAM in its capacity as the investment manager on a discretionary basis for and on behalf of CHINA UNIVERSAL-GLOBAL MOBILE INTERNET HYBRID FUND (匯添富全球移動互聯靈活配置混合型證券投資基金), ICBC-CUAM GLOBAL CONSUMER INDUSTRIES (匯添富全球消費行業混合型證券投資基金), BOC-China Universal Oriental Pearl No. 1 (匯添富東方之珠1號(QDII)集合資產管理計劃). No single investor holds 30% or more of the interests in these funds.

China Universal Asset Management (Hong Kong) Company Limited ("**China Universal (HK)**", together with CUAM, each a Cornerstone Investor and collectively the "**CUAM Entities**"), founded in November 2009, is a wholly owned subsidiary of CUAM. China Universal (HK) is among the first group of Chinese fund management company subsidiaries established outside of Mainland China. China Universal (HK) is licensed by the Securities and Futures Commission to carry on type 1 (dealing in securities), type 4 (advising on securities) and type 9 (asset management) regulated activities under Part V of the Securities and Futures Ordinance. China Universal (HK) manages investment funds, provides investment advisory services, and manages discretionary accounts.

As confirmed by China Universal (HK), the subscription of the Offer Shares as a Cornerstone Investor will be made by China Universal (HK) in its capacity as the investment manager on a discretionary basis, for and on behalf of CUAM China-Hong Kong Strategy Fund, Enhanced Investment Products Limited – E.I.P. Funds (Cayman Islands) SPC – E.I.P. China Convertible Bond Fund SP, Enhanced Investment Products Limited – E.I.P. Funds (Cayman Islands) SPC – E.I.P. China Multi-Strategy Fund SP and Better Supply Chain (HK) Holdings Co., Limited. Neither CUAM China-Hong Kong Strategy Fund nor Enhanced Investment Products Limited – E.I.P. Funds (Cayman Islands) SPC – E.I.P. China Convertible Bond Fund SP are held as to 30% or more by any ultimate beneficial owner, and the ultimate beneficial owner of Better Supply Chain (HK) Holdings Co., Limited is Zimei Peng. One investor of Enhanced Investment Products Limited – E.I.P. Funds (Cayman Islands) SPC – E.I.P. China Multi-Strategy Fund SP holds over 30% interests therein. It is a Europe-based fund of funds, managed by a European asset management firm which has more than 20 years of investment history and manages multibillion dollars of assets, with offices globally in Europe, Asia and North America.

DAMSIMF

Dymon Asia Multi-Strategy Investment Master Fund ("**DAMSIMF**") is an investment fund established in the Cayman Islands. The investors in DAMSIMF are its feeder funds, Dymon Asia Multi-Strategy Investment Fund and Dymon Asia Multi-Strategy Investment (US) Fund. DAMSIMF is a multi-manager, multi-asset class fund which seeks to generate absolute consistent uncorrelated returns with minimal volatility. Asset classes traded are: FX, Fixed Income/Rates, Equities, Credit and Commodities. DAMSIMF is managed by Dymon Asia Capital (Singapore) Pte. Ltd. ("**DACS**"). DACS is a wholly-owned subsidiary of and directly controlled by Dymon Asia Capital Ltd, whose shareholders Yong Ming Chong and Keith Tan each holds more than 10% interests therein, with Yong Ming Chong having the controlling stake of Dymon Asia Capital Ltd. DACS is headquartered in Singapore with an affiliate in Hong Kong that is licensed by the SFC to carry out type 9 (asset management) and type 1 (dealing in securities) regulated activities. Save for an Australian sovereign wealth fund which holds over 30% of the interests in DAMSIMF, no other single ultimate beneficial owner holds 30% or more of the interests in DAMSIMF.

Fourier Global Master Fund

Fourier Capital Management Limited ("**Fourier Capital**") is a private limited liability company incorporated in Hong Kong and holds a type 9 (asset management) license from the SFC. Fourier Capital, which is ultimately wholly owned by an Independent Third Party, manages a Cayman Islands master-feeder fund named Fourier Global Master Fund, along with its feeder funds, with a total AUM of approximately US$270 million. Fourier Global Master Fund is a long short equity fund that specializes in deep fundamental research, with a core focus on innovation-driven sectors with disruptive secular themes. No single investor holds 30% or more of the interests in Fourier Global Master Fund.

GRANITE ASIA VIII INVESTMENTS PTE. LTD.

GRANITE ASIA VIII INVESTMENTS PTE. LTD. is our existing minority Shareholder. For details of this Cornerstone Investor, please refer to "History, Reorganization and Corporate Structure—Pre-IPO Investments—5. Information about the Pre-IPO Investors".

Greenwoods HK

Greenwoods Asset Management Hong Kong Limited ("**Greenwoods HK**") is a private fund management company incorporated in Hong Kong with limited liability. Established in 2005, Greenwoods HK is one of the largest and earliest China-focused asset managers mainly specializing in investing into companies in the Greater China region. Greenwoods HK focuses on fundamental research, value investments, and local due diligence. Investors of funds and accounts managed by Greenwoods HK include institutional investors and high-net-worth individual professional investors. Mr. Jiang Jinzhi is the chairman, a major shareholder and an ultimate beneficial owner of Greenwoods HK, holding 84.50% interests therein. As confirmed by Greenwoods HK, the subscription of the Offer Shares as a Cornerstone Investor will be made by Greenwoods HK in its capacity as the investment manager of Golden China Master Fund and no single ultimate beneficial owner holds 30% or more of the interests in the above fund.

GTCS Holdings

GTCS Holdings Limited ("**GTCS Holdings**") is an exempted company with limited liability incorporated in the Cayman Islands and wholly owned by Gaocheng Fund II, L.P. The general partner of Gaocheng Fund II, L.P. is Gaocheng Holdings GP II, Ltd, which is ultimately controlled by Ms. Hong Jing (洪婧). None of the limited partners has 30% or more of the limited partnership interests in Gaocheng Fund II, L.P. As of August 31, 2025, the total assets under management of Gaocheng Fund II, L.P. were approximately US$968 million.

HongShan Growth

HSG Growth VI Holdco F, Ltd. ("**HongShan Growth**") is a company incorporated in the Cayman Islands with limited liability, which is wholly owned by HongShan Capital Growth Fund VI, L.P. ("**HongShan GVI Fund**"). HongShan GVI Fund is an investment fund whose primary purpose is to make equity investments in private companies. None of the limited partners has 30% or more of the limited partnership interests in HongShan GVI Fund. The general partner of HongShan GVI Fund is HSG Growth VI Management, L.P., whose general partner is HSG Holding Limited, a wholly-owned subsidiary of SNP China Enterprises Limited. Neil Nanpeng Shen is the sole shareholder of SNP China Enterprises Limited.

Jain Global Master Fund

Jain Global Master Fund Ltd ("**Jain Global Master Fund**") is a fund established in the Cayman Islands and managed by Jain Global LLC ("**Jain Global**"), which in turn is 99% owned by Mr. Robert Jain, an Independent Third Party. Jain Global has offices in the United States of America, United Kingdom, Hong Kong, and Singapore. Jain Global, on behalf of Jain Global Master Fund, pursues investment strategies across a range of different asset classes, products, and geographic regions. Jain Global Master Fund's capital will be primarily deployed in the following investment strategies: fundamental equities, rates and macro, equity arbitrage, credit, systematic and commodities.

No ultimate beneficial owner holds 30% or more of the interests in Jain Global Master Fund.

Perseverance Asset Management

Perseverance Asset Management International (Singapore) Pte. Ltd. ("**Perseverance Asset Management**") acts as the investment advisor or investment manager on a discretionary basis of no more than three investment funds (Perseverance DXF Value Fund L.P., Perseverance China All Shares Long Only Fund L.P. (DXF Portfolio) and Perseverance CT Fund L.P. (DXF Portfolio)) and/or a separated managed account primarily investing in equities in the Greater China region (collectively the "**Perseverance Funds**"). No single ultimate beneficial owner holds 30% or more of the interests in each of the Perseverance Funds. Perseverance Asset Management is a private limited company incorporated in Singapore in October 2018, and holds a Capital Markets Services License for fund management with

Monetary Authority of Singapore. Perseverance Asset Management is wholly owned by Perseverance Asset Management International, which is principally engaged in investment management and investment advisory services and an Independent Third Party. The Perseverance Funds' investment into the Company is supervised by Mr. Deng Xiaofeng. Certain investments funds for which Perseverance Asset Management acts as the investment advisor or investment manager have invested in companies listed on the Hong Kong Stock Exchange, namely Nanjing Leads Biolabs Co., Ltd. (南京維立志博生物科技股份有限公司) (stock code: 9887), Contemporary Amperex Technology Co., Limited (寧德時代新能源科技股份有限公司) (stock code: 3750) and Acotec Scientific Holdings Limited (先瑞達醫療科技控股有限公司) (stock code: 6669), as cornerstone investor. Perseverance Asset Management is entering the cornerstone investment agreement with the Company in its capacity as an investment advisor or investment manager and on behalf of the Perseverance Funds.

Stoneylake Global Alpha Fund

Stoneylake Global Alpha Fund is an exempted company incorporated in the Cayman Islands with limited liability. The principal investment objective of Stoneylake Global Alpha Fund is to maximize long-term capital growth through active investment in the financial markets, and it maintains a well-distributed shareholder base with no ultimate beneficial owner holding 30% or more of the ownership interest. The fund manager of Stoneylake Global Alpha Fund is Stoneylake Asset (Cayman) Limited, of which Mr. Zhang Fan holds more than 30% ownership interests therein.

WT Asset Management

WT Asset Management Limited ("**WT Asset Management**") is a company incorporated in Hong Kong with limited liability and licensed by the SFC to carry on type 9 (asset management) regulated activity. WT Asset Management is beneficially owned as to 100% by Mr. Tongshu Wang (王通書), who is an Independent Third Party. WT Asset Management has agreed to procure certain investors, namely WT China Fund Limited, WT China Focus Fund, WT Growth Fund and/or a segregated management account (investment portfolio professionally managed by WT Asset Management (as investment manager) where the investor owns the underlying investments directly) (collectively, the "**WT Funds**"), that WT Asset Management has discretionary investment management power over, to subscribe for such number of the Investor Shares. The WT Funds are managed by WT Asset Management as investment manager. The WT Funds pursue to achieve absolute return and long-term capital appreciation by investing primarily in the listed securities of companies which have great exposure or material impact by the PRC. Investors of the WT Funds include but are not limited to pension funds, fund of funds, family offices and other sophisticated institutional investors. Save for Mr. Tongshu Wang (王通書), who holds over 30% interests in WT Growth Fund and WT China Focus Fund, and the single ultimate beneficial owner of the segregated management account which is a pension fund based in North America respectively, no other single ultimate beneficial owner holds 30% or more of the interests in the WT Funds. As of 31 August 2025, the total AUM of the WT Funds is approximately US$3.87 billion.

3W Fund

3W Fund Management Limited ("**3W Fund**") is incorporated in Hong Kong with limited liability and is licensed by the Hong Kong SFC to carry out type 9 (asset management) regulated activity. 3W Fund is wholly owned by Mr. Weiwei Wu, an Independent Third Party. 3W Fund has agreed to procure 3W Global Fund, over which 3W Fund has discretionary investment management power, to subscribe for such number of the Investor Shares. 3W Global Fund pursues to maximize absolute return and seek long-term capital growth primarily through fundamental investment principle with value approach. No single investor holds 30% or more of the interests in 3W Global Fund.

CLOSING CONDITIONS

The obligation of each of the Cornerstone Investors to subscribe for the Offer Shares under their respective Cornerstone Investment Agreement is subject to, among other things, the following closing conditions:

(i) the Hong Kong Underwriting Agreement and the International Underwriting Agreement being entered into and having become effective and unconditional (in accordance with their respective original terms or as subsequently waived or varied by agreement of the parties thereto) by no later than the time and date as specified in the Hong Kong Underwriting Agreement and the International Underwriting Agreement, and neither the Hong Kong Underwriting Agreement nor the International Underwriting Agreement having been terminated;

(ii) the Offer Price having been agreed upon between our Company and the Overall Coordinators (for themselves and on behalf of the underwriters of the Global Offering);

(iii) the Listing Committee having granted the approval for the listing of, and permission to deal in, the Shares (including the Shares under the Cornerstone Placing) as well as other applicable waivers and approvals and such approval, permission or waiver having not been revoked prior to the commencement of dealings in the Shares on the Stock Exchange;

(iv) no laws having been enacted or promulgated which prohibit the consummation of the transactions contemplated in the Global Offering or each Cornerstone Investment Agreement, and there being no orders or injunctions from a court of competent jurisdiction in effect precluding or prohibiting consummation of such transactions; and

(v) the respective agreements, representations, warranties, undertakings, confirmations and acknowledgements of the Cornerstone Investors under their respective Cornerstone Investment Agreement being (as of the date of the Cornerstone Investment Agreement) and going to be (as of the Closing (as defined in the Cornerstone Investment Agreement)) accurate and true in all respects and not misleading and that there is no breach of the respective Cornerstone Investment Agreement on the part of the relevant Cornerstone Investor.

RESTRICTIONS ON THE CORNERSTONE INVESTORS

Each Cornerstone Investor has agreed that without the prior written consent of our Company, the Joint Sponsors and the Overall Coordinators, it will not, whether directly or indirectly, at any time during the period of six months following the Listing Date (the "**Lock-up Period**"), dispose of, in any way, any of the Offer Shares it has purchased, pursuant to their respective Cornerstone Investment Agreement, save for certain limited circumstances, such as transfers to any of its wholly-owned subsidiaries who will be bound by the same obligations of the Cornerstone Investor, including the Lock-up Period restriction.

AUTHORIZED AND ISSUED SHARE CAPITAL

The following is a description of the authorized and issued share capital of our Company in issue and to be issued as fully paid immediately following the completion of the Capitalization Issue and the Global Offering.

As at the Latest Practicable Date, our authorized share capital was US$50,000 divided into (i) 498,434,882 Ordinary Shares, (ii) 288,441 Series Angel Preferred Shares, (iii) 79,290 Series Pre-A Preferred Shares, (iv) 299,137 Series A Preferred Shares, (v) 235,212 Series B1 Preferred Shares, (vi) 234,749 Series B2 Preferred Shares, (vii) 286,239 Series B3 Preferred Shares, and (viii) 142,050 Series C Preferred Shares of a par value of US$0.0001 each.

Immediately prior to the Capitalization Issue and the Global Offering, our issued share capital consisted of (i) 2,013,606 Ordinary Shares, (ii) 288,441 Series Angel Preferred Shares, (iii) 79,290 Series Pre-A Preferred Shares, (iv) 299,137 Series A Preferred Shares, (v) 235,212 Series B1 Preferred Shares, (vi) 234,749 Series B2 Preferred Shares, (vii) 286,239 Series B3 Preferred Shares, and (viii) 142,050 Series C Preferred Shares, all of a par value of US$0.0001 each.

Upon Listing, each of the Preferred Shares will be converted into Shares on a one-to-one basis by way of re-designation and re-classification (the "**Share Conversion**"), and the authorised share capital of the Company will be increased from US$50,000 divided into 500,000,000 Shares of US$0.0001 par value each to US$100,000 divided into 1,000,000,000 Shares of US$0.0001 par value each (the "**Authorised Capital Increase**"). Upon completion of the Share Conversion and Authorised Capital Increase, the authorised share capital of the Company will be changed from 498,434,882 Ordinary Shares, 288,441 Series Angel Preferred Shares, 79,290 Series Pre-A Preferred Shares, 299,137 Series A Preferred Shares, 235,212 Series B1 Preferred Shares, 234,749 Series B2 Preferred Shares, 286,239 Series B3 Preferred Shares, and 142,050 Series C Preferred Shares of a par value of US$0.0001 each to US$100,000 divided into 1,000,000,000 Shares of US$0.0001 par value each.

Assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised, the share capital of our Company upon completion of the Capitalization Issue and the Global Offering will be as follows:

Description of Shares	Number of Shares	Aggregate nominal value of Shares
		(US$)
Shares in issue (including the Shares upon re-designation and re-classification of the Preferred Shares)	3,578,724	357.8724
Shares to be issued as part of the Capitalization Issue	354,293,676	35,429.3676
Shares to be issued under the Global Offering	68,166,200	6,816.6200
Total	426,038,600	42,603.8600

Assuming the Offer Size Adjustment Option and the Over-allotment Option are exercised in full, the share capital of our Company upon completion of the Capitalization Issue and the Global Offering will be as follows:

Description of Shares	Number of Shares	Aggregate nominal value of Shares
		(US$)
Shares in issue (including the Shares upon re-designation and re-classification of the Preferred Shares)	3,578,724	357.8724
Shares to be issued as part of the Capitalization Issue	354,293,676	35,429.3676
Shares to be issued under the Global Offering	68,166,200	6,816.6200
Shares to be issued pursuant to the Offer Size Adjustment Option and the Over-allotment Option	21,983,500	2,198.3500
Total	448,022,100	44,802.2100

ASSUMPTIONS

The above tables assume that the Global Offering becomes unconditional and that the issue of Shares pursuant to the Capitalization Issue and the Global Offering are made as described herein. It takes no account of any Shares which may be issued and allotted or repurchased pursuant to the general mandates granted to the Directors for the issuance and allotment or repurchase of Shares referred to in Appendix IV to this Prospectus, as the case may be.

RANKING

The Offer Shares are shares in the share capital of our Company and rank equally with all Shares currently in issue or to be issued (including all Preferred Shares re-designated and re-classified into Shares upon completion of the Capitalization Issue and the Global Offering) and, in particular, will qualify and rank equally for all dividends or other distributions declared, made or paid on the Shares in respect of a record date which falls after the date of this Prospectus.

CAPITALIZATION ISSUE

Pursuant to the written resolutions of our Shareholders passed on October 5, 2025, and subject to the share premium account of our Company being credited as a result of the issue of Offer Shares pursuant to the Global Offering, our Directors are authorized to allot and issue a total of 354,293,676 Shares credited as fully paid at par on the Listing Date to the holders of Shares on the register of members of our Company in the Cayman Islands at the close of business on the business day preceding the Listing Date, in proportion to their existing respective shareholdings (save that no holder of Shares shall be entitled to be allotted or issued any fraction of a Share) by way of the capitalization of the sum of US$35,429.3676 standing to the credit of the share premium account of our Company. The Shares to be allotted and issued pursuant to this resolution shall rank *pari passu* in all respects with the existing issued Shares.

POTENTIAL CHANGES TO SHARE CAPITAL

Pre-IPO Share Option Scheme

We have adopted the Pre-IPO Share Option Scheme. For further details, see "Statutory and General Information – D. Pre-IPO Share Option Scheme" in Appendix IV to this Prospectus.

Circumstances Under which General Meetings are Required

Our Company has only one class of Shares, namely Ordinary Shares, each of which carries the same rights as the other Shares.

Pursuant to the Cayman Companies Act and the terms of the Memorandum of Association and the Articles of Association, our Company may from time to time by ordinary resolution of Shareholders (i) increase its share capital; (ii) consolidate or divide its share capital into Shares of larger or smaller amount; (iii) subdivide its Shares into shares of smaller amount; (iv) cancel any shares which have not been taken; (v) make provision for the allotment and issue of shares; (vi) change the currency of denomination of share capital; and (vii) reduce its share premium account. In addition, our Company may, subject to the provisions of the Cayman Companies Act, reduce its share capital or capital redemption reserve by its shareholders passing a special resolution. See "Summary of the Constitution of the Company and Cayman Islands Company Law – Articles of Association – Shares – Alteration of Capital" in Appendix III to this Prospectus for more details.

General Mandate to Issue Shares and/or Sell and Transfer Treasury Shares

Subject to the Global Offering becoming unconditional, our Directors have been granted a general unconditional mandate to allot, issue and deal with Shares (including the sale or transfer of treasury shares) of not more than:

(a) 20% of the number of Shares in issue (excluding treasury shares) immediately following completion of the Capitalization Issue and the Global Offering (excluding any Shares which may be issued pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option); and

(b) the aggregate number of Shares repurchased by our Company (if any) pursuant to the authority referred to in the sub-section headed "General Mandate to Repurchase Shares" below.

This general mandate to issue Shares and/or sell and transfer treasury shares will expire at the earliest of:

(a) the conclusion of the next annual general meeting of our Company unless otherwise renewed by an ordinary resolution of our Shareholders in a general meeting, either unconditionally or subject to conditions;

(b) the expiration of the period within which the next annual general meeting of our Company is required to be held by the Memorandum of Association and the Articles of Association or any other applicable laws; or

(c) the date on which it is varied or revoked by an ordinary resolution of our Shareholders in a general meeting.

General Mandate to Repurchase Shares

Subject to the Global Offering becoming unconditional, our Directors have been granted a general unconditional mandate to exercise all the powers of our Company to repurchase our Shares of up to 10% of the number of Shares in issue (excluding treasury shares) immediately following the completion of the Capitalization Issue and the Global Offering (excluding any Shares which may be issued pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option).

This repurchase mandate only relates to repurchases made on the Stock Exchange, or on any other stock exchange on which our Shares are listed (and which is recognized by the SFC and the Stock Exchange for this purpose), and which are made in accordance with all applicable laws and the requirements of the Listing Rules.

This general mandate to repurchase Shares will expire at the earliest of:

(a) the conclusion of the next annual general meeting of our Company unless otherwise renewed by an ordinary resolution of our Shareholders in a general meeting, either unconditionally or subject to conditions;

(b) the expiration of the period within which the next annual general meeting of our Company is required to be held by the Memorandum of Association and the Articles of Association or any other applicable laws; or

(c) the date on which it is varied or revoked by an ordinary resolution of our Shareholders in a general meeting.

See "Statutory and General Information – Further Information About Our Group – Resolutions of Our Shareholders" in Appendix IV to this Prospectus for more details on the general mandates to issue and repurchase Shares.

You should read the following discussion and analysis with our consolidated financial information, including the notes thereto, included in the Accountant's Report in Appendix I to this Prospectus. Our consolidated financial information has been prepared in accordance with IFRS, which may differ in material aspects from generally accepted accounting principles in other jurisdictions.

The following discussion and analysis contains forward-looking statements that reflect our current views with respect to future events and financial performance. These statements are based on our assumptions and analysis in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances. However, whether actual outcomes and developments will meet our expectations and predictions depends on a number of risks and uncertainties, many of which we cannot control or foresee. In evaluating our business, you should carefully consider all of the information provided in this Prospectus, including the sections headed "Risk Factors" and "Business."

For the purpose of this section, unless the context otherwise requires, references to 2022, 2023 and 2024 refer to our financial years ended December 31 of such years. Unless the context otherwise requires, financial information described in this section is described on a consolidated basis.

OVERVIEW

Jushuitan (聚水潭) is China's largest e-commerce SaaS ERP provider in terms of relevant revenue in 2024, with a market share of 24.4%, exceeding the combined market share of the second through the fifth largest players, according to CIC. We also ranked first in China's e-commerce operation SaaS market in terms of total SaaS revenue in 2024 with a market share of 8.7%. In addition, we are China's second largest e-commerce SaaS provider in terms of relevant revenue in 2024, taking up 7.1% of the market share, according to CIC. Leveraging the industry insights accumulated in the past over 25 years by our founder, we have developed cloud-based e-commerce SaaS products, and are able to facilitate the connection of merchants with over 400 e-commerce platforms in China and across the world. Our offerings provide customers of different kinds and sizes a unified and intuitive way to monitor, operate and manage their businesses, and make data-driven intelligent decisions that help them excel in the fast evolving e-commerce industry. As of June 30, 2025, we served 92.6 thousand SaaS customers across various categories. In 2024, our net dollar retention rate was 115%.

We offer a broad range of SaaS products and services in one-stop, helping our customers seamlessly upgrade capabilities, improve performance and grow their cross-platform businesses, while greatly reducing installation and operation costs.

- *Jushuitan ERP* is our cornerstone SaaS product, serving the core demands of merchants associated with their fulfillment of e-commerce orders across major platforms. Our *Jushuitan ERP* is designed for simplicity and ease-of-use. Merchants can easily integrate, synchronize and coordinate all of their stores, orders, products, inventories, and other operating or financial data from various platforms through *Jushuitan ERP*, enjoying a streamlined cross-platform commerce experience. Key features that our *Jushuitan ERP* provides include Order Management System (OMS), Warehousing Management System (WMS), Procurement Management System (PMS), Distribution Management System (DMS), among others. According to CIC, *Jushuitan ERP* has become the most popular e-commerce SaaS ERP brand among Chinese merchants;

- With ERP at the core, we have further expanded product and service offerings to include other e-commerce operation SaaS products, and became a one-stop e-commerce SaaS provider. Our comprehensive SaaS tools serve various needs of e-commerce participants to equip them with financial accounting, management reporting and analytics, workflow management, wholesale market procurement, among others. With our products, they are better equipped in coordinating internal resources and collaborating with external partners, including suppliers and distributors, logistics and warehousing service providers, etc.

Our operations are supported by a technology infrastructure that ensures our products stay reliable under large spikes in traffic. For instance, we successfully processed approximately 1.6 billion orders during the Double 11 Festival in 2024, an industry-leading record and powerful testament to the robustness of our technology infrastructure. We have also built a development platform with a scalable architecture and rich development toolkits for our engineers to facilitate timely launch and iteration of our products. We are able to embrace latest industry trends, meet the diverse needs under varied scenarios, and maintain our leadership.

We have built a nation-wide customer service network, which we believe is a core competence of us to effectively acquire and retain customers, leading to long-term customer relationships and increasing operating productivity. Through the combination of our sales and marketing efforts and word-of-mouth referrals from customers, we are well positioned to expand sustainably and acquire new customers efficiently. Meanwhile, our customer service network enables us to cross-sell additional products and services to our customers. In 2022, 2023, 2024 and the six months ended June 30, 2025, our customers that purchased two or more of *Jushuitan* products contributed 30.6%, 33.0%, 37.7% and 39.3% of our total SaaS revenue for the same periods.

Our business has experienced rapid growth along with the success of our customers. Our total revenue and total SaaS billings reached RMB909.8 million and RMB1,301.7 million in 2024, respectively, each representing a CAGR of 31.9% and 32.6% from 2022 to 2024. Our total revenue and total SaaS billings reached RMB523.6 million and RMB698.7 million, respectively, in the six months ended June 30, 2025.

BASIS OF PRESENTATION

Our historical financial information has been prepared in accordance with International Financial Reporting Standards as issued by International Accounting Standards Board "IASB" ("IFRS Accounting Standards"). The preparation of the historical financial information in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying our accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the historical financial information, are disclosed in Note 4 to the Accountant's Report in Appendix I to this Prospectus.

KEY FACTORS AFFECTING OUR RESULTS OF OPERATIONS

We operate in China's e-commerce SaaS industry. Our business and results of operations are impacted by general factors affecting the broader e-commerce industry and e-commerce SaaS industry in China, such as China's overall economic growth and the development of China's e-commerce market, emergence of new e-commerce platforms and new business models, adoption and acceptance of software solutions in the e-commerce industry in China, technology advancement of e-commerce SaaS products, and policy and regulatory changes. Additionally, we believe that our financial condition and results of operations are also affected by a number of company-specific factors, including the factors discussed below.

Our Ability to Expand Our Customer Base

Our ability to attract new customers and expand our customer base is critical to our operation performance and future growth. Though we have recorded growth in our customer base over the past years, there is no assurance that such growth can be sustained in the future. The total number of our SaaS customers increased throughout the Track Record Period, being 45.7 thousand, 62.2 thousand, 88.4 thousand and 92.6 thousand as of December 31, 2022, 2023, 2024 and June 30, 2025, respectively. According to CIC, there were 27 million active e-commerce merchants in China in 2024, and the penetration rate of e-commerce SaaS ERP among these merchants was at a relatively low level of 1.6% in 2024 and is expected to grow steadily. We believe there are extensive opportunities for us to increase the penetration of our e-commerce SaaS products among the diverse base of e-commerce merchants. However, actual market adoption may be affected by a range of factors beyond our control, including changes in technology preferences, regulatory developments or macroeconomic uncertainties, among others.

We have successfully expanded our customer base due to a series of factors, including our ability to serve the core demands of e-commerce merchants associated with their fulfillment of orders across multiple major e-commerce platforms, the flexibility and simplicity of our products, the ability to operate a nation-wide customer service network and the ability to connect with various industry partners including e-commerce platforms, logistics and warehousing service providers.

Our large and expanding customer base creates a network effect, and thereby attracting more merchants through word-of-mouth referrals. Our expanding customer base also provides us with deep insights into the evolving needs of our customers and enables us to quickly launch and scale into new, appealing products and features, which would further solidify our strong customer attractions. However, the strength and sustainability of such network effects are subject to changes in customer behavior, market competition and overall user satisfaction.

Our Ability to Retain Our Existing Customers and Increase Their Spending

We have a proven track record of retaining our customers and increasing their spending. Our net dollar retention rate has been growing steadily. In 2022, 2023 and 2024, our net dollar retention rate was 105%, 114% and 115%, respectively, ahead of the industry average in the same years, according to CIC. In 2022, 2023, 2024 and the six months ended June 30, 2025, our customers that purchased two or more of *Jushuitan* products contributed 30.6%, 33.0%, 37.7% and 39.3% of our total SaaS revenue for the same periods.

We have been and will continue to drive the spending of our customers through cross-selling and up-selling. As our customers expand their scales and business operations, our growth also depends on our ability to cross-sell our customers with additional e-commerce operation SaaS products as well as convert our existing customers to more premium version of our products.

Our ability to further drive existing customers' usage may be influenced by a range of factors, including our continued investment in customer service initiatives, responsiveness to customer feedback, and the effectiveness of our services. We seek to enhance our ability to cross-sell and up-sell, and increase our customers' spending through providing cloud-based e-commerce SaaS products catering to their evolving needs of e-commerce operations.

Our Ability to Maintain Our Brand and Market Recognition

We have made efforts to build a strong brand reputation and market recognition for offering cross-platform solutions for e-commerce operations. We are China's largest e-commerce SaaS ERP provider in terms of relevant revenue in 2024, with a market share of 24.4%, exceeding the combined market share of the second through the fifth largest players, according to CIC. We also ranked first in China's e-commerce operation SaaS market in terms of total SaaS revenue in 2024. According to CIC, we have become a leading e-commerce SaaS ERP provider across key Chinese e-commerce platforms, including Alibaba, JD.com, Pinduoduo, Douyin and Kuaishou. While we believe that our brand visibility and reputation may support our efforts to expand our customer base and reinforce our market position, such advantages are subject to ongoing changes in customer perception, evolving market trends, and actions by our competitors. Leveraging our market recognition, we are in a position to optimize our pricing strategy through cultivating our customers' mindsets and willingness to pay, given the value we create for them through our e-commerce SaaS offerings.

Our Ability to Enhance Product and Technology Innovations

We have made, and will continue to make, significant investment in the technology development and innovation of our SaaS products. We have applied advanced technologies to our cloud-based products, and built a robust data security system. In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, we incurred research and development expenses of RMB234.3 million, RMB233.9 million, RMB239.8 million, RMB112.1 million and RMB115.4 million, respectively. We have been investing in our technology infrastructure and modularizing the functionalities of our products.

While we intend to leverage our industry know-how to enhance our service features, the success of such efforts is facing challenges arising from rapid technological advancements, evolving customer expectations, and our ability to attract and retain qualified research and development personnel. We aim to enhance performance of our products, thereby increasing the attractiveness to our customers, improving customer experience and driving our long-term business growth.

Our Ability to Manage Expenses and Enhance Operational Efficiency

Our results of operations are affected by our ability to manage costs and improve operational efficiency. As our business grows, we expect to face increasing cost pressures, and our ability to optimize cost of sales and operating expenses will depend on whether we can effectively realize economies of scale.

Our gross profit margins were 52.3%, 62.3%, 68.5%, 66.4% and 71.8% in 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively. Our gross profit margin is primarily driven by the proportion of our recurring customers, which require less implementation costs compared to new customers. We also aim to enhance the efficiency of our implementation services, in particular, through providing customer assistance remotely and promoting internal knowledge sharing to boost our implementation efficiency.

Our selling and marketing expenses, which mainly consist of performance-based compensation to our sales personnel, formed a significant portion of our overall operating expenses. In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, we incurred selling and marketing expenses of RMB314.3 million, RMB344.0 million, RMB369.9 million, RMB170.6 million and RMB189.0 million, respectively, representing approximately 60.1%, 49.3%, 40.7%, 40.5% and 36.1% of our revenues during the same periods. In 2024, the average revenue contributed by each of our sales personnel exceeded RMB985 thousand, outperforming the industry average, according to CIC. We seek to continue to improve our sales and marketing efficiency by increasing recurring customer rate, promoting cross-selling and up-selling, as well as further strengthening our brand recognition to acquire and retain customers more efficiently.

KEY OPERATING METRICS

The following table sets forth certain of our key operating metrics for the periods indicated. These operating metrics are commonly adopted in our industry, and the calculation methodology relating to these operating metrics is consistent with the industry norm.

	For the Year Ended December 31,			For the Six Months Ended June 30,	
	2022	2023	2024	2024	2025
Total SaaS Customers (in thousands)	45.7	62.2	88.4	66.1	92.6
Total SaaS Billings (RMB in thousands)	740,713	1,047,516	1,301,692	598,961	698,692
Including:					
Charged by volume of order processed	331,195	447,525	479,263	218,592	225,708
Charged by subscription					
With a subscription period shorter than 2 years	221,599	322,328	438,473	222,542	241,074
With a subscription period of 2 years or longer	187,919	277,663	383,956	157,827	231,910
Accumulated SaaS Billings (RMB in thousands)	1,825,998	2,333,652	2,906,177	2,203,446	2,653,658
Including:					
Accumulated SaaS billings charged by subscription	673,780	979,687	1,401,285	959,226	1,282,953
Accumulated SaaS billings charged by volume	1,152,218	1,353,965	1,504,892	1,244,220	1,370,705
SaaS Revenue Recognition Rate(1)	27%	29%	30%	18%	19%
Net Dollar Retention Rate(2)	105%	114%	115%	N/A(3)	N/A(3)
Annual Retention Rate(4)	86.5%	86.0%	83.6%	N/A(3)	N/A(3)
Number of Orders Processed (in billions)	16.6	23.8	33.0	14.6	18.2
Monthly Average SaaS Revenue per Customer (RMB in thousands)	0.9	0.9	0.8	1.0	0.9

Note:

(1) SaaS revenue recognition rate is a fraction, the denominator of which is accumulated SaaS billings for a given year/ period, and the numerator of which is the amount of SaaS revenue recognized for the same year/period.

(2) Net dollar retention rate is a fraction, the denominator of which is the revenue contribution by customers in the previous year of a given year and the numerator of which is the contribution by the same group of customers in such given year, expressed as a percentage. A net dollar retention rate above 100% reflects that we have generated increased revenue from customers in the previous year and retained in a given year.

(3) Net dollar retention rate and annual retention rate for the six months ended June 30, 2024 and 2025 are not applicable as we only evaluate such metrics on an annual basis.

(4) Annual retention rate is a fraction, the denominator of which is the number of total SaaS customers in the previous year of a given year and the numerator of which is the number of total SaaS customers in the previous year of a given year that remained as our customers in the given year.

Driven by our business growth, the number of our total SaaS customers, total SaaS billings and accumulated SaaS billings all increased during the Track Record Period, illustrating our healthy billings from prepayments by a growing customer base. The average SaaS billings per customer increased from RMB16.2 thousand in 2022 to RMB16.9 thousand in 2023, primarily due to the economy recovery and our efforts in cross-selling and up-selling across our product matrix. The average SaaS billings per customer slightly decreased from RMB16.9 thousand in 2023 to RMB14.7 thousand in 2024, primarily due to expansion of customer base, especially the increased number of customers purchasing lower-priced SaaS ERP products. The average SaaS billings per customer decreased from RMB9.1 thousand in the six months ended June 30, 2024 to RMB7.5 thousand during the same period in 2025, primarily due to the increased number of customers purchasing lower-priced SaaS ERP products. Our net dollar retention rate was 105%, 114% and 115% in 2022, 2023 and 2024, respectively, indicating that we generated increased revenue from customers in the previous year and retained in a given year. Our net dollar retention rate increased from 2022 to 2024, primarily due to increased consumer demands. As our customer base grows and billings increase, the prepayment from customers is subsequently recognized in our revenue over the contract period or upon consumption. Accumulated SaaS billings refer to the sum of total amount of billings in a given year, and the contract liabilities as of the beginning of such period. SaaS revenue recognition rate refers to SaaS revenue recognized for each year divided by accumulated SaaS billings as of the end of such year. Our SaaS revenue recognition rate was 27%, 29% and 30% in 2022, 2023 and 2024, respectively, providing sustainable future revenue streams. Our annual retention rate decreased from 86.5% in 2022 to 86.0% in 2023, and further to 83.6% in 2024, primarily because of the increase of number of customers purchasing the professional version SaaS ERP that typically have smaller scale of business operations and less customer stickiness, which generally result in lower retention rates as compared to customers purchasing the enterprise version SaaS ERP. Our monthly average SaaS revenue per customer remained at RMB0.9 thousand in 2022 and 2023, and slightly decreased to RMB0.8 thousand in 2024, primarily because of the increase of number of customers purchasing the professional version SaaS ERP. Our monthly average SaaS revenue per customer returned to RMB0.9 thousand in the six months ended June 30, 2025.

The following table sets forth the movement of our total SaaS billings during the Track Record Period.

	For the Year Ended December 31,			For the Six Months Ended June 30,	
	2022	2023	2024	2024	2025
	(RMB in thousands)				
Unrecognized billings as of January 1	1,150,403	1,363,305	1,700,754	1,700,754	2,072,264
New billings	740,713	1,047,516	1,301,692	598,961	698,692
Contract liabilities recognized as revenue	(497,935)	(669,874)	(877,530)	(406,581)	(506,535)
VAT	(29,876)	(40,193)	(52,652)	(24,394)	(30,392)
Unrecognized billings as of the end of the year	1,363,305	1,700,754	2,072,264	1,868,740	2,234,029

The following tables set forth certain operating metrics of the enterprise version and professional version of our e-commerce SaaS ERP products.

	For the Year Ended December 31,			For the Six Months Ended June 30,	
	2022	2023	2024	2024	2025
Enterprise Version					
– SaaS revenue contribution	63.0%	57.8%	50.2%	51.6%	44.3%
– Number of customers with valid contracts[(1)] ('000)	18.3	21.1	23.6	22.6	24.4
– Average billing per customer with valid contracts (RMB'000)	25.4	28.1	23.7	12.3	11.3
– Billing contribution[(2)] from existing customers with valid contracts	43.2%	55.6%	61.8%	56.0%	62.2%
– Billing contribution from new customers with valid contracts	56.8%	44.4%	38.2%	44.0%	37.8%

	For the Year Ended December 31,			For the Six Months Ended June 30,	
	2022	2023	2024	2024	2025
Professional Version					
– SaaS revenue contribution	27.5%	28.5%	29.8%	30.0%	30.5%
– Number of customers with valid contracts ('000)	23.4	30.3	37.3	34.0	40.0
– Average billing per customer with valid contracts (RMB'000)	8.1	8.8	9.8	5.2	5.0
– Billing contribution from existing customers with valid contracts	40.1%	44.3%	50.1%	50.2%	55.0%
– Billing contribution from new customers with valid contracts	59.9%	55.7%	49.9%	49.8%	45.0%

Notes:

(1) Refer to customers that have valid contracts with us as of the end of year indicated. Number of customers as disclosed elsewhere in the Prospectus refer to customers from whom we generated revenue for the year indicated. Therefore, the number of customers with valid contracts differs from the number of customers as disclosed elsewhere in the Prospectus primarily because (i) some customers contributed revenue for a given year may not renew contracts with us as of the end of such year, and (ii) some customers with a valid contract as of the end of a given year may not start to contribute revenue for such year yet.

(2) Billing contribution refers to the portion of billings from a group of customers for a given year as a percentage of total billings in the same year.

The SaaS revenue contribution of enterprise version SaaS ERP decreased from 63.0% in 2022 to 57.8% in 2023, and further decreased to 50.2% in 2024. The SaaS revenue contribution of enterprise version SaaS ERP decreased from 51.6% in the six months ended June 30, 2024 to 44.3% during the same period in 2025. The SaaS revenue contribution of professional version increased from 27.5% in 2022 to 28.5% in 2023, and further increased to 29.8% in 2024, and subsequently increased from 30.0% in the six months ended June 30, 2024 to 30.5% during the same period in 2025, primarily as a result of customers' increasing demand for the professional version. For both enterprise version and professional version SaaS ERP, the number of customers with valid contracts increased throughout the Track Record Period, driven by our business growth. Due to the improving economic environment, our average billing per customer for both enterprise version and professional version SaaS ERP increased from 2022 to 2023. The average billing per customer for enterprise version decreased from RMB28.1 thousand in 2023 to RMB23.7 thousand in 2024, and further decreased from RMB12.3 thousand in the six months ended June 30, 2024 to RMB11.6 thousand during the same period in 2025, primarily as e-commerce merchants decreased their IT budget, and that for professional version increased from RMB8.8 thousand to RMB9.8 thousand for the same periods, respectively, primarily due to increased customers' demand for professional version SaaS ERP. For the six months ended June 30, 2024 and 2025, average billing per customer for professional version remained relatively stable, being RMB5.2 thousand and RMB5.0 thousand, respectively. For both enterprise version and professional version SaaS ERP, the billing contribution from existing customers with valid contracts increased, and correspondingly, the billing contribution from new customers with valid contracts decreased, primarily as a result of our continued efforts to retain our existing customers and enhance stickiness through our competitive customer services.

CRITICAL ACCOUNTING POLICIES, JUDGMENTS AND ESTIMATES

We have identified certain accounting policies and estimates that are significant to the preparation of our financial statements in accordance with IFRS Accounting Standards. Some of our accounting policies involve subjective assumptions, estimates and judgments that affected the application of policies and reported amounts of assets, liabilities, revenues and expenses, as well as their accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could, in the future, result in outcomes that require a material adjustment to the carrying amounts of the assets and liabilities affected. When reviewing our financial statements, the following factors should be considered: (i) our selection of critical accounting policies, (ii) the judgment and other uncertainties affecting the application of such policies, and (iii) the sensitivity of reported results to changes in conditions and assumptions.

Our material accounting policies, estimates, assumptions and judgment made by our management which have significant effect on our financial condition and results of operations are set forth in detail in Note 2 and Note 4 to the Accountant's Report included in Appendix I to this Prospectus. Estimates, assumptions and judgments are continually re-evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances. We set forth below the accounting policies, estimates and judgments that we believe are critical to the preparation of our financial statements.

Revenue Recognition

Revenues are recognised when or as the control of the goods or services is provided to the customer. Depending on the terms of the contract and the laws that apply to the contract, services and goods may be transferred over time or at a point in time.

(i) Revenue from Provision of SaaS Services

We provide SaaS services for e-commerce businesses in the PRC. Revenue from providing services is recognised in the accounting period in which the services are rendered.

SaaS revenues primarily consist of fees that provide customers access to one or more of the cloud applications for e-commerce with routine customer support. We either charge customers (i) on an annual subscription package that offers unlimited or maximum volume or (ii) based on the volume of orders processed on the products.

Under unlimited or maximum volume subscription model, customers are provided with access to one or more of our SaaS products over the contract term. Revenue is generally recognised ratably over the contract term.

Under limited volume model, customers first purchase certain number of volume from us, and consume the volume upon usage. Related revenue is recognized upon the consumption.

We capitalize sales commissions paid to our direct sales force and sales agents that had a direct and incremental relationship to obtain a contract as contract acquisition cost. Contract acquisition costs are charged into selling and distribution expenses on a ratable basis which is in line with the revenue recognition.

The costs incurred in fulfilling the contract is capitalised as an asset if the costs relate directly to a contract or anticipated contract, generate or enhance resources that will be used in satisfying the performance obligations in the future and are expected to be recovered. Costs would be recognised as expenses if they are general and administrative costs, wasted material, labor or other resources that were not reflected in pricing, related to satisfied performance obligations, or cannot be distinguished between satisfied and unsatisfied performance obligations.

We periodically evaluate whether there have been any changes in our business, the market conditions in which we operate or other events which would indicate that the amortization period of contract acquisition cost should be changed or if there are impairment indicators.

(ii) Revenue from Sales of Products

We also sell a range of e-commerce supportive equipment. Revenue from the sale of goods is recognised when control of the products has transferred, being when the products are accepted by the customer.

(iii) Revenue from Promotion Services

We provide promotion services through our sales force for products of other companies and charge commission. The revenue is recognized when the sales contracts are signed between these companies and their customers and the customers complete the payments.

(iv) Other Services

We also provide other services and recognize revenue when the services are rendered.

Investments and Other Financial Assets

(a) Classification

We classify our financial assets in the following measurement categories:

– those to be measured subsequently at fair value (either through other comprehensive income ("OCI"), or through profit or loss), and

– those to be measured at amortized cost.

The classification depends on our business model for managing the financial assets and the contractual terms of the cash flows.

For financial assets measured at fair value, gains and loss will either be recorded in profit or loss or OCI.

For financial assets measured at fair value, gains and loss will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether we have made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income ("FVOCI").

We reclassify debt instruments when and only when our business model for managing those assets changes.

(b) Recognition and Derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which we commit to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and we have transferred substantially all the risks and rewards of ownership.

(c) Measurement

At initial recognition, we measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on our business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which we classify our debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in "Other gains – net", together with foreign exchange gains and loss. Impairment loss are presented as separate line item in the statements of comprehensive income.

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or loss, interest income and foreign exchange gains and loss which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in "Other gains – net". Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and loss are presented in "Other gains – net" and impairment expenses are presented as separate line item in the statements of comprehensive income.

- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within "Other gains – net" in the period in which it arises.

Equity instruments

We subsequently measure all equity investments at fair value. Where our management has elected to present fair value gains and loss on equity investments in OCI, there is no subsequent reclassification of fair value gains and loss to profit or loss following the derecognition of the investments. Dividends from such investments continue to be recognised in "Other income" when our right to receive payments is established.

Changes in the fair value of financial assets measured at FVPL are recognised in "Other gains – net" as applicable. Impairment loss (and reversal of impairment loss) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(d) Impairment

We assess on a forward looking basis the expected credit loss associated with our debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Expected credit loss are a probability-weighted estimate of credit loss (i.e., the present value of all cash shortfalls) over the expected life of the financial assets.

For trade receivables, we apply the simplified approach permitted by IFRS 9, which requires expected lifetime loss to be recognised from initial recognition of the receivables. The provision matrix is determined based on historical observed default rates over the expected life of the trade receivables with similar credit risk characteristics and is adjusted for forward-looking estimates. At every reporting date the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Impairment on other receivables from third parties and related parties are measured as either 12-month expected credit loss or lifetime expected credit loss, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of a receivable has occurred since initial recognition, then impairment is measured as lifetime expected credit loss.

Contract Liabilities

Contract liabilities are recognised if we receive consideration (or if it has the unconditional right to receive consideration) in advance of performance. Contract liabilities are expected to be settled within 12 months after the end of the period are presented as current liabilities in the balance sheet, otherwise are presented as other non-current liabilities.

DESCRIPTION OF KEY STATEMENT OF COMPREHENSIVE INCOME OR LOSS ITEMS

The table below sets forth our consolidated statements of comprehensive income or loss for the periods indicated derived from the Accountant's Report included in Appendix I to this Prospectus.

	For the Year Ended December 31,						For the Six Months Ended June 30,			
	2022		2023		2024		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*
							(unaudited)			
	(in thousands, except for percentages)									
Revenue	523,078	100.0	697,191	100.0	909,750	100.0	420,973	100.0	523,642	100.0
Cost of sales	(249,565)	(47.7)	(262,585)	(37.7)	(286,899)	(31.5)	(141,593)	(33.6)	(147,573)	(28.2)
Gross profit	**273,513**	**52.3**	**434,606**	**62.3**	**622,851**	**68.5**	**279,380**	**66.4**	**376,069**	**71.8**
Selling and marketing expenses	(314,310)	(60.1)	(343,999)	(49.3)	(369,921)	(40.7)	(170,556)	(40.5)	(189,002)	(36.1)
General and administrative expenses	(98,079)	(18.8)	(131,430)	(18.9)	(90,489)	(9.9)	(45,089)	(10.7)	(49,006)	(9.4)
Research and development expenses	(234,327)	(44.8)	(233,913)	(33.6)	(239,798)	(26.4)	(112,096)	(26.6)	(115,379)	(22.0)
Provision for impairment loss on financial assets	(25)	(0.0)	(137)	(0.0)	(150)	(0.0)	(10)	(0.0)	(581)	(0.1)
Other income	22,055	4.2	32,896	4.7	15,096	1.7	3,358	0.8	3,793	0.8
Other gains/(losses) – net	(18,522)	(3.5)	2,565	0.4	318	0.0	(2,948)	(0.7)	1,194	0.2
Operating (loss)/ income	**(369,695)**	**(70.7)**	**(239,412)**	**(34.3)**	**(62,093)**	**(6.8)**	**(47,961)**	**(11.3)**	**27,088**	**5.2**
Finance income	1,485	0.3	6,726	1.0	6,495	0.7	5,437	1.3	4,891	0.9
Finance costs	(103,717)	(19.8)	(13,650)	(2.0)	(1,079)	(0.1)	(631)	(0.2)	(355)	(0.1)
Finance (costs)/income — net	(102,232)	(19.5)	(6,924)	(1.0)	5,416	0.6	4,806	1.1	4,536	0.8
Loss on convertible redeemable preferred shares	–	–	(225,435)	(32.3)	(18,526)	(2.0)	(14,301)	(3.4)	(72,512)	(13.8)
Share of net (loss)/gain of investments accounted for using equity method	(35,152)	(6.7)	(18,252)	(2.6)	(4,438)	(0.5)	(2,747)	(0.7)	585	0.1

	For the Year Ended December 31,						For the Six Months Ended June 30,			
	2022		2023		2024		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*
							(unaudited)			
	(in thousands, except for percentages)									
Loss before income tax	**(507,079)**	**(96.9)**	**(490,023)**	**(70.3)**	**(79,641)**	**(8.8)**	**(60,203)**	**(14.3)**	**(40,303)**	**(7.7)**
Income tax credit	–	–	–	–	90,224	9.9	(136)	(0.0)	759	0.1
(Loss)/profit for the year/period	**(507,079)**	**(96.9)**	**(490,023)**	**(70.3)**	**10,583**	**1.2**	**(60,339)**	**(14.3)**	**(39,544)**	**(7.6)**
(Loss)/profit attributable to:										
Equity owners of the Company	(505,335)	(96.6)	(486,555)	(69.8)	12,152	1.4	(58,845)	(14.0)	(41,146)	(7.9)
Non-controlling interests	(1,744)	(0.3)	(3,468)	(0.5)	(1,569)	(0.2)	(1,494)	(0.3)	1,602	0.3
	(507,079)	**(96.9)**	**(490,023)**	**(70.3)**	**10,583**	**1.2**	**(60,339)**	**(14.3)**	**(39,544)**	**(7.6)**

Non-IFRS Financial Measure

To supplement our consolidated financial statements presented in accordance with IFRS, we use adjusted net (loss)/profit (non-IFRS measure) as additional financial measures, which are not required by, or presented in accordance with IFRS. We believe that this non-IFRS measure facilitate comparisons of operating performance from year to year and company to company by eliminating potential impacts of certain items, such as share-based payments for employees, interest expense on financial liabilities to investors, loss on convertible redeemable preferred shares and listing expenses. We believe that this measure provides useful information to investors in understanding and evaluating our consolidated results of operations in the same manner as they help our management. However, presentation of adjusted net (loss)/profit (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of this non-IFRS measure has limitations as an analytical tool, and investors should not consider them in isolation from, or as a substitute for analysis of, our results of operations or financial conditions as reported under IFRS.

We define adjusted net (loss)/profit (non-IFRS measure) as (loss)/profit for the year/period by adding back (i) share-based payments for employees, which is a non-cash item, (ii) interest expense on financial liabilities to investors, which is non-cash in nature, (iii) loss on convertible redeemable preferred shares, which is non-cash in nature, and convertible redeemable preferred shares will be converted into equity upon Listing; and (iv) listing expenses related to this Global Offering. The following table reconciles our adjusted net (loss)/profit (non-IFRS measure) presented in accordance with IFRS, namely (loss)/profit for the year/period.

	For the Year Ended December 31,			For the Six Months Ended June 30,	
	2022	2023	2024	2024	2025
				(unaudited)	
	(RMB in thousands)				
(Loss)/profit for the year/period	**(507,079)**	**(490,023)**	**10,583**	**(60,339)**	**(39,544)**
Share-based payments for employees	24,561	21,272	10,728	11,133	8,208
Interest expense on financial liabilities to investors	103,146	12,362	–	–	–
Loss on convertible redeemable preferred shares	–	225,435	18,526	14,301	72,512
Listing expenses	–	25,273	9,151	1,461	5,779
Adjusted net (loss)/profit (non-IFRS measure)	**(379,372)**	**(205,681)**	**48,988**	**(33,444)**	**46,955**

Revenue

We primarily derive our revenue from SaaS. The following table sets forth a breakdown of our revenue, in absolute amounts and as percentages of total revenue, for the years/periods indicated.

	For the Year Ended December 31,						For the Six Months Ended June 30,			
	2022		2023		2024		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*
							(unaudited)			
	(in thousands, except for percentages)									
SaaS	497,935	95.2	669,874	96.1	877,530	96.4	406,581	96.5	506,535	96.7
Sales of supportive equipment	17,697	3.4	17,813	2.6	18,002	2.0	9,582	2.3	7,931	1.5
Promotion service fees	6,998	1.3	8,746	1.3	13,596	1.5	4,173	1.0	8,387	1.6
Others	448	0.1	758	0.1	622	0.1	637	0.2	789	0.2
Total	**523,078**	**100.0**	**697,191**	**100.0**	**909,750**	**100.0**	**420,973**	**100.0**	**523,642**	**100.0**

SaaS. We offer cloud-based SaaS products and generate revenue from provision of SaaS services. See "Business—Our Offerings." We typically require prepayments from our customers before we grant them access to our SaaS products, and we charge service fees either on (i) an annual subscription package that offers unlimited or maximum volume, or (ii) based on the volume of orders processed on the products. Revenue from provision of SaaS services is recognised in the period in which the services are rendered.

Sales of supportive equipment. We sell a range of e-commerce supportive equipment, such as PDAs, and generate revenue from sales of supportive equipment.

Promotion service fees. We provide promotion services through our sales force for products of other companies and generate revenue from charging commissions for the services.

Others. Our revenues from others in 2022 were primarily from short message services, which we have strategically suspended in March 2022. The short message service is a software function that enables e-commerce merchants to efficiently edit and manage short text messages. We suspended such services because these were immaterial in amount and did not have strong synergies with our core product offerings. In 2023, 2024 and the six months ended June 30, 2025, our revenues from others were primarily from miscellaneous items such as warehousing consulting services (e.g. warehouse design services) and materials used in implementation (e.g. sign posts for storage cubicles, aisles and function areas in the warehouses).

Cost of Sales

Our cost of sales primarily consists of (i) employee benefit expenses related to the SaaS implementation, (ii) cloud server fees and technical services fees, and (iii) cost of goods sold which primarily include PDAs. The following table sets forth a breakdown of our cost of sales by nature, in absolute amounts and as percentages of total cost of sales, for the years/periods indicated.

	For the Year Ended December 31,						For the Six Months Ended June 30,			
	2022		2023		2024		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*
							(unaudited)			
	(in thousands, except for percentages)									
Employee benefit expenses	170,995	68.5	159,334	60.7	165,026	57.5	80,047	56.5	83,960	56.9
Cloud server fees and technical service fees	51,862	20.8	75,674	28.8	95,074	33.1	48,191	34.0	50,421	34.2

	For the Year Ended December 31,						For the Six Months Ended June 30,			
	2022		2023		2024		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*
							(unaudited)			
	(in thousands, except for percentages)									
Cost of goods sold	13,128	5.3	12,920	4.9	11,950	4.2	6,204	4.4	5,633	3.8
Others	13,580	5.4	14,657	5.6	14,849	5.2	7,151	5.1	7,559	5.1
Total cost of sales	**249,565**	**100.0**	**262,585**	**100.0**	**286,899**	**100.0**	**141,593**	**100.0**	**147,573**	**100.0**

Gross Profit

In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, we had gross profit of RMB273.5 million, RMB434.6 million, RMB622.9 million, RMB279.4 million and RMB376.1 million with gross profit margin of 52.3%, 62.3%, 68.5%, 66.4% and 71.8%, respectively.

Selling and Marketing Expenses

Selling and marketing expenses primarily consist of (i) employee benefit expenses, including compensation paid to our sales and customer support personnel, (ii) sales commission to sales agents and (iii) marketing expenses. The following table sets forth a breakdown of our selling and marketing expenses, in absolute amounts and as percentages of total selling and marketing expenses, for the years/periods indicated.

	For the Year Ended December 31,						For the Six Months Ended June 30,			
	2022		2023		2024		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*
							(unaudited)			
	(in thousands, except for percentages)									
Employee benefit expenses	261,853	83.3	279,029	81.1	302,948	81.8	139,504	81.8	154,660	81.9
Sales commission to sales agents	30,311	9.6	38,904	11.3	48,370	13.1	22,874	13.4	25,407	13.4
Marketing expenses	4,811	1.5	6,848	2.0	5,030	1.4	2,407	1.4	2,711	1.4
Others	17,335	5.6	19,218	5.6	13,573	3.7	5,771	3.4	6,224	3.3
Total	**314,310**	**100.0**	**343,999**	**100.0**	**369,921**	**100.0**	**170,556**	**100.0**	**189,002**	**100.0**

General and Administrative Expenses

Our general and administrative expenses primarily consist of (i) employee benefit expenses, including compensation paid to our general and administrative personnel, (ii) impairment of goodwill, (iii) depreciation of right-of-use assets, (iv) utilities and office expenses, (v) depreciation and amortization, and (vi) consulting fees related to this Listing and the Global Offering. The following table sets forth a breakdown of our general and administrative expenses, in absolute amounts and as percentages of total general and administrative expenses, for the years/periods indicated.

	For the Year Ended December 31,						For the Six Months Ended June 30,			
	2022		2023		2024		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*
							(unaudited)			
	(in thousands, except for percentages)									
Employee benefit expenses	58,551	59.7	72,470	55.1	54,887	60.6	28,535	63.4	29,904	61.1
Impairment of goodwill	9,927	10.1	–	–	–	–	–	–	–	–
Depreciation of right-of-use assets	9,522	9.7	10,382	7.9	7,829	8.7	4,291	9.5	4,416	9.0
Utilities and office expenses	5,966	6.1	6,145	4.7	7,513	8.3	3,891	8.6	3,091	6.3
Depreciation and amortization	5,308	5.4	4,487	3.4	3,060	3.4	1,542	3.4	1,641	3.3
Listing expenses	–	–	25,273	19.2	9,151	10.1	461	1.0	5,779	11.8
Others	8,805	9.0	12,673	9.6	8,049	8.9	6,369	14.1	4,175	8.5
Total	**98,079**	**100.0**	**131,430**	**100.0**	**90,489**	**100.0**	**45,089**	**100.0**	**49,006**	**100.0**

Impairment test for goodwill

The goodwill of RMB9.9 million represents the excess of the acquisition consideration transferred and amount of controlling interests in Zhuhai Furun Technology Co., Ltd. ("Zhuhai Furun"), a provider of e-commerce ERP solutions over the fair value of the net identifiable assets acquired as at the acquisition date in July 2021 and was allocated on Zhuhai Furun. As of December 31, 2022, we have performed the goodwill impairment assessments. The recoverable amount of goodwill was determined based on value-in-use calculations. The value-in-use calculations use cash flow projections based on business plan for the purpose of impairment reviews covering a five-year period for Zhuhai Furun as a CGU. The accuracy and reliability of the information is reasonably assured by the appropriate budgeting, forecast and control process established by us. The management leveraged their experiences in the industries and provided forecast based on past performance and their expectation of future business plans and market developments.

We have engaged an independent external appraiser to assist management to perform the goodwill impairment assessments. The following table sets forth each key assumption on which management has based its five years cash flow projections to undertake impairment testing of goodwill:

	As of December 31, 2022
Annual growth rate of revenue during the projection period	-48.6%~6.2%
Gross margin during the projection period (% of revenue)	76.4%
Terminal growth rate	2.0%
Pre-tax discount rate	22.5%

Due to the operations of Zhuhai Furun had been significantly impacted by factors after acquisition such as COVID-19, downturn of the macroeconomic conditions and customer attrition. As of December 31, 2022, the recoverable amount of Zhuhai Furun is estimated to be lower than the carrying amount of the CGU.

We recorded impairment of approximately RMB9,927.0 thousand as of December 31, 2022 in light of the changes in economic, operating and market environment.

Research and Development Expenses

Research and development expenses primarily consist of employee benefit expenses, including compensation paid to our research and development personnel. The following table sets forth a breakdown of our research and development expenses, in absolute amounts and as percentages of total research and development expenses, for the years/periods indicated.

	For the Year Ended December 31,						For the Six Months Ended June 30,			
	2022		2023		2024		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*
							(unaudited)			
	(in thousands, except for percentages)									
Employee benefit expenses	219,286	93.6	221,577	95.0	223,051	93.0	105,123	93.8	106,132	92.0
Others	15,041	6.4	12,336	5.0	16,747	7.0	6,973	6.2	9,247	8.0
Total	234,327	100.0	233,913	100.0	239,798	100.0	112,096	100.0	115,379	100.0

Provision for Impairment Loss on Financial Assets

Provision for impairment loss on financial assets represent provision for doubtful receivables. We recorded provision for impairment loss on financial assets of RMB25 thousand, RMB0.1 million, RMB0.2 million, RMB10 thousand and RMB0.6 million in 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively.

Other Income

Our other income primarily represents (i) government grants, which primarily related to our contributions to technology development and investments in local business districts (for more details of the policies applicable to our government grants, see "Regulations—Regulation on government grants"), and (ii) interest income derived from time deposits. In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, we recorded other income of RMB22.1 million, RMB32.9 million, RMB15.1 million, RMB3.4 million and RMB3.8 million, respectively. The following table sets forth a breakdown of other income in absolute amounts and as percentages of total other income for the years indicated.

	For the Year Ended December 31,						For the Six Months Ended June 30,			
	2022		2023		2024		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*
							(unaudited)			
	(in thousands, except for percentages)									
Government grants	13,765	62.4	24,560	74.7	14,101	93.4	2,402	71.5	2,028	53.5
Tax refund	516	2.3	611	1.9	602	4.0	616	18.3	650	17.1
Super deduction of input VAT	2,452	11.1	2,906	8.8	231	1.5	230	6.8	3	0.1
Interest income derived from loan to employees	216	1.0	258	0.8	162	1.1	110	3.3	110	2.9
Interest income derived from loan to related parties	442	2.0	383	1.2	–	–	–	–	–	–
Dividends from invested enterprises	620	2.8	970	2.9	–	–	–	–	–	–
Interest income derived from time deposits	4,044	18.3	3,208	9.8	–	–	–	–	1,002	26.4
Total	**22,055**	**100.0**	**32,896**	**100.0**	**15,096**	**100.0**	**3,358**	**100.0**	**3,793**	**100.0**

Other Gains/(Loss) – Net

Our other gains/(loss) – net primarily consist of (i) fair value change of unlisted equity investments, representing the unrealized gain or loss from remeasuring unlisted equity securities at fair value, (ii) fair value change of wealth management products, primarily related to low-risk investments managed with a conservative strategy aligned to liquidity needs, and (iii) deemed disposal gain of equity method investment, which represents the gain from passive dilution of shares of our investees due to subsequent financing by other investors. The following table sets forth a breakdown of our gains/(loss) – net, in absolute amounts and as percentages of total other gains/(loss) – net, for the years/periods indicated.

	For the Year Ended December 31,						For the Six Months Ended June 30,			
	2022		2023		2024		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*
							(unaudited)			
	(in thousands, except for percentages)									
Fair value gain/(loss) of unlisted equity investments	(11,324)	61.1	1,758	68.5	(10,731)	(3,374.6)	(8,124)	275.6	1,985	166.2
Fair value gain/(loss) of wealth management products	(11,160)	60.3	236	9.2	8,639	2,716.7	1,471	(49.9)	2,684	224.8
Deemed disposal gain of equity method investment	3,613	(19.5)	–	–	–	–	–	–	–	–
Foreign exchange (loss)/gain	529	(2.9)	(35)	(1.4)	(693)	(217.9)	(51)	1.7	(6,814)	(570.7)
Gain on disposal of a subsidiary	–	–	–	–	3,345	1,051.9	3,345	(113.5)	3,778	316.4
Gain on disposal of financial assets at fair value through other comprehensive income – wealth management products	–	–	167	6.5	–	–	–	–	–	–
Gain on disposal of property, plant and equipment	241	(1.3)	660	25.8	1,019	320.4	1,009	(34.2)	17	1.4
Other loss	(421)	2.3	(221)	(8.6)	(1,261)	(396.5)	(598)	20.3	(456)	(38.1)
Total	**(18,522)**	**100.0**	**2,565**	**100.0**	**318**	**100.0**	**(2,948)**	**100.0**	**1,194**	**100.0**

Finance (Costs)/Income – Net

Our finance costs – net primarily consist of interest expense on financial liabilities to investors, which is non-cash in nature and will not recur after the Global Offering. The financial liabilities to investors represent the paid-in capital with preferred rights held by certain investors, which will be terminated upon the Global Offering. The following table sets forth a breakdown of our finance (costs)/income – net, in absolute amounts and as percentages of total finance (costs)/income – net, for the years/periods indicated.

	For the Year Ended December 31,						For the Six Months Ended June 30,			
	2022		2023		2024		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*
							(unaudited)			
	(in thousands, except for percentages)									
Finance income:										
– Interest income derived from bank deposits	1,485	(1.5)	6,726	(97.1)	6,495	119.9	5,437	113.1	4,891	107.8
Finance costs:										
– Interest expense on financial liabilities to investors	(103,146)	100.9	(12,362)	178.5	–	–	–	0.0	–	0.0
– Interest expense of loan	–	–	(257)	3.7	–	–	–	0.0	–	0.0
– Interest expense on lease liabilities	(571)	0.6	(1,031)	14.9	(1,079)	(19.9)	(631)	(13.1)	(355)	(7.8)
	(103,717)	**101.5**	**(13,650)**	**197.1**	**(1,079)**	**(19.9)**	**(631)**	**(13.1)**	**(355)**	**(7.8)**
Finance (costs)/ income — net	**(102,232)**	**100.0**	**(6,924)**	**100.0**	**5,416**	**100.0**	**4,806**	**100.0**	**4,536**	**100.0**

Loss on Convertible Redeemable Preferred Shares

We incurred loss on convertible redeemable preferred shares of RMB18.5 million in 2024, which is related to the preferred shares we issued in connection with our Reorganization. For details, see "History, Reorganization and Corporate Structure—Reorganization" and Note 26 to the Accountant's Report included in Appendix I to this Prospectus.

Share of Net (Loss)/Gain of Investments Accounted for Using Equity Method

Our share of net loss of investments accounted for using equity method relates to the operational and financial performance of our associates in which we invested. In 2022, 2023, 2024 and the six months ended June 30, 2024, we recorded share of net loss of investments accounted for using equity method of RMB35.2 million, RMB18.3 million, RMB4.4 million and RMB2.7 million, respectively. We recorded share of gain of investments of RMB0.6 million in the six months ended June 30, 2025.

TAXATION

In 2024, although we continued to record a loss before income tax, we recognized an income tax credit of RMB90.2 million, primarily due to the recognition of previously unrecognized tax losses. Other reconciling items included additional R&D deductions, preferential tax rates, and tax losses or temporary differences for which no deferred tax assets had been recognized in prior periods. For details, see Note 12 to the Accountant's Report included in Appendix I to this Prospectus.

Value Added Tax

We are mainly subject to 6% and 13% VAT, and surcharges on VAT payments according to PRC tax law.

Pursuant to the 'Announcement on Relevant Policies for Deepening the Value-added Tax Reform' (Cai Shui Haiguan [2019] No. 39) jointly issued by the Ministry of Finance, the State Taxation Administration and the General Administration of Customs, as well as the 'Announcement on VAT Policies for Promoting the Bailout and Development of Vulnerable Industries in the Service Sector' (Cai Shui [2022] No. 11) and the 'Announcement on Clarifying the Reduction and Exemption of VAT' (Cai Shui [2023] No. 1) issued by the Ministry of Finance and the State Taxation Administration, certain subsidiaries of our Group, which qualify as producer service companies, were entitled to additional input VAT deductions. Specifically, these subsidiaries were allowed to deduct an additional 10% of input VAT from output VAT from April 1, 2019 to December 31, 2022, and an additional 5% from January 1, 2023 to December 31, 2023.

Income tax

Cayman Islands Income Tax

The Company is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Act of Cayman Islands and accordingly, is exempted from Cayman Islands income tax.

Hong Kong Profits Tax

Hong Kong income tax rate is two-tiered profits tax regime, under which the tax rate is 8.25% or assessable profits on the first HK dollar 2 million and 16.5% or any assessable profits in excess of HK dollar 2 million. Hong Kong profits tax was provided for the assessable profit that was subject to Hong Kong profits tax during the year ended December 31, 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025.

PRC Enterprise Income Tax

Income tax provision of our Group in respect of operations in mainland China has been calculated at the applicable tax rate on the estimated assessable profits for the period, based on the existing legislation, interpretations and practices in respect thereof. The general corporate income tax rate in the PRC is 25%. Certain subsidiaries of our Group in the PRC were qualified as "high and new technology enterprises" and were subject to a preferential income tax rate of 15%.

Certain subsidiaries of our Group in the PRC were qualified as "Small Low-Profit Enterprise". "Small Low-Profit Enterprise" was entitled to a preferential income tax rate that was calculated in accordance with the two-tiered profits tax rates regime. From 1 January 2019 to 31 December 2020, under the two-tiered profits tax rates regime, the first RMB1,000,000 of the taxable income of qualified entities are taxed at 5%, and the taxable income above RMB1,000,000 and less than RMB3,000,000 are taxed at 10%. From 1 January 2021 to 31 December 2022, the first RMB1,000,000 of the taxable income of qualified entities are taxed at 2.5%, and the taxable income above RMB1,000,000 and less than RMB3,000,000 are taxed at 10%. Thus the subsidiaries were subject to a preferential income tax rate of 5% or 10% in 2020 and 2.5% or 10% in 2021 and 2022. From 1 January 2023 to 31 December 2027, Small Low-Profit Enterprise with taxable income less than RMB3,000,000 are taxed at 5%.

Thailand Corporate Income Tax

The Group's subsidiary in Thailand is subject to Thailand CIT which is calculated based on the applicable tax rate of 20% on the assessable profits of the subsidiaries in accordance with Thailand tax laws and regulations for the reporting period.

PRC Withholding Tax ("WHT")

According to the New Corporate Income Tax Law ("New EIT Law"), distribution of profits earned by PRC companies since 1 January 2008 to foreign investors is subject to withholding tax of 5% or 10%, depending on if the foreign investor is considered as the beneficial owner of the dividend according to the double tax treaty (agreement) between China and the jurisdiction of incorporation of the foreign investor, upon the distribution of profits to overseas-incorporated immediate holding companies.

During the year ended December 31, 2022, 2023, 2024 and the six months ended June 30, 2025, we do not have any plan to require our PRC subsidiaries to distribute their retained earnings to foreign investors and intends to retain them to operate and expand our business in the PRC. Accordingly, no deferred income tax liability on WHT was accrued as at the end of each reporting period.

DISCUSSION OF RESULTS OF OPERATIONS

Six Months Ended June 30, 2025 Compared to Six Months Ended June 30, 2024

Revenue

Our revenue increased by 24.4% from RMB421.0 million in the six months ended June 30, 2024 to RMB523.6 million during the same period in 2025, primarily attributable to the increase of our SaaS revenue by 24.6% from RMB406.6 million to RMB506.5 million over the same periods, driven by the growing revenue from existing customers as well as the continuous acquisition of new customers.

Cost of Sales

Our cost of sales increased by 4.2% from RMB141.6 million in the six months ended June 30, 2024 to RMB147.6 million during the same period in 2025, primarily attributable to the increase of commission to implementation engineers from RMB33.7 million to RMB39.1 million, driven by our continuous business expansion.

Gross Profit and Gross Profit Margin

As a result of the foregoing, our gross profit increased by 34.6% from RMB279.4 million in the six months ended June 30, 2024 to RMB376.1 million during the same period in 2025. Our gross profit margin increased from 66.4% in the six months ended June 30, 2024 to 71.8% during the same period in 2025, primarily due to our economies of scale.

Selling and Marketing Expenses

Our selling and marketing expenses increased from RMB170.6 million in the six months ended June 30, 2024 to RMB189.0 million during the same period in 2025, primarily due to increase of employee benefit expenses from RMB139.5 million in the six months ended June 30, 2024 to RMB154.7 million during the same period in 2025, as a result of our business growth. Our selling and marketing expenses accounted for 40.5% and 36.1% of our total revenue in the six months ended June 30, 2024 and 2025, respectively. Such decrease was primarily due to our enhanced sales and marketing efficiency and economies of scale.

General and Administrative Expenses

Our general and administrative expenses remained relatively stable at RMB45.1 million in the six months ended June 30, 2024 and RMB49.0 million during the same period in 2025.

Research and Development Expenses

Our research and development expenses increased from RMB112.1 million in the six months ended June 30, 2024 to RMB115.4 million during the same period in 2025, primarily in relation to the continuing development of our products.

Provision for Impairment Loss on Financial Assets

Our provision for impairment loss on financial assets increased from RMB10 thousand in the six months ended June 30, 2024 to RMB0.6 million during the same period in 2025, mainly attributable to higher level of allowance recognized in line with the growth of our business.

Other Income

Our other income increased from RMB3.4 million in the six months ended June 30, 2024 to RMB3.8 million during the same period in 2025, primarily due to the increase of interest income derived from time deposits from nil in the six months ended June 30, 2024 to RMB1.0 million during the same period in 2025.

Other Gains/(Loss) – Net

We recorded other loss – net shifted from RMB2.9 million in the six months ended June 30, 2024 to other gains – net of RMB1.2 million during the same period in 2025, primarily attributable to a shift of fair value loss of unlisted equity investments of RMB8.1 million in the six months ended June 30, 2024 to fair value gain of unlisted equity investments of RMB2.0 million during the same period in 2025, mainly due to changes in the valuation of our unlisted equity investments.

Operating Income/(Loss)

As a result of the foregoing, our operating loss shifted from RMB48.0 million in the six months ended June 30, 2024 to operating income of RMB27.1 million during the same period in 2025. Such change was primarily attributable to (i) our improved gross profit margin as a result of economies of scale, and (ii) our enhanced operating efficiency, reflected by a decrease of selling and marketing expenses, general and administrative expenses and research and development expenses in terms of percentage to revenue.

Finance Income – Net

We recorded finance income – net remained relatively stable, being RMB4.8 million in the six months ended June 30, 2024 and RMB4.5 million during the same period in 2025.

Loss on Convertible Redeemable Preferred Shares

We incurred loss on convertible redeemable preferred shares of RMB14.3 million in the six months ended June 30, 2024, as compared to RMB72.5 million during the same period in 2025, primarily due to the fair value change of convertible redeemable preferred shares and gain or loss from modification of terms of the redemption rights.

Share of Net (Loss)/Gain of Investments Accounted for Using Equity Method

Our share of net loss of investments accounted for using equity method shifted from RMB2.7 million in the six months ended June 30, 2024 to gain of RMB0.6 million during the same period in 2025, which relates to the operational and financial performance of our associates we invested in.

Income Tax Credit/(Expense)

We recorded income tax expense of RMB0.1 million in the six months ended June 30, 2024 and income tax credit of RMB0.8 million during the same period in 2025, primarily due to the recognition of deferred income tax assets.

Loss for the Period

As a result of the foregoing, our loss for the period amounted to RMB60.3 million in the six months ended June 30, 2024 shifted to loss for the period amounted to RMB39.5 million during the same period in 2025. Our net loss margin of 14.3% in the six months ended June 30, 2024 shifted to net loss margin of 7.6% during the same period in 2025.

Year Ended December 31, 2024 Compared to Year Ended December 31, 2023

Revenue

Our revenue increased by 30.5% from RMB697.2 million in 2023 to RMB909.8 million in 2024, primarily attributable to the increase of our SaaS revenue by 31.0% from RMB669.9 million to RMB877.5 million over the same periods, driven by the expansion of our customer base and our successful customer retention.

Cost of Sales

Our cost of sales increased by 9.3% from RMB262.6 million in 2023 to RMB286.9 million in 2024, primarily attributable to the increase of cloud servicer fees and technical services fees from RMB75.7 million to RMB95.1 million, driven by our business expansion.

Gross Profit and Gross Profit Margin

As a result of the foregoing, our gross profit increased by 43.3% from RMB434.6 million in 2023 to RMB622.9 million in 2024. Our gross profit margin increased from 62.3% in 2023 to 68.5% in 2024, primarily because of economies of scale and improvement of implementation efficiency. As our business grows, our recurring customers, which typically require less implementation costs compared to new customers, made large contributions to our revenue, and as a result, the growth of our revenue outpaced the increase of our cost of sales.

Selling and Marketing Expenses

Our selling and marketing expenses increased from RMB344.0 million in 2023 to RMB369.9 million in 2024, primarily due to increase of employee benefit expenses, including compensation paid to our sales and customer support personnel, from RMB279.0 million in 2023 to RMB302.9 million in 2024, in line with our business growth. Our selling and marketing expenses accounted for 49.3% and 40.7% of our total revenue in 2023 and 2024, respectively. Such decrease was primarily due to the improvement of our sales and marketing efficiency and economies of scale.

General and Administrative Expenses

Our general and administrative expenses decreased from RMB131.4 million in 2023 to RMB90.5 million in 2024, primarily attributable to (i) a decrease in employee benefit expenses, including compensation paid to our general and administrative personnel from RMB72.5 million in 2023 to RMB54.9 million in 2024, primarily because we offered higher compensation in 2023 to award these personnel, and (ii) a decrease in listing expenses from RMB25.3 million to RMB9.2 million.

Research and Development Expenses

Our research and development expenses remained stable in 2023 and 2024, being RMB233.9 million and RMB239.8 million, respectively.

Provision for Impairment Loss on Financial Assets

Our provision for impairment loss on financial assets remained relatively stable from RMB0.1 million in 2023 to RMB0.2 million in 2024.

Other Income

Our other income, mainly consisting of (i) government grants, and (ii) interest income derived from time deposits, decreased from RMB32.9 million in 2023 to RMB15.1 million in 2024. Government grants decreased from RMB24.6 million in 2023 to RMB14.1 million in 2024, primarily due to government's reduction in the allocation of such grants. Interest income from time deposits decreased from RMB3.2 million to nil primarily due to our redemption of time deposits.

Other Gains/(Loss) – Net

We recorded other gains – net decreased from RMB2.6 million in 2023 to RMB0.3 million in 2024, primarily attributable to a decrease in fair value gain of unlisted equity investments, due to the financial performance of certain associates we invested in.

Operating Loss

As a result of the foregoing, our operating loss decreased by 74.1% from RMB239.4 million in 2023 to RMB62.1 million in 2024, and our operating loss margin narrowed from 34.3% in 2023 to 6.8% in 2024. Such decrease was primarily attributable to (i) our improved gross profit margin as a result of economies of scale, and (ii) our improved operating efficiency, reflected by a decrease of selling and marketing expenses, general and administrative expenses and research and development expenses in terms of percentage to revenue.

Finance Costs – Net

We recorded finance costs – net of RMB6.9 million in 2023 and finance income – net of RMB5.4 million in 2024, which was primarily attributable to the decrease of interest expense on financial liabilities to investors from RMB12.4 million in 2023 to nil in 2024, as we no longer incur such expenses upon completion of Reorganization in 2023.

Loss on Convertible Redeemable Preferred Shares

We incurred loss on convertible redeemable preferred shares of RMB18.5 million in 2024, as compared to RMB225.4 million in 2023, primarily due to an increase in the fair value of the preferred shares in connection with our Reorganization in 2023.

Share of Net Loss of Investments Accounted for Using Equity Method

Our share of net loss of investments accounted for using equity method decreased from RMB18.3 million in 2023 to RMB4.4 million in 2024, which relates to the operational and financial performance of our associates we invested in.

Income Tax Credit

We recorded income tax credit of nil and RMB90.2 million in 2023 and 2024, respectively, primarily due to the recognition of deferred income tax assets in 2024 arising from previously unrecognized tax losses.

(Loss)/Profit for the Year

As a result of the foregoing, our loss for the year amounted to RMB490 million in 2023 shifted to profit for the year amounted to RMB10.6 million in 2024. Our net loss margin of 70.3% in 2023 shifted to net profit margin of 1.2% in 2024 primarily due to our narrowed operating loss margin and increased income tax credit.

Year Ended December 31, 2023 Compared to Year Ended December 31, 2022

Revenue

Our revenue increased by 33.3% from RMB523.1 million in 2022 to RMB697.2 million in 2023, primarily attributable to the increase of our SaaS revenue by 34.5% from RMB497.9 million to RMB669.9 million over the same years, driven by the expansion of our customer base and our successful customer retention. The number of our SaaS customers increased from 45.7 thousand in 2022 to 62.2 thousand in 2023. In 2023, our net dollar retention rate was 114%, indicating that we generated increased revenue from customers retained in 2023.

Cost of Sales

Despite our revenue growth, our cost of sales remained stable in 2022 and 2023, being RMB249.6 million and RMB262.6 million, respectively.

Gross Profit and Gross Profit Margin

As a result of the foregoing, our gross profit increased by 58.9% from RMB273.5 million in 2022 to RMB434.6 million in 2023. Our gross profit margin increased from 52.3% in 2022 to 62.3% in 2023, primarily because of economies of scale and improvement of implementation efficiency. As our business grows, our recurring customers, which typically require less implementation costs compared to new customers, made large contributions to our revenue, and as a result, the growth of our revenue outpaced the increase of our cost of sales.

Selling and Marketing Expenses

Our selling and marketing expenses increased slightly from RMB314.3 million in 2022 to RMB344.0 million in 2023 primarily attributable to the increase of employee benefit expenses, including compensation paid to our sales and customer support personnel, from RMB261.9 million in 2022 to RMB279.0 million in 2023, in line with our business growth.

Our selling and marketing expenses accounted for 60.1% and 49.3% of our total revenue in 2022 and 2023, respectively. Such decrease was primarily due to the improvement of our sales and marketing efficiency and economies of scale.

General and Administrative Expenses

Our general and administrative expenses increased by 34.0% from RMB98.1 million in 2022 to RMB131.4 million in 2023, primarily attributable to (i) the increase of listing expenses from nil to RMB25.3 million due to the expenses mainly related to this Listing and Global Offering, and (ii) the increase of employee benefit expenses from RMB58.6 million to RMB72.5 million primarily due to the one-off incentive compensations to managerial employees in 2023 as a result of our improved financial performance in 2023.

Research and Development Expenses

Our research and development expenses remained stable in 2022 and 2023, being RMB234.3 million and RMB233.9 million, respectively.

Provision for Impairment Loss on Financial Assets

Our provision for impairment loss on financial assets increased from RMB25 thousand in 2022 to RMB0.1 million in 2023.

Other Income

Our other income, mainly consisting of (i) government grants, and (ii) interest income derived from time deposits, increased from RMB22.1 million in 2022 to RMB32.9 million in 2023.

Other Gains/(Loss) – Net

We recorded other gains – net of RMB2.6 million in 2023, as compared to other loss – net of RMB18.5 million in 2022, primarily because of increases in fair value of unlisted equity investments and wealth management products.

Operating Loss

As a result of the foregoing, our operating loss decreased by 35.2% from RMB369.7 million in 2022 to RMB239.4 million in 2023, and our operating loss margin narrowed from 70.7% in 2022 to 34.3% in 2023. Such decrease was primarily attributable to (i) our improved gross profit margin as a result of economies of scale, and (ii) our improved operating efficiency, reflected by a decrease of selling and marketing expenses and research and development expenses in terms of percentage to revenue.

Finance Costs – Net

Our finance costs – net decreased by 93.2% from RMB102.2 million in 2022 to RMB6.9 million in 2023, which was primarily attributable to the decrease of interest expense on financial liabilities to investors from RMB103.1 million in 2022 to RMB12.4 million in 2023. Our finance costs – net primarily consist of interest expense on financial liabilities to investors, which is a non-cash item, non-operational in nature and will not recur upon completion of reorganization.

Loss on Convertible Redeemable Preferred Shares

We incurred loss on of convertible redeemable preferred shares of RMB225.4 million in 2023, as compared to nil in 2022, in connection with our Reorganization in 2023.

Share of Net Loss of Investments Accounted for Using Equity Method

Our share of net loss of investments accounted for using equity method, which relates to the operational and financial performance of our associates in which we invested, decreased from RMB35.2 million in 2022 to RMB18.3 million in 2023.

Loss for the Year

As a result of the foregoing, our loss for the year decreased by 3.4% from RMB507.1 million in 2022 to RMB490.0 million in 2023. Our net loss margin narrowed from 96.9% in 2022 to 70.3% in 2023 primarily due to our narrowed operating loss margin.

DISCUSSION OF SELECTED ITEMS FROM THE CONSOLIDATED BALANCE SHEETS

The table below sets forth selected information from our consolidated balance sheets as of the dates indicated, which has been extracted from the Accountant's Report included in Appendix I to this Prospectus:

	As of December 31,			As of June 30,
	2022	**2023**	**2024**	**2025**
	(RMB in thousands)			
ASSETS				
Total non-current assets	672,720	594,038	635,493	700,394
Total current assets	785,792	1,149,074	1,579,832	1,180,513
LIABILITIES				
Total non-current liabilities	1,958,789	996,970	1,166,756	1,254,236
Total current liabilities	1,012,790	4,419,363	4,698,065	4,309,814
Non-controlling interests	(3,171)	(6,639)	(8,208)	(6,606)
Net liabilities	**(1,513,067)**	**(3,673,221)**	**(3,649,496)**	**(3,683,143)**
Net current liabilities	**(226,998)**	**(3,270,289)**	**(3,118,233)**	**(3,129,301)**

Current Assets and Liabilities

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

	As of December 31,			As of June 30,	As of August 31,
	2022	2023	2024	2025	2025
					(unaudited)
	(RMB in thousands)				
Current assets					
Inventories	347	465	523	324	93
Contract acquisition costs	85,498	125,575	139,494	146,018	142,677
Financial assets at fair value through profit or loss	6,500	–	–	–	200,742
Financial assets at fair value through other comprehensive income	150,000	–	–	–	–
Trade and other receivables	102,547	98,919	190,447	237,910	208,198
Prepayments	14,241	26,788	64,092	65,430	72,502
Restricted cash	–	–	100,000	–	–
Cash and cash equivalents	426,659	897,327	1,085,276	730,831	472,139
Total current assets	**785,792**	**1,149,074**	**1,579,832**	**1,180,513**	**1,096,351**
Current liabilities					
Trade and other payables	474,611	654,726	749,766	768,018	699,360
Contract liabilities	530,377	624,958	795,073	855,268	844,818
Lease liabilities	7,802	11,778	9,315	11,256	12,267
Convertible redeemable preferred shares*	–	3,127,901	3,143,911	2,675,272	2,675,272
Total current liabilities	**1,012,790**	**4,419,363**	**4,698,065**	**4,309,814**	**4,231,717**
Net current liabilities	**(226,998)**	**(3,270,289)**	**(3,118,233)**	**(3,129,301)**	**(3,135,366)**

* Amendment to IAS 1, "Classification of Liabilities as Current or Non-current" which was effective on 1 January 2024 and has been applied retrospectively throughout the Track Record Period. As a result of adoption of this amendment, all the Convertible redeemable preferred shares were classified as current liabilities and the comparative figures in Track Record Period were classified as current liabilities as well.

Our net current liabilities remained relatively stable from RMB3,118.2 million as of December 31, 2024 to RMB3,129.3 million as of June 30, 2025, and further to RMB3,135.4 million as of August 31, 2025.

Our net current liabilities slightly decreased from RMB3,270.3 million as of December 31, 2023 to RMB3,118.2 million as of December 31, 2024, primarily due to (i) an increase of restricted cash from nil to RMB100.0 million, mainly as a result of our purchase of wealth management products; (ii) an increase of trade and other receivables from RMB98.9 million to RMB190.4 million, driven by our business expansion and the notable growth in revenue; and (iii) an increase of cash and cash equivalents from RMB897.3 million to RMB1,085.3 million, which is in line with our cash management and reserve strategy. The change was partially offset by an increase in contract liabilities from RMB625.0 million to RMB795.1 million, primarily attributable to our growing customer base and increasing market recognition.

The significant increase of our net current liabilities from RMB227.0 million as of December 31, 2022 to RMB3,270.3 million as of December 31, 2023 was mainly due to the reclassification of convertible redeemable preferred shares from non-current liabilities to current liabilities. As of December 31, 2023, we recorded convertible redeemable preferred shares of RMB3,127.9 million in our current liabilities. According to an amendment to IAS 1, "Classification of Liabilities as Current or Non-current" effective for reporting periods beginning on or after January 1, 2024, all convertible redeemable preferred shares were classified as current liabilities as of December 31, 2023.

We expect to improve our net current liabilities position as (i) we expect to further improve our operating cash flow as a result of our enhanced profitability, and (ii) we expect to receive the net proceeds from the Global Offering. Specifically, in 2023, we recorded net operating cash inflows of RMB210.4 million, increased from net operating cash inflows of RMB78.7 million in 2022, illustrating our improving profitability and operating efficiency. We believe that our efforts to improve profitability will also have positive impacts on our operating cash inflows, which will in turn improve our net current liabilities position.

Assets

Contract Acquisition Costs

We capitalize sales commissions paid to our direct sales force and sales agents that had a direct and incremental relationship to obtain a contract as contract acquisition cost and amortize the capitalized amounts when the related revenue is recognized. Our contract acquisition costs increased from RMB313.0 million as of December 31, 2022 to RMB374.3 million as of December 31, 2023, further increased RMB398.0 million as of December 31, 2024, and subsequently increased to RMB410.5 million as of June 30, 2025, respectively, primarily due to the increase of contracts obtained in line with our business growth. We had not experienced any material recoverability issues for our contract acquisition costs and do not anticipate to have any material recoverability issues for our contract acquisition costs because our business operation is sustainable, and we do not anticipate material adverse changes in our relationships with relevant customers.

Investments Accounted for Using Equity Method

The investments accounted for using equity method relate to our equity investments in associates. Our associates primarily includes private companies that engage in SaaS businesses that are complementary to ours. Our investments accounted for using equity method slightly decreased from RMB117.8 million as of December 31, 2022 to RMB99.5 million as of December 31, 2023, further decreased to RMB84.9 million as of December 31, 2024 and subsequently decreased to RMB53.2 million as of June 30, 2025, as a result of the operational and financial performance of our associates in which we invested, and disposal of certain investments.

Our material associate during the Track Record Period (the "Associate") provides decision-making services to assist their clients in marketing. We invested in the Associate to leverage its expertise in order to provide more value for e-commerce customers that need marketing services. The founder of the Associate has worked in a leading e-commerce platform in the U.S. and accumulated insights and experiences in the e-commerce industry, which further adds to the synergy with our business. For details about our associates and their business performance, see Note 18 to the Accountant's Report included in Appendix I to this Prospectus.

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, develop our products 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 technology and solutions, the target's business and financial performance and the synergy between the target and us. During the Track Record Period, we made minority equity investments in certain private companies, which are accounted for using equity method. We undertake prudent evaluation and approval process in making investment decisions. Our investment managers conduct preliminary due diligence and evaluation on potential investment opportunities presented, and submit the targets that meet our selection criteria for preapproval by our CEO. Upon our CEO's preapproval, we organize a project working group and engage third-party professionals to conduct comprehensive due diligence, negotiate with the target company and evaluate risks associated with the investment. Investment agreements will be subject to review and approval by our investment managers and the project working group before execution. The payment process is also subject to the approval matrix of our finance management system. After making an investment, we typically conduct on-site visits at our investee companies on a regular basis and report their operational and financial results regularly, continuing to monitor their business performance.

Financial Assets at Fair Value through Profit or Loss

Our current financial assets at fair value through profit or loss represent wealth management product. Our non-current financial assets at fair value through profit or loss relate to our wealth management products and long-term equity investments. Our financial assets at fair value through profit or loss decreased from RMB213.0 million as of December 31, 2022 to RMB131.8 million as of December 31, 2023, primarily due to repurchase of equity interests by one of our investees. Our financial assets at fair value through profit or loss slightly decreased to RMB121.0 million as of December 31, 2024, which mainly attribute to the result of investees's operational result, and also the change in market interest rate and capital markets. Our financial assets at fair value through profit or loss remained relatively stable at RMB123.0 million as of June 30, 2025.

We primarily invest in wealth management products with relatively low risks and the proposed investment must not interfere with our daily operation and business prospects. Our finance department is responsible for managing our investments in wealth management products. Our investment strategy related to wealth management products aims to minimize the financial risks by reasonably and conservatively matching the maturities of the portfolio to anticipated operating cash needs, and to generate investment returns for the benefits of our Shareholders. We make investment decisions related to wealth management products on a case-by-case basis after thoroughly considering a number of factors, including but not limited to macro-economic environment, general market conditions and the expected profit or potential loss of the investment. After the Listing, we intend to continue our investment in wealth management products strictly in compliance with internal policies and guidelines, Articles of Association, and the requirements under Chapter 14 of the Listing Rules.

Our long-term equity investments include our investments in emerging businesses that are complementary to our business to implement our long-term growth strategy, see also "— Investments Accounted for Using Equity Method."

In relation to the valuation of the financial assets and liabilities at fair value through profit or loss categorized within level 3 of fair value measurement, our Directors (i) carried out independent and sufficient investigation to understand the nature of the financial instruments in considering the merits of the proposed investment; (ii) reviewed the terms of investment agreements; (iii) engaged independent and qualified valuers, which are qualified for providing valuation services under application laws and regulations in PRC, provided necessary financial and non-financial information so as to enable the valuer to perform valuation procedures and discussed with the valuer on relevant assumptions to determine the fair value of our investment in the level 3 financial instruments; and (iv) reviewed the key assumptions with respect to the valuation exercise, the valuation working papers and results prepared by the valuer. Based on the aforesaid procedures, the Directors are of the view that the valuation analysis is fair and reasonable, and our financial statements are properly prepared. In addition, we have a team that manages the valuation of level 3 instruments for financial reporting purposes. The team manages the valuation exercise of the investments on a case by case basis. At least once every year, the team would use valuation techniques to determine the fair value of our level 3 financial instruments.

The Reporting Accountant has carried out necessary audit procedures in accordance with Hong Kong Standard on Investment Circular Reporting Engagement 200 "Accountants' Reports on Historical Financial Information in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants. The Reporting Accountant's opinion on the Historical Financial Information, as a whole, of the Group for the Track Record Period is set out on pages I-1 to I-3 of Appendix I to this Prospectus.

In relation to the valuation of the financial assets and liabilities at fair value through profit or loss categorized within level 3 of fair value measurement, the Joint Sponsors have conducted relevant due diligence work, including but not limited to, (i) reviewed relevant notes in the Accountant's Report set forth in Appendix I to the Prospectus; (ii) discussed with the Company to understand (a) the procedures performed for such valuation, (b) key basis and assumptions taken into consideration with respect to the valuation exercise, and (c) the internal control measures and process undertaken by the Company for reviewing the such valuation; (iii) discussed with the Reporting Accountant and the valuer on their respective work performed in this regard. Having considered the work done by the Directors and the Reporting Accountant and the due diligence work carried out by the Joint Sponsors, nothing has come to the attention of the Joint Sponsors that would cause them to reasonably disagree with the views of Directors and Reporting Accountant above.

Financial Assets at Fair Value through Other Comprehensive Income

Our financial assets at fair value through other comprehensive income represent our time deposits that are held for collection of contractual cash flows and for selling the financial assets. Our financial assets at fair value through other comprehensive income decreased from RMB170.0 million as of December 31, 2022 to nil as of December 31, 2023, primarily due to the disposal of a negotiable certificate of time deposit, which resulted in the reclassification of such financial asset into cash. Our financial assets at fair value through other comprehensive income remained at nil as of December 31, 2024. Our financial assets at fair value through other comprehensive income subsequently increased to RMB101.0 million as of June 30, 2025, primarily due to the purchase of time deposits in the six months ended June 30, 2025.

Prepayments

Our prepayments consist primarily of prepayments for cloud server fees. Our prepayments increased from RMB81.8 million as of December 31, 2022 to RMB103.2 million as of December 31, 2023, further increased to RMB121.7 million as of December 31, 2024, primarily due to the increase in prepayments for cloud server fees. Our prepayments subsequently decreased to RMB116.8 million as of June 30, 2025, mainly attributable to capitalization of listing expenses and the periodic renewal of server prepayments.

Trade and Other Receivables

Our trade receivables represent the amounts due from our customers for the products sold or services performed in our ordinary course of business. Our other receivables consist primarily of receivables due from e-commerce platforms.

While our customers typically enter into contracts with us in privity and pay us full amount of service fees, in most cases, they also need to pay authorization fees to e-commerce platforms to grant each of their online stores access to our products. The e-commerce platforms will transfer authorization fees they received from merchants to us, and we will refund such fees to merchants after checking their payment status. Our receivables due from e-commerce platforms represent authorization fees to be settled by e-commerce platforms in the aforesaid process.

The receivables due from e-commerce platforms increased from RMB71.6 million as of December 31, 2022 to RMB81.5 million as of December 31, 2023, further increased to RMB173.6 million as of December 31, 2024, and subsequently increased to RMB214.3 million as of June 30, 2025, primarily because the authorization fees on account increased as customer orders for our products increased, driven by the growth of our business scale.

The following table sets forth the details of our trade and other receivables, as of the dates indicated.

	As of December 31,			As of June 30,
	2022	2023	2024	2025
	(RMB in thousands)			
Trade and other receivables				
Trade receivables – net	2,697	4,350	5,110	5,643
Other receivables				
– Receivables due from e-commerce platforms	71,572	81,507	173,564	214,320
– Other receivables due from related parties	18,319	1,578	–	–
– Receivables from disposal of an associate	–	–	–	6,140
– Staff advances	4,085	4,921	5,141	5,300
– Deposits	6,772	6,724	6,714	6,820
– Others	173	202	328	322
– Less: provision for loss allowance of receivables	(1,071)	(363)	(410)	(635)
Other receivables, net	99,850	94,569	185,337	232,267
Total	**102,547**	**98,919**	**190,447**	**237,910**

Other receivables due from related parties represent (i) unsecured loans, with an interest rate of 4.35% and are generally repayable on demand, to Mr. Luo and Mr. Cen, and (ii) receivables from issues of shares of the Company pursuant to the Reorganisation, which were fully repaid in July 2023. The interest-bearing other receivables due from related parties are in compliance with the relevant laws and regulations. The loan to Mr. Luo was fully repaid in August 2023, and the loan to Mr. Cen was fully repaid in January 2024.

The turnover days of our trade receivables remained stable in 2022, 2023, 2024 and the six months ended June 30, 2025, being 2.2 days, 1.8 days, 1.9 days and 1.6 days, respectively. Trade receivables turnover days for a period equals the average of the opening and closing trade receivables balance divided by revenue for the relevant period and multiplied by the number of days in the relevant period.

Throughout the Track Record Period, we have not experienced material recoverability issues for our trade and other receivables. As of August 31, 2025, RMB217.6 million, or 90.8%, of our trade and other receivables as of June 30, 2025 had been subsequently settled.

Cash and Cash Equivalents

Our cash and cash equivalents consist of cash at bank, cash equivalents and cash on hand. Our cash and cash equivalents increased from RMB426.7 million as of December 31, 2022 to RMB897.3 million as of December 31, 2023, further increased to RMB1,085.3 million as of December 31, 2024, primarily attributable to the net cash generated from operating activities as well as net cash generated from investing activities. Our cash and cash equivalents subsequently decreased to RMB730.8 million as of June 30, 2025, mainly due to the redemption of convertible redeemable preferred shares.

Liabilities

Contract Liabilities

We recognize contract liabilities when we receive or have the unconditional right to receive consideration from customers in advance of performance of service contracts. Since we typically require prepayments from our customers before we grant them access to our SaaS products, we recorded significant contract liabilities during the Track Record Period. Our contract liabilities increased from RMB1,286.1 million as of December 31, 2022 to RMB1,604.5 million as of December 31, 2023, further increased to RMB1,955.0 million as of December 31, 2024, and subsequently increased to RMB2,107.6 million as of June 30, 2025, primarily due to the increase of contracts to be performed driven by our business growth. As of August 31, 2025, RMB171.2 million, or 8.1%, of our contract liabilities as of June 30, 2025 had been subsequently settled.

Financial Liabilities to Investors

Our financial liabilities to investors represent the paid-in capital with preferred rights held by certain investors. Our financial liabilities to investors decreased from RMB1,200.7 million as of December 31, 2022 to nil, nil and nil as of December 31, 2023, 2024 and June 30, 2025, respectively, primarily because such financial liabilities were transferred to convertible redeemable preferred shares due to our Reorganization.

Convertible Redeemable Preferred Shares

On February 21, 2023, for the purpose of reflecting and mirroring the shareholding structure of Shanghai Jushuitan before the Reorganization, the Company issued preferred shares entitled to purchase preferred shares to the nominees of the Pre-Reorganization Shareholders. Accordingly, we recorded convertible redeemable preferred shares of RMB3,127.9 million, RMB3,143.9 million and RMB2,675.3 million as of December 31, 2023, 2024 and June 30, 2025, respectively. We do not expect to record any further convertible redeemable preferred shares as such preferred shares will be re-designated from liabilities to equity as a results of the automatic conversion into ordinary shares upon the completion of the Global Offering.

Trade and Other Payables

Our trade and other payables consist primarily of (i) staff salaries and welfare payables, and (ii) authorization fees to be refunded to customers, see also "—Assets—Trade and Other Receivables" for details of arrangements on authorization fees and authorization fee receivables due from e-commerce platforms. Our trade and other payables increased from RMB474.6 million as of December 31, 2022 to RMB654.7 million as of December 31, 2023, primarily due to (i) the increased authorization fees to be refunded, mainly as a result of the growth of our business scale, and (ii) the increase of staff salaries and welfare payables as a result of our business expansion. Our trade and other payables increased from RMB654.7 million as of December 31, 2023 to RMB749.8 million as of December 31, 2024, primarily due to an increase in authorization fees to be refunded to customers from RMB335.5 million in 2023 to RMB417.6 million in 2024, driven by the growth in the number of customers and their stores. The increase was partially offset by a decrease in staff salaries and welfare payables from RMB227.6 million in 2023 to RMB223.5 million in 2024. Our trade and other payables remained relatively stable from RMB749.8 million as of December 31, 2024 to RMB768.0 million as of June 30, 2025.

The authorization fees to be refunded increased from RMB195.0 million as of December 31, 2022 to RMB335.5 million as of December 31, 2023, further increased to RMB417.6 million as of December 31, 2024, and subsequently increased to RMB479.8 million as of June 30, 2025, primarily because the authorization fees on account increased as customer orders for our products increased, driven by the growth of our business scale. The following table sets forth the movement of the authorization fees to be refunded for the periods indicated.

	For the Year Ended December 31,			For the Six Months Ended June 30,	
	2022	2023	2024	2024	2025
				(unaudited)	
	(RMB in thousands)				
Balance at the beginning of the period	49,515	194,982	335,524	335,524	417,643
– Addition	1,046,084	1,397,018	1,807,489	894,726	1,086,524
– Refunded	(900,617)	(1,256,476)	(1,725,370)	(869,553)	(1,024,319)
Balance at the end of the period	194,982	335,524	417,643	360,697	479,848

The following table sets forth the ageing analysis for the balances of the authorization fees to be refunded as of the dates indicated.

	As of December 31,			As of June 30,
	2022	2023	2024	2025
	(RMB in thousands)			
Authorization fees to be refunded				
– Less than 1 year	194,982	335,524	417,643	479,848

For such authorization fees, we had net payables for authorization fees to be refunded to customers of RMB123.4 million as of December 31, 2022 and RMB254.0 million as of December 31, 2023, primarily because customer orders for our products increased, driven by the growth of our business scale. Our net payables for authorization fees to be refunded to customers remained relatively stable from RMB254.0 million as of December 31, 2023 to RMB244.1 million as of December 31, 2024. As of June 30, 2025, our net payables for authorization fees to be refunded to customers increase to RMB265.5 million from RMB244.1 million as of December 31, 2024, primarily because of an expansion of our customer base.

The following table sets forth the details of our trade and other payables, as of the dates indicated.

	As of December 31,			As of June 30,
	2022	2023	2024	2025
	(RMB in thousands)			
Trade and other payables				
Staff salaries and welfare payables	213,300	227,635	223,501	187,992
Authorization fees to be refunded	194,982	335,524	417,643	479,848
Accrued taxes other than income tax	25,737	31,166	27,563	21,516
Commission fee payables	21,455	34,816	46,514	48,424
Employee stock options exercise fee payables	9,797	11,076	10,854	10,854
Trade payables due to third parties	1,090	1,297	1,262	1,022
Listing expenses payables	–	6,220	11,998	9,787
Other payables and accruals	8,250	6,992	10,431	8,575
Total	**474,611**	**654,726**	**749,766**	**768,018**

As of December 31, 2022, 2023, 2024 and June 30, 2025, the aging of the trade payables is mostly within one year. As of August 31, 2025, RMB578.4 million, or 75.3%, of our trade and other payables as of June 30, 2025 had been subsequently settled.

Lease Liabilities

Lease liabilities represent the present value of outstanding lease payments under our lease agreements, which primarily relate to our office buildings. We had non-current lease liabilities of RMB2.3 million, RMB17.4 million, RMB6.9 million and RMB1.9 million as of December 31, 2022, 2023, 2024 and June 30, 2025, respectively. We had current lease liabilities of RMB7.8 million, RMB11.8 million, RMB9.3 million and RMB11.3 million as of December 31, 2022, 2023, 2024 and June 30, 2025, respectively.

KEY FINANCIAL RATIOS

The following table sets forth certain of our key financial ratios for the years/periods indicated.

	For the Year Ended/ As of December 31,			For the Six Months Ended/As of June 30,	
	2022	2023	2024	2024	2025
				(unaudited)	
Total revenue growth (%)	20.7	33.3	30.5	N/A	24.4
Gross profit margin (%)	52.3	62.3	68.5	66.4	71.8
Net (loss)/profit margin (%)	(96.9)	(70.3)	1.2	(14.3)	(7.6)
Adjusted net (loss)/profit margin (non-IFRS measure) (%)	(72.5)	(29.5)	5.4	(7.9)	9.0
Operating cash flows before movements in working capital (RMB in thousands)	(298,910)	(198,366)	(30,155)	(20,256)	38,342
Quick ratio	0.8	0.3	0.3	N/A	0.3

The decrease in our quick ratio from 0.8 as of December 31, 2022 to 0.3 as of December 31, 2023, was primarily due to the increase in our total current liabilities, which was mainly attributable to the reclassification of convertible redeemable preferred shares from non-current liabilities to current liabilities. As of the same reason, our quick ratio remained at a relatively low level during the Track Record Period. We do not expect to record any further convertible redeemable preferred shares as such preferred shares will be re-designated from liabilities to equity as a results of the automatic conversion into ordinary shares upon the completion of the Global Offering.

LIQUIDITY AND CAPITAL RESOURCES

We have historically funded our cash requirements from cash from operating activities, investing activities and financing activities in a balanced manner. We intend to finance our future capital requirements in the same manner after the Global Offering. We do not anticipate any changes to the availability of financing to fund our operation in the future.

Working Capital

Taking into account (i) the financial resources available to us, including cash and cash equivalents of RMB730.8 million as of June 30, 2025, and (ii) the portion of the estimated net proceeds from the Global Offering expected to be used for working capital and general corporate purposes, our Directors believe that we have sufficient working capital for our present requirements and for the next 12 months from the date of this Prospectus.

Cash Flows

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

	For the Year Ended December 31,			**For the Six Months Ended June 30,**	
	2022	**2023**	**2024**	**2024**	**2025**
				(unaudited)	
	(RMB in thousands)				
Operating cash flows before movements in working capital	(298,910)	(198,366)	(30,155)	(20,256)	38,342
Changes in working capital	377,621	408,747	309,414	22,232	121,587
Income tax paid	–	–	(89.0)	(74.0)	–
Net cash generated from operating activities	78,711	210,381	279,170	1,902	159,929
Net cash generated from/(used in) investing activities	(174,415)	280,984	(77,252)	16,076	32,599
Net cash used in financing activities	(12,852)	(20,665)	(13,175)	(7,767)	(547,133)
Net (decrease)/ increase in cash and cash equivalents	**(108,556)**	**470,700**	**188,743**	**10,211**	**(354,605)**

	For the Year Ended December 31,			For the Six Months Ended June 30,	
	2022	2023	2024	2024	2025
				(unaudited)	
	(RMB in thousands)				
Effect of exchange rate changes	622	(32)	(794)	134	160
Cash and cash equivalents at beginning of the year	534,593	426,659	897,327	897,327	1,085,276
Cash and cash equivalents at end of the year	**426,659**	**897,327**	**1,085,276**	**907,672**	**730,831**

During the Track Record Period and up to the Latest Practicable Date, our principal sources of liquidity have been cash generated from operating activities.

Operating Activities

Net cash generated from operating activities was RMB159.9 million in the six months ended June 30, 2025. The difference between our loss before income tax for the period of RMB40.3 million and the net cash generated from operating activities, after adjustments of certain non-cash and non-operating items, was mainly due to (i) increase in contract liabilities of RMB152.6 million, primarily due to the increase of contracts to be performed driven by our business growth, and (ii) fair value change on convertible redeemable preferred shares of RMB72.5 million. The foregoing changes were partially offset by increase in trade and other receivables of RMB41.8 million, primarily due to the increased receivables due from e-commerce platforms, mainly as a result of the growth of our business scale.

Net cash generated from operating activities was RMB279.2 million in 2024. The difference between our loss before income tax for the period of RMB79.6 million and the net cash generated from operating activities, after adjustments of certain non-cash and non-operating items, was mainly due to (i) increase in contract liabilities of RMB350.4 million, primarily due to the increase of contracts to be performed driven by our business growth, (ii) fair value change on convertible redeemable preferred shares of RMB18.5 million, and (iii) share-based payments for employees of RMB1.1 million. The foregoing changes were partially offset by (i) increase in trade and other receivables of RMB93.3 million, primarily due to the increased receivables due from e-commerce platforms, mainly as a result of the growth of our business scale, and (ii) decrease in trade and other payables primarily due to a decrease in staff salaries and welfare payables.

Net cash generated from operating activities was RMB210.4 million in 2023. The difference between our loss before income tax for the year of RMB490.0 million and the net cash generated from operating activities, after adjustments of certain non-cash and non-operating items, was mainly due to (i) an increase in contract liabilities of RMB318.3 million, primarily due to the increase of contracts to be performed driven by our business growth, and (ii) an increase in trade and other payables of RMB178.3 million, primarily due to the increased authorization fees to be refunded, mainly as a result of the growth of our business scale. The foregoing changes were partially offset by increase in contract acquisition cost of RMB61.3 million, primarily due to the increase of contracts obtained in line with our business growth.

Net cash generated from operating activities was RMB78.7 million in 2022. The difference between our loss before income tax for the year of RMB507.1 million and the net cash generated from operating activities, after adjustments of certain non-cash and non-operating items, was mainly due to (i) an increase in contract liabilities of RMB200.9 million, primarily due to the increase of contracts to be performed driven by our business growth, and (ii) an increase in trade and other payables of RMB178.2 million, primarily due to increased authorization fees to be refunded, mainly as a result of the growth of our business scale; partially offset by increase in contract acquisition cost of RMB50.2 million, primarily due to the increase of contracts obtained in line with our business growth.

Investing Activities

Net cash generated from investing activities was RMB32.6 million in the six months ended June 30, 2025, mainly due to (i) proceeds from redemption of wealth management product of RMB2,759.3 million, and (ii) decrease in restricted cash of RMB100.0 million, partially offset by (i) purchase of wealth management product of RMB2,756.6 million, and (ii) purchase of time deposits of RMB100.0 million.

Net cash used in investing activities was RMB77.3 million in 2024, mainly due to (i) purchase of wealth management product of RMB4,250.0 million, and (ii) an increase in restricted cash of RMB100.0 million, partially offset by (i) proceeds from redemption of wealth management product of RMB4,258.7 million, (ii) disposal of an associate of RMB13.5 million, and (iii) repayment of loan and interest by related parties of RMB1.6 million.

Net cash generated from investing activities was RMB281.0 million in 2023, mainly due to (i) redemption of time deposits of RMB190.0 million, and (ii) proceeds from redemption of wealth management product of RMB91.0 million; partially offset by purchase of wealth management product of RMB84.3 million.

Net cash used in investing activities was RMB174.4 million in 2022, mainly due to (i) purchase of wealth management product of RMB1,297.5 million, and (ii) purchase of time deposits of RMB170.0 million; partially offset by proceeds from redemption of wealth management product of RMB1,326.2 million.

Financing Activities

Net cash used in financing activities was RMB547.1 million in the six months ended June 30, 2025, mainly due to redemption of conversion redeemable preferred shares of RMB543.3 million.

Net cash used in financing activities was RMB13.2 million in 2024, mainly due to principal elements and interest elements of lease payments of RMB12.2 million.

Net cash used in financing activities was RMB20.7 million in 2023, mainly due to principal elements and interest elements of lease payments of RMB12.0 million and payment for listing expense of RMB6.4 million.

Net cash used in financing activities was RMB12.9 million in 2022, mainly due to principal elements and interest elements of lease payments of RMB14.8 million.

CAPITAL EXPENDITURES

We did not have any material capital expenditures during the Track Record Period.

INDEBTEDNESS

Our Directors confirm that as of the Latest Practicable Date, there was no material covenant on any of our outstanding debt and there was no breach of any covenant during the Track Record Period and up to the Latest Practicable Date. Our Directors further confirm that our Group did not experience any difficulty in obtaining bank loans and other borrowings, default in payment of bank loans and other borrowings or breach of covenants during the Track Record Period and up to the Latest Practicable Date.

Save as disclosed below, we did not have any bank and other loans, or any debt securities issued and outstanding or agreed to be issued, bank overdraft, borrowing or similar indebtedness, liabilities under acceptance (other than normal trade bills) or acceptance credits, debentures, mortgages, charges, hire purchases or finance lease commitments, guarantees or other material contingent liabilities as of the Latest Practicable Date for our indebtedness statement. Our Directors confirm that there has not been any material change in our indebtedness since June 30, 2025 up to the date of this prospectus. As of August 31, 2025, we had unutilized committed banking credit facilities of RMB100 million.

The following table sets forth our indebtedness as of the dates indicated.

	As of December 31,			As of June 30,	As of August 31,
	2022	2023	2024	2025	2025
					(unaudited)
	(RMB in thousands)				
Lease Liabilities					
– Current portion	7,802	11,778	9,315	11,256	12,267
– Non-current portion	2,313	17,443	6,863	1,930	782
Financial Liabilities to Investors	1,200,717	–	–	–	–
Convertible redeemable preferred shares	–	3,127,901	3,143,911	2,675,272	2,675,272
Total	1,210,832	3,157,122	3,160,089	2,688,458	2,688,321

Lease Liabilities

The following table sets forth our lease liabilities as of the dates indicated.

	As of December 31,			As of June 30,	As of August 31,
	2022	2023	2024	2025	2025
					(unaudited)
	(RMB in thousands)				
Current	7,802	11,778	9,315	11,256	12,267
Non-current	2,313	17,443	6,863	1,930	782
Total	10,115	29,221	16,178	13,186	13,049

Financial Liabilities to Investors

Our financial liabilities to investors were RMB1,200.7 million, nil, nil, nil and nil as of December 31, 2022, 2023, 2024, June 30, 2025 and August 31, 2025, respectively. See "—Discussion of Selected Items from the Consolidated Balance Sheets—Financial Liabilities to Investors."

Convertible Redeemable Preferred Shares

Our convertible redeemable preferred shares were nil, RMB3,127.9 million, RMB3,143.9 million, RMB3,143.9 million, RMB2,675.3 million and RMB2,675.3 million of December 31, 2022, 2023, 2024, June 30, 2025 and August 31, 2025, respectively. See "—Discussion of Selected Items from the Consolidated Balance Sheets—Convertible Redeemable Preferred Shares." On May 19, 2025, the Shareholders resolved to approve the repurchase by the Company of 235,627 Series C Preferred Shares held by Broad Street Investments Holding (Singapore) Pte. Ltd., StoneBridge 2020, L.P. and StoneBridge 2020 Offshore Holdings II, L.P., at a purchase price equal to 150% of the original purchase price of the Shares, being approximately USD75.6 million (equivalent to RMB544 million). For details, see "History, Reorganization and Corporate Structure—Share Transfers and Shareholding Changes After the Reorganization" and Note 36 to the Accountant's Report included in Appendix I to this Prospectus. Save as disclosed above, the Company had not issued or repurchased any preferred shares since August 31, 2025 and up to the Latest Practicable Date.

Contingent Liabilities

We did not have any material contingent liabilities as of December 31, 2022, 2023, 2024, June 30, 2025 and August 31, 2025. Save as otherwise disclosed under sections headed "—Indebtedness" and "—Contractual Obligations," we did not have any outstanding loan, capital issued or agreed to be issued, debt securities, mortgages, charges, debentures, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptance credits, hire purchase commitments or other contingent liabilities as of August 31, 2025, being the latest practicable date for our indebtedness statement. Our Directors confirm that, as of the Latest Practicable Date, there had been no material change in our indebtedness since August 31, 2025.

CONTRACTUAL OBLIGATIONS

Capital Commitments

No capital expenditure contracted for as of December 31, 2022, 2023, 2024 and June 30, 2025, but not yet incurred.

OFF-BALANCE SHEET ARRANGEMENTS

As of the Latest Practicable Date, we did not have any material off-balance sheet commitments or arrangements.

MATERIAL RELATED PARTY TRANSACTIONS

We enter into transactions with our related parties from time to time. Our Directors are of the view that each of the related party transactions set out in Note 34 to the Accountant's Report included in Appendix I to this Prospectus was conducted on an arm's-length basis and with normal commercial terms between the relevant parties. Our Directors are also of the view that our related party transactions during the Track Record Period would not distort our track record results or cause our historical results to become nonreflective of our future performance. For details of the balances with related parties categorized based on trade and non-trade nature, see Note 33 to the Accountant's Report included in Appendix I to this Prospectus.

QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

Market Risk

Foreign Exchange Risk

Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not the functional currency of the relevant group entity. Foreign exchange risk is the risk of loss resulting from changes in fluctuation of foreign currency exchange rates.

For the years ended December 31, 2022, 2023, 2024 and the six months ended June 30, 2025, our foreign currency assets are mainly PRC entities' cash and cash equivalents denominated in USD. The foreign exchange risk we are facing mainly comes from movements in the USD/RMB.

Price Risk

We are exposed to price risk in respect of financial assets at fair value through profit or loss held by us which are carried at fair value with changes in the fair value recognised in profit or loss.

To manage our price risk arising from investments, we diversify our portfolio. Diversification of the portfolio is done in accordance with the limits set by us. Each investment is managed by senior management on a case by case basis. The impact of variable price of our investments please refer to Note 20 to the Accountant's Report in Appendix I to this Prospectus.

Cash Flow and Fair Value Interest Rate Risk

Our income and operating cash flows were substantially independent of changes in market interest rates and we have no significant interest-bearing assets except for cash and cash equivalents and wealth management products, details of which have been disclosed in Note 22 to the Accountant's Report in Appendix I to this Prospectus.

Our exposure to changes in interest rates is also attributable to the financial liabilities to investors, details of which have been disclosed in Note 25 to the Accountant's Report in Appendix I to this Prospectus. The financial liabilities to investors were carried at fixed rates, which expose us to fair value interest-rate risk.

Credit Risk

We are exposed to credit risk in relation to its trade and other receivables, cash and cash equivalents, wealth management products and time deposits. The carrying amounts of trade and other receivables, cash and cash equivalents, wealth management products and time deposits represent our maximum exposure to credit risk in relation to financial assets.

To manage risk arising from cash and cash equivalents, wealth management products and time deposits, we only transact with stated-owned financial institutions in the PRC or reputable banks and financial institutions having high-credit-quality in the PRC. There has been no recent history of default in relation to these financial institutions.

For sale of SaaS products and other products, we require prepayments from customers. For provision of promotion services, our main customers are related parties. We have assessed the credit quality of the customers, taking into account its financial position, past experience and other factors. The credit term is 1 month. Our management has monitoring procedures to ensure that follow-up action is taken to recover overdue debts.

In addition, we make periodic collective assessments as well as individual assessment on the recoverability based on historical settlement records and past experience. We consider the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, we compare the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition.

Liquidity Risk

Our management regularly monitors current and expected liquidity requirements to ensure that we maintain sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet our liquidity requirements in the short and long term.

DIVIDENDS

As advised by our Cayman Islands legal advisor, under Cayman Islands law, a position of accumulated loss and deficits in equity does not necessarily restrict our Company from declaring and paying dividends to our Shareholders out of either our profit or our share premium account, provided this would not result in our Company being unable to pay its debts as they fall due in the ordinary course of business. As we are a holding company incorporated under the laws of the Cayman Islands, the payment and amount of any future dividends will also depend on the availability of dividends received from our subsidiaries. Any dividends we pay will be determined at the absolute discretion of our Board, taking into account factors including our actual and expected results of operations, cash flow and financial position, general business conditions and business strategies, expected working capital requirements and future expansion plans, legal, regulatory and other contractual restrictions, and other factors that our Board deems to be appropriate. Our Shareholders may approve, in a general meeting, any declaration of dividends, which must not exceed the amount recommended by our Board. Throughout the Track Record Period, we did not pay or declare any dividend. Currently, we do not have a formal dividend policy or a fixed dividend distribution ratio.

DISTRIBUTABLE RESERVES

As of June 30, 2025, we did not have any distributable reserves.

LISTING EXPENSES

Based on the Offer Price of HK$30.60 per Offer Share, the total listing expenses (including underwriting commissions) payable by our Company are estimated to be approximately HK$148.3 million (equivalent to approximately RMB135.4 million), or 7.1% of our gross proceeds, assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised. These listing expenses comprise of (i) HK$75.7 million of underwriting-related expenses (including but not limited to commissions and fees); and (ii) HK$72.6 million of non-underwriting-related expenses, including HK$42.8 million of fees and expenses of legal advisors and accountant and HK$29.8 million of other fees and expenses.

As of June 30, 2025, we have incurred listing expenses of RMB40.2 million (equivalent to HK$43.7 million) for the Global Offering, as being charged to our consolidated statements of comprehensive loss. We estimate that of the total listing expenses (including underwriting commissions, assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised and based on an Offer Price of HK$30.60 per Offer Share), HK$62.3 million is expected to be charged to our consolidated statement of comprehensive income and HK$86.0 million is expected to be charged against equity upon the Global Offering.

UNAUDITED PRO FORMA ADJUSTED NET TANGIBLE ASSETS

The following unaudited pro forma statement of adjusted consolidated net tangible assets prepared in accordance with Rule 4.29 of the Listing Rules are set out below for the purpose of illustrating the effect of the Global Offering on the consolidated net tangible assets of the Group attributable to owners of the Company as of June 30, 2025 as if the Global Offering had taken place on that date.

The unaudited pro forma statement of adjusted consolidated net tangible assets has been prepared for illustrative purposes only and because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group attributable to owners of the Company as of June 30, 2025 or at any future dates following the completion of the Global Offering. The unaudited pro forma statement of adjusted consolidated net tangible assets of the Group is based on the consolidated net tangible liabilities of the Group attributable to the owners of the Company as of June 30, 2025 as set out in the Accountant's Report of the Company, the text of which is set out in Appendix I to this prospectus, and adjusted as described below.

	Audited consolidated net tangible liabilities of the Group attributable to owners of the Company as of June 30, 2025	**Estimated net proceeds from the Global Offering**	**Estimated impact on the conversion of convertible redeemable preferred shares into ordinary shares upon the completion of Global Offering**	**Unaudited pro forma adjusted consolidated net tangible assets attributable to owners of the Company as of June 30, 2025**	**Unaudited pro forma adjusted consolidated net tangible assets per Share**	
	Note (1)	*Note (2)*	*Note (3)*		*Note (4)*	*Note (5)*
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB*	*HK$*
Based on the Offer Price of HK$30.60 per Share	(3,679,710)	1,809,211	2,675,272	804,773	1.89	2.07

Notes:

(1) The audited consolidated net tangible liabilities of the Group attributable to the owners of the Company as of June 30, 2025 is extracted from the Accountant's Report set out in Appendix I to this Prospectus, which is based on the audited consolidated deficits in equity of the Group attributable to owners of the Company as of June 30, 2025 of RMB3,676,537,000 with an adjustment for intangible assets as of June 30, 2025 of RMB3,173,000.

(2) The estimated net proceeds from the Global Offering are based on the indicative Offer Price of HKD30.60 per share, after deduction of the underwriting fees and other related expenses paid/payable by the Company (excluding listing expenses which have been charged to the profit or loss during the Track Record Period) and takes no account of any Shares which may fall to be issued upon the exercise of the Offer Size Adjustment Option and the Over-allotment Option or any Shares which may be granted and issued or repurchased by the Company pursuant to the General Mandate and the Repurchase Mandate.

(3) Upon Listing and completion of the Global Offering, all the financial liabilities to investors will be automatically converted into ordinary shares pursuant to the respective share subscription agreements. Accordingly, for the purpose of the unaudited pro forma net tangible assets, the unaudited pro forma adjusted net tangible assets attributable to owners of the Company will be increased by RMB2,675,272,000, being the carrying amount of the convertible redeemable preferred shares as of June 30, 2025.

(4) The unaudited pro forma net tangible assets per Share is arrived at after the adjustments referred to in the preceding paragraphs and on the basis that 426,038,600 Shares were in issue assuming that the Global Offering and the Capitalisation Issue have been completed on June 30, 2025 but takes no account of any Shares which may fall to be issued upon the exercise of the Offer Size Adjustment Option and the Over-allotment Option or any Shares which may be granted and issued or repurchased by the Company pursuant to the General Mandate and the Repurchase Mandate.

(5) For the purpose of preparing this unaudited pro forma statement of adjusted net tangible assets, the amounts stated in Renminbi are converted into Hong Kong dollars at the rate of HKD1.00 to RMB0.91298. No representation is made that Renminbi has been, could have been or may be converted to Hong Kong dollars, or vice versa, at that rate.

(6) Except as disclosed above, no adjustment has been made to reflect any trading results or other transactions of the Group entered into subsequent to June 30, 2025.

NO MATERIAL ADVERSE CHANGE

Our Directors confirm that, as of the date of this Prospectus, there has been no material adverse change in our financial or trading position, indebtedness, mortgage, contingent liabilities, guarantees or prospects since June 30, 2025, the end of the period reported on the Accountant's Report included in Appendix I to this Prospectus.

DISCLOSURE REQUIRED UNDER THE LISTING RULES

We confirm that, as of the Latest Practicable Date, there were no circumstances that would give rise to disclosure required under Rules 13.13 to 13.19 of the Listing Rules.

FUTURE PLANS

See "Business—Our Strategies" for a detailed description of our future plans.

USE OF PROCEEDS

We estimate the net proceeds of the Global Offering which we will receive, based on an Offer Price of HK$30.60 per Offer Share, will be approximately HK$1,937.6 million, after deduction of underwriting fees and commissions and other estimated expenses payable by us in connection with the Global Offering and assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised. In line with our strategies, we intend to use the proceeds from the Global Offering for the purposes and in the amounts set forth below:

- Approximately 55%, or HK$1,065.6 million, will be used for enhancing our research and development capabilities to enrich our product offerings over the next five years, including:

  i. Approximately 20%, or HK$387.5 million, will be used for strengthening core technologies underlying our products over the next five years, including:

     ▪ approximately 10%, or HK$193.8 million, for traffic processing and system stability, which we believe will enhance user experience of our e-commerce SaaS ERP products, especially under large spike of traffic;

     ▪ approximately 5%, or HK$96.9 million, for modularization of product offerings to address the diverse needs of our customers, which we believe will increase the value brought by our products and in turn help us acquire customers or increase customer spending, and

     ▪ approximately 5%, or HK$96.9 million, for upgrading our cloud-native database to enhance the reliability and speed of our products when processing the data flow from different e-commerce platforms and to facilitate our customers to make informed decisions by fully utilizing their data assets;

  ii. Approximately 20%, or HK$387.5 million, will be used for upgrading the functions and modules (e.g. warehousing and logistics management) of our existing SaaS products, to generally improve the customer experience over the next five years, including:

     ▪ approximately 10%, or HK$193.8 million, for continuing to develop new modules and improve the functionalities of our e-commerce SaaS products based on evolving customers' needs and usage scenarios, capitalizing on the digitalization trend along the whole e-commerce value chain, from manufacturing to distribution, and from sales to logistics; for example, by developing and improving the functionalities of our e-commerce SaaS products, we can significantly enhance our customers' warehousing and logistics management. To illustrate, our products may establish connections and synchronization with automated facilities, such as automated order-picking machines; additionally, our products may enable features such as order assignment, route planning, and delivery tracking for customers' self-managed logistics services, which may include services for specific types of shipping, such as same-town delivery, large or heavy goods shipping, and fresh goods shipping;

- approximately 5%, or HK$96.9 million, for continuing to develop new product functionalities to reduce overall inventory and fulfillment costs of our customers, as well as to stay ahead of trends in e-commerce operations, and

- approximately 5%, or HK$96.9 million, for developing new modules to better support e-commerce participants to efficiently manage their distribution network and streamline their e-commerce operations;

iii. Approximately 15%, or HK$290.6 million, will be used for developing and upgrading our e-commerce SaaS products, particularly to support our global expansion strategy over the next five years, including:

- approximately 5%, or HK$96.9 million, for investing in improvements of product modules tailoring to business scenarios in cross-border e-commerce, and

- approximately 10%, or HK$193.8 million, for introducing international versions. See "Business—Our Strategies—Capture International Opportunities".

To achieve the foregoing, we plan to apply the proceeds to fund compensation packages offered to our research and development personnel. In 2022, 2023, 2024 and the six months ended June 30, 2025, employee benefit expenses paid to our research and development personnel amounted to RMB219.3 million, RMB221.6 million, RMB223.1 million and RMB106.1 million, respectively. We believe that qualified and experienced talents for research and development are crucial to sustain our leadership in e-commerce SaaS ERP.

- Approximately 25%, or HK$484.4 million, will be used for strengthening our sales and marketing capabilities over the next five years, including:

  i. Approximately 20%, or HK$387.5 million, will be used for strengthening our sales and implementation capabilities over the next five years, including:

     - approximately 10%, or HK$193.8 million, for enhancing our business development efforts, including continue to offer competitive sales commissions alongside business expansion to incentivize sales personnel with industry expertise and strong merchant relationship and strengthen our sales network, and expanding our customer base to increase market penetration.

     - approximately 5%, or HK$96.9 million, for maintaining our implementation team, including engineers with expertise in assisting customers with setup of our SaaS products and on-site support and coaching to help customers better understand our products and functionalities, to improve our implementation efficiency and strengthening our service capabilities.

     - approximately 5%, or HK$96.9 million, for offering competitive compensation and regular on-the-job trainings to our sales and implementation personnel.

  ii. Approximately 5%, or HK$96.9 million, will be used for enhancing our brand awareness and acquiring customers over the next five years, including:

     - approximately 2%, or HK$38.8 million, for actively organizing industry events, connecting participants in the e-commerce industry, strengthening our relationships with existing customers and building relationships with potential customers.

     - approximately 3%, or HK$58.1 million, for increasingly collaborating with media partners to promote our product offerings and brand awareness.

- Approximately 10%, or HK$193.8 million, will be used for strategic investments over the next five years. We will pursue strategic investments to expand our product offerings, expand our customer base, and strengthen our technology capabilities. We plan to prudently evaluate and consider a wide array of potential investments in emerging businesses that are complementary to our business. Specifically, we will consider relevant criteria including: (i) business with strong monetization opportunities and high quality products that are complementary to our existing products; (ii) business with industry know-how in the verticals that we intend to increase the penetration in the future; and (iii) business with good track record, and experienced and insightful management team who can reach strategic alignment with our development strategies. Based on these criteria, we may pursue investment opportunities in companies that can help us better serve our customers' business needs, such as companies that provide management system for offline stores, which may facilitate sales management, inventory management and membership management for offline stores. We intend to make aforementioned investments mainly through equity, both controlling or non-controlling, and may consider other forms of investment such as debt or that with convertible features if such is better suited for the need of the transaction, evaluated on a case-by-case basis. Our Directors, as advised by CIC, are of the view that there are sufficient number of potential targets as there are many technology focused companies and solution providers that meet our criteria. We expect to select our investment target based on the industry in which the target operates, the target's strength of technology and solutions, the target's business and financial performance and the synergy between the target and us. As of the Latest Practicable Date, we did not identify any investment or acquisition target in this regard.

- Approximately 10%, or HK$193.8 million, will be used for general corporate purposes.

The additional net proceeds that we would receive if the Over-allotment Option is exercised in full (assuming the Offer Size Adjustment Option is not exercised) would be HK$300.3 million (based on an Offer Price of HK$30.60 per Share). The additional net proceeds that we would receive if the Offer Size Adjustment Option and the Over-allotment Option are exercised in full would be HK$645.7 million (based on an Offer Price of HK$30.60 per Share). We intend to apply the additional net proceeds that we receive from any exercise of Offer Size Adjustment Option and Over-allotment Option to the above allocation on a pro rata basis.

To the extent that the net proceeds of the Global Offering are not immediately used for the above purposes, we will deposit those net proceeds into 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). In such event, we will comply with the appropriate disclosure requirements under the Listing Rules.

HONG KONG UNDERWRITERS

China International Capital Corporation Hong Kong Securities Limited

J.P. Morgan Securities (Asia Pacific) Limited *(in alphabetical order)*

Futu Securities International (Hong Kong) Limited

UNDERWRITING

This prospectus is published solely in connection with the Hong Kong Public Offering. The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters on a conditional basis. The International Offering is expected to be fully underwritten by the International Underwriters.

The Global Offering comprises the Hong Kong Public Offering of initially 6,816,700 Hong Kong Offer Shares and the International Offering of initially 61,349,500 International Offering Shares, subject, in each case, to reallocation on the basis as described in the section headed "Structure of the Global Offering" in this prospectus as well as to the Offer Size Adjustment Option and the Over-allotment Option (in the case of the International Offering).

UNDERWRITING ARRANGEMENTS AND EXPENSES

Hong Kong Public Offering

Hong Kong Underwriting Agreement

Pursuant to the Hong Kong Underwriting Agreement, the Company is offering the Hong Kong Offer Shares for subscription on the terms and conditions set out in this prospectus and the Hong Kong Underwriting Agreement at the Offer Price.

Subject to (a) the Listing Committee granting approval for the listing of, and permission to deal in, the Shares (including any additional Shares that may be issued pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option) on the Main Board of the Stock Exchange and such approval not having been subsequently revoked prior to the commencement of trading of the Shares on the Stock Exchange and (b) certain other conditions set out in the Hong Kong Underwriting Agreement, the Hong Kong Underwriters have agreed severally but not jointly to procure subscribers for, or themselves to subscribe for, their respective applicable proportions of the Hong Kong Offer Shares being offered which are not taken up under the Hong Kong Public Offering on the terms and conditions set out in this prospectus and the Hong Kong Underwriting Agreement.

The Hong Kong Underwriting Agreement is conditional on, among other things, the International Underwriting Agreement having been executed and becoming unconditional and not having been terminated in accordance with its terms.

Grounds for termination

If any of the events set out below occur at any time prior to 8:00 a.m. on the day that trading in the Shares commences on the Stock Exchange, the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) shall be entitled to terminate the Hong Kong Underwriters to subscribe or procure subscribers for the Hong Kong Offer Shares under the Hong Kong Underwriting Agreement:

(i) there shall develop, occur, exist or come into effect:

(a) any new law or regulation or any change or development involving a prospective change or any event or series of events or circumstances likely to result in a change or a development involving a prospective change in existing law or regulation, or the interpretation or application thereof by any court or other competent authority in or affecting Hong Kong, the PRC, the United States, the United Kingdom, or the European Union (or any member thereof, or other jurisdictions relevant to the Group or the Global Offering) (each a "**Relevant Jurisdiction**"); or

(b) any change or development involving a prospective change, or any event or series of events or circumstances likely to result in a change or prospective change, in local, national, regional or international financial, political, military, industrial, economic, currency market, fiscal, legal, regulatory, credit or market conditions or sentiments, taxation, equity securities or currency exchange rate or controls or any monetary or trading settlement system or other financial markets (including, without limitation, conditions and sentiments in stock and bond markets, money and foreign exchange markets, credit markets and inter-bank markets) or foreign investment regulations (including, without limitation, a devaluation of the Hong Kong dollar, United States dollar or Renminbi against any foreign currencies, a change in the system under which the value of the Hong Kong dollar is linked to that of the United States dollar or the Renminbi is linked to any foreign currency or currencies) in or affecting any Relevant Jurisdiction, or affecting an investment in the Offer Shares; or

(c) any event or series of events, or circumstances in the nature of force majeure (including, without limitation, acts of government, labour disputes, strikes, lock-outs, fire, explosion, earthquake, flooding, tsunami, volcanic eruption, civil commotion, riots, rebellion, public disorder, acts of war (whether declared or undeclared), acts of terrorism (whether or not responsibility has been claimed), acts of God, accident or interruption in transportation, destruction of power plant, outbreak, escalation, mutation or aggravation of diseases, pandemics or epidemics including, but not limited to, COVID-19, SARS, swine or avian flu, H5N1, H1N1, H1N7, H7N9, Ebola virus, Middle East respiratory syndrome (MERS) and such related/mutated forms, economic sanction, any local, national, regional or international outbreak or escalation of hostilities (whether or not war is or has been declared) or other state of emergency or calamity or crisis in whatever form, political change, paralysis of government operations, interruption or delay in transportation, other industry action in or directly or indirectly affecting any Relevant Jurisdiction; or

(d) the imposition or declaration of any moratorium, suspension or restriction (including, without limitation, any imposition of or requirement for any minimum or maximum price limit or price range) in or on (i) the trading in securities or shares generally on the Stock Exchange, the Tokyo Stock Exchange, the New York Stock Exchange, the NASDAQ Global Market, the London Stock Exchange, the Singapore Stock Exchange, the Shanghai Stock Exchange or the Shenzhen Stock Exchange; or (ii) the trading in any securities of the Company listed or quoted on a stock exchange or an over-the-counter market; or

(e) the imposition or declaration of any general moratorium on banking activities in or affecting any Relevant Jurisdiction or any disruption in commercial banking or foreign exchange trading or securities settlement or clearance services, procedures or matters or affecting any Relevant Jurisdiction; or

(f) other than with the prior written consent of the Overall Coordinators, the issue or requirement to issue by the Company of a supplemental or amendment to this prospectus or other documents in connection with the offer and sale of the Offer Shares pursuant to the Companies (Winding Up and Miscellaneous Provisions) Ordinance or the Listing Rules or upon any requirement or request of the Stock Exchange and/or the SFC; or

(g) the commencement by any authority or other regulatory or political body or organization of any public action or investigation against a member of the Group or a director or a senior management member of any member of the Group or announcing an intention to take any such action; or

(h) the imposition of sanctions or export controls in whatever form, directly or indirectly, on any member of the Group or any of the members of the Controlling Shareholders or by or on any Relevant Jurisdiction, or the withdrawal of trading privileges which existed on October 10, 2025, in whatever form, directly or indirectly, by, or for, any Relevant Jurisdiction; or

(i) any valid demand by creditors for payment or repayment of indebtedness of any member of the Group, or in respect of which any member of the Group is liable prior to its stated maturity; or

(j) any non-compliance of this prospectus (or any other documents used in connection with the contemplated offering, allotment, issue, subscription or sale of any of the Offer Shares), the CSRC Filings (as defined in the Hong Kong Underwriting Agreement) or any aspect of the Global Offering with the Listing Rules or any other applicable Laws; or

(k) any litigation, dispute, legal action or claim or regulatory or administrative investigation or action being threatened, instigated or announced against any member of the Group or any of the members of the Controlling Shareholders or any Director or senior management members as named in this prospectus; or

(l) any contravention by the Company, any member of the Group, any Director of the Listing Rules or any other applicable laws; or

(m) any change or prospective change or a materialisation of any of the risks set out in the section headed "Risk Factors" in this prospectus,

which, in any such case individually or in the aggregate, in the sole and absolute opinion of the Joint Sponsors and the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters): (A) has or will have or may have a material adverse effect, whether directly or indirectly, on the assets, liabilities, general affairs, management, performance, shareholders' equity, profit, loss, position or condition, financial or otherwise, results of operations, or prospects of the Group, taken as a whole; or (B) has or will have or may have a material adverse effect on the success of the Global Offering or the level of applications under the Hong Kong Public Offering or the level of indications of interest under the International Offering; or (C) makes or will make it or may make it impracticable or inadvisable or inexpedient or incapable for any material part of the Hong Kong Underwriting Agreement, the Hong Kong Public Offering or the Global Offering to be performed or implemented as envisaged, or for the Hong Kong Public Offering and/or the Global Offering to proceed, or to market the Global Offering or the delivery or distribution of the Offer Shares on the terms and in the manner contemplated by the Offering Documents (as defined in the Hong Kong Underwriting Agreement); or (D) has or will or may have the effect of making a part of the Hong Kong Underwriting Agreement (including underwriting) incapable of performance in accordance with its terms or which prevents the processing of applications and/or payments pursuant to the Global Offering or pursuant to the underwriting thereof.

(ii) there has come to the notice of the Overall Coordinators and the Joint Sponsors (for themselves and on behalf of the Hong Kong Underwriters) that:

(a) that any statement contained in the Offering Documents (as defined in the Hong Kong Underwriting Agreement), the CSRC Filings and/or any notices, announcements, advertisements, communications or other documents issued or used by or on behalf of the Company in connection with the Hong Kong Public

Offering (including any supplement or amendment thereto) the "**Global Offering Documents**" was, when it was issued, or has become untrue, incorrect, inaccurate in any material respect or misleading or any forecasts, estimate, expressions of opinion, intention or expectation expressed in any such documents, was, when it was issued, or has become unfair or misleading in any respect or based on untrue, dishonest or unreasonable assumptions or given in bad faith; or

(b) any matter has arisen or has been discovered which would, had it arisen or been discovered immediately before the date of this prospectus, constitutes a material omission or misstatement in any Global Offering Document; or

(c) any breach of, or any event or circumstance rendering untrue or incorrect or misleading in any respect, any of the representations, warranties and undertakings given by the Company or the Controlling Shareholders in the Hong Kong Underwriting Agreement or the International Underwriting Agreement; or

(d) any event, act or omission which gives or is likely to give rise to any liability of the Company and the Controlling Shareholders pursuant to the indemnities under the Hong Kong Underwriting Agreement; or

(e) any breach of any of the obligations or undertakings imposed upon the Company or any member of the Controlling Shareholders or any cornerstone investor (as applicable) to the Hong Kong Underwriting Agreement, the International Underwriting Agreement or the cornerstone investment agreements; or

(f) there is any change or development involving a prospective change, constituting or having a Material Adverse Effect (as defined in the Hong Kong Underwriting Agreement); or

(g) that the chairman of the Board, any Director or any member of senior management of the Company named in this prospectus seeks to retire, or is removed from office or vacating his/her office; or

(h) any Director or any member of senior management of the Company named in this prospectus is being charged with an indictable offence or prohibited by operation of law or otherwise disqualified from taking part in the management or taking directorship of a company; or

(i) the Company withdraws this prospectus (and/or any other documents used in connection with the subscription or sale of any of the Offer Shares pursuant to the Global Offering) or the Global Offering; or

(j) that the approval by the Listing Committee of the Listing of, and permission to deal in, the Shares in issue and to be issued pursuant to the Global Offering (including pursuant to any exercise of the Over-allotment Option) is refused or not granted, other than subject to customary conditions, on or before the Listing Date, or if granted, the approval is subsequently withdrawn, cancelled, qualified (other than by customary conditions), revoked or withheld; or

(k) any person (other than any of the Joint Sponsors) has withdrawn its consent to the issue of this prospectus with the inclusion of its reports, letters and/or legal opinions (as the case may be) and references to its name included in the form and context in which it respectively appears; or

(l) any prohibition on the Company for whatever reason from offering, allotting, issuing or selling any of the Offer Shares pursuant to the terms of the Global Offering; or

(m) any person (other than the Joint Sponsors and the Overall Coordinators) has withdrawn or sought to withdraw its consent to being named in any of the Offering Documents or to the issue of any of the Offering Documents; or

(n) an order or petition is presented for the winding-up or liquidation of any member of the Group, or any member of the Group makes any composition or arrangement with its creditors or enters into a scheme of arrangement or any resolution is passed for the winding-up of any member of the Group or a provisional liquidator, receiver or manager is appointed over all or part of the assets or undertaking of any member of the Group or anything analogous thereto occurs in respect of any member of the Group; or

(o) (A) the notice of acceptance of the CSRC Filings issued by the CSRC and/or the results of the CSRC Filings published on the website of the CSRC is rejected, withdrawn, revoked or invalidated; or (B) other than with the prior written consent of the Overall Coordinators, the issue or requirement to issue by the Company of a supplement or amendment to the CSRC Filings pursuant to the CSRC Rules (as defined in the Hong Kong Underwriting Agreement) or upon any requirement or request of the CSRC; or (C) any non-compliance of the CSRC Filings with the CSRC Rules or any other applicable Laws; or

(p) a material portion of the orders placed or confirmed in the book-building process, or the investment commitments by any cornerstone investors under the cornerstone investment agreements signed with such cornerstone investors, have been withdrawn, terminated or cancelled, as a result of the payment of the relevant investment amount not being received or settled in the stipulated time and manner or otherwise,

then, in each case, the Overall Coordinators may, for themselves and on behalf of the Hong Kong Underwriters, in their sole and absolute discretion and upon giving notice orally or in writing to the Company, terminate the Hong Kong Underwriting Agreement with immediate effect.

Offer Size Adjustment Option

As part of the Global Offering, the Company has the Offer Size Adjustment Option under the Hong Kong Underwriting Agreement, pursuant to which, the Company may issue and allot any number of up to an aggregate of 10,224,900 Shares, representing approximately 15% of the Offer Shares initially offered under the Global Offering, at the Offer Price, to cover additional market demand, if any. The Offer Size Adjustment Option may be exercised jointly by the Company and the Overall Coordinators prior to the execution of the International Underwriting Agreement and will expire upon execution of the International Underwriting Agreement. These additional Offer Shares (the "**Offer Size Adjustment Option Shares**"), if any, will be allocated in such manner as closely as practicable to maintain the proportionality between the Hong Kong Public Offering and the International Offering following the application of the reallocation arrangement described in "Structure of the Global Offering—The Hong Kong Public Offering—Reallocation" below and the Sponsor-Overall Coordinator shall allocate additional new Shares to be offered by the Company pursuant to the International Offering to the Hong Kong Public Offering in order to maintain such proportionality and the relevant number of Offer Size Adjustment Option Shares shall be allocated to the International Offering to maintain such proportionality.

Undertakings to the Stock Exchange pursuant to the Listing Rules

Undertakings by the Company

Pursuant to Rule 10.08 of the Listing Rules, the Company has undertaken to the Stock Exchange that it will not issue any further Shares or securities convertible into equity securities of the Company (whether or not of a class already listed) or sell or transfer out of treasury or enter into any agreement to such issue, sale or transfer out of treasury within six months from the Listing Date (whether or not such issue of Shares or securities will be completed within six months from the Listing Date), except pursuant to the Global Offering, the exercise of the Offer Size Adjustment Option and/or the Over-allotment Option or for the circumstances permitted under Rule 10.08 of the Listing Rules.

Undertakings pursuant to the Hong Kong Underwriting Agreement

(A) Undertakings by the Company

Except for the offer and sale of the Offer Shares pursuant to the Global Offering (including pursuant to the Offer Size Adjustment Option and the Over-allotment Option), during the period commencing on the date of the Hong Kong Underwriting Agreement and ending on, and including, the date that is six months after the Listing Date (the "**First Six-Month Period**"), the Company has undertaken to each of the Overall Coordinators, the Joint Global Coordinators and the Joint Sponsors not to without the prior written consent of the Joint Sponsors and the Overall Coordinators (on behalf of the Hong Kong Underwriters) and unless in compliance with the requirements of the Listing Rules:

(i) allot, issue, sell, accept subscription for, offer to allot, issue or sell, contract or agree to allot, issue or sell, mortgage, charge, pledge, hypothecate, lend, grant or sell any option, warrant, contract or right to subscribe for or purchase, grant or purchase any option, warrant, contract or right to allot, issue or sell, or otherwise transfer or dispose of or create an encumbrance over, or agree to transfer or dispose of or create an encumbrance over, either directly or indirectly, conditionally or unconditionally, or repurchase, any Shares or other securities of the Company, as applicable, or any interest in any of the foregoing (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Shares or other securities of the Company, as applicable or any interest in any of the foregoing), or deposit any Shares or other securities of the Company, as applicable, with a depositary in connection with the issue of depositary receipts; or

(ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership (legal or beneficial) of any Shares or other securities of the Company, as applicable, or any interest in any of the foregoing (including, without limitation, any securities of which are convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Shares or other securities of the Company, as applicable or any interest in any of the foregoing); or

(iii) enter into any transaction with the same economic effect as any transaction described in paragraphs (i) or (ii) above; or

(iv) offer to or agree to or announce any intention to effect any transaction specified in paragraphs (i); (ii) or (iii) above, in each case, whether any of the transactions specified in paragraphs (i); (ii) or (iii) above is to be settled by delivery of Shares or other securities of the Company, or in cash or otherwise (whether or not the issue of such Shares or other shares or securities will be completed within the First Six-Month Period).

(B) Undertakings by the Controlling Shareholders

Each of the Controlling Shareholders has undertaken to each of the Company, the Joint Sponsors, the Overall Coordinators and the Joint Global Coordinators that, except pursuant to the Stock Borrowing Agreement (if applicable), it/he shall not and shall procure that the relevant registered holder(s) shall not, unless in compliance with the requirements of the Listing Rules:

(i) in the period commencing on the date by reference to which disclosure of its/his/her shareholding on the Company is made in this Prospectus and ending on the date which is six months from the Listing Date, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the Shares in respect of which it/he is shown by this Prospectus to be the beneficial owner.

(ii) in the six months period commencing on the date on which the period referred to in paragraph (i) above expires, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests, or encumbrances in respect of, any of the securities referred to in paragraph (i) above if, immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, any of it/he would cease to be a Controlling Shareholder of our Company (as defined in the Listing Rules) or a member of the group of Controlling Shareholders of our Company or would together with the other Controlling Shareholder cease to be the Controlling Shareholders of our Company (as defined in the Listing Rules).

Pursuant to Note (3) to Rule 10.07(2) of the Listing Rules, each of our Controlling Shareholders has further undertaken to the Hong Kong Stock Exchange and to our Company that within the period commencing on the date by reference to which disclosure of its/his/her shareholding is made in this Prospectus and ending on the date which is 12 months from the Listing Date, it/he will:

(i) when it/he or the relevant registered holders pledge or charge any securities of the Company beneficially owned by it/him in favor of an authorized institution pursuant to Note 2 to Rule 10.07(2) of the Listing Rules, immediately inform our Company of such pledge or charge together with the number of Shares so pledged or charged; and

(ii) when it/he or the relevant registered holders receive indications, either verbal or written, from the pledgee or chargee that any Shares or other securities of the Company pledged or charged will be disposed of, immediately inform our Company in writing of such indications.

We will inform the Hong Kong Stock Exchange as soon as we have been informed of the matters referred to in paragraph (i) and (ii) above (if any) by our Controlling Shareholders and subject to the then requirements of the Listing Rules disclose such matters by way of an announcement which is published in accordance with Rule 2.07C of the Listing Rules as soon as possible.

Hong Kong Underwriters' interests in the Company

Save for their respective obligations under the Hong Kong Underwriting Agreement and the Stock Borrowing Agreement, as of the Latest Practicable Date, none of the Hong Kong Underwriters was interested, legally or beneficially, directly or indirectly, in any Shares or any securities of any member of the Group or had any right or option (whether legally enforceable or not) to subscribe for or purchase, or to nominate persons to subscribe for or purchase, any Shares or any securities of any member of the Group.

Following the completion of the Global Offering, the Hong Kong Underwriters and their affiliated companies may hold a certain portion of the Shares as a result of fulfilling their respective obligations under the Hong Kong Underwriting Agreement.

International Offering

International Underwriting Agreement

In connection with the International Offering, the Company and the Controlling Shareholders expect to enter into the International Underwriting Agreement with, among others, the International Underwriters. Under the International Underwriting Agreement and subject to the Offer Size Adjustment Option and the Over-allotment Option, the International Underwriters would, subject to certain conditions set out therein, agree severally but not jointly to procure subscribers for, or themselves to subscribe for, their respective applicable proportions of the International Offering Shares initially being offered pursuant to the International Offering. It is expected that the International Underwriting Agreement may be terminated on similar grounds as the Hong Kong Underwriting Agreement. Potential investors should note that in the event that the International Underwriting Agreement is not entered into, the Global Offering will not proceed. See "Structure of the Global Offering—The International Offering" in this prospectus.

Over-allotment Option

The Company is expected to grant to the International Underwriters the Over-allotment Option, exercisable by the Overall Coordinators on behalf of the International Underwriters at any time from the Listing Date until 30 days after the last day for lodging applications under the Hong Kong Public Offering, pursuant to which the Company may be required to issue up to an aggregate of 10,224,900 additional Shares (representing in aggregate approximately 15% of the Offer Shares initially being offered under the Global Offering assuming the Offer Size Adjustment Option is not exercised at all) or up to 11,758,600 additional Shares (representing in aggregate approximately 15% of the Offer Shares initially being offered under the Global Offering assuming the Offer Size Adjustment Option is exercised in full), at the Offer Price, to cover over-allocations in the International Offering, if any. See "Structure of the Global Offering—Over-allotment Option" in this prospectus.

Commissions and Expenses

The Underwriters will receive an underwriting commission of 2.4% of the aggregate Offer Price of all the Offer Shares (including any Offer Shares to be issued pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option) (the "**Fixed Fees**"), out of which they will pay any sub-underwriting commissions and other fees.

At the discretion of the Company, the Underwriters may also receive an incentive fee of up to 1.6% of the Offer Price of all the Offer Shares (including any Offer Shares to be issued pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option) (the "**Discretionary Fees**"). Assuming that the Discretionary Fees are paid in full, the ratio of the Fixed Fees and Discretionary Fees payable is therefore approximately 2:3.

For any unsubscribed Hong Kong Offer Shares reallocated to the International Offering, the underwriting commission will not be paid to the Hong Kong Underwriters but will instead be paid, at the rate applicable to the International Offering, and such commission will be paid to the relevant International Underwriters.

Based on the Offer Price of HK$30.60 per Offer Share, the aggregate underwriting commissions and fees together with the Stock Exchange listing fees, the SFC transaction levy, AFRC transaction levy and the Stock Exchange trading fee, legal and other professional fees and printing and all other expenses relating to the Global Offering (collectively, the "**Commissions and Fees**") are estimated to be approximately HK$148.3 million (equivalent to approximately RMB135.4 million) (assuming (i) the Offer Size Adjustment Option and the Over-allotment Option are not exercised; and (ii) each of the Preferred Shares will be converted into Shares on a one-to-one basis by way of re-designation and re-classification upon Listing).

Indemnity

The Company has agreed to indemnify the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Hong Kong Underwriters and the Capital Market Intermediaries for certain loss which they may suffer or incur, including loss arising from their performance of their obligations under the Hong Kong Underwriting Agreement and any breach by the Company of the Hong Kong Underwriting Agreement.

Undertakings by other Existing Shareholders

Other than the Controlling Shareholders, each of the other existing Shareholders of the Company has entered into a deed of lock-up undertaking (the "**Lock-up Undertakings**") in favor of the Company, the Joint Sponsors and the Sponsor-Overall Coordinators imposing certain restrictions on dealings with their respective Shares.

Pursuant to the Lock-up Undertakings, each of the other existing Shareholders undertakes that, inter alia, it will not and, will procure that none of its associates and companies controlled by it will, without the prior written consent of the Joint Sponsors and the Sponsor-Overall Coordinators and unless in compliance with the requirements of the Listing Rules, at any time during the six-month period commencing from the date on which dealings in the Shares commence on the Stock Exchange (the "**Lock-up Period**"):

(a) sell, offer to sell, accept subscription for, contract or agree to sell, mortgage, charge, pledge, hypothecate, hedge, lend, grant or sell any option, warrant, contract or right to purchase, grant or purchase any option, warrant, contract or right to sell, or otherwise transfer or dispose of or create an encumbrance over, or agree to transfer or dispose of or create an encumbrance over, either directly or indirectly, conditionally or unconditionally, any Shares to be held by the Shareholder immediately upon Listing (the "**Lock-up Shares**") or any interest therein (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Lock-up Shares or any interest in any of the foregoing), or deposit any Lock-up Shares with a depositary in connection with the issue of depositary receipts;

(b) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Lock-up Shares (legal or beneficial) or any interest therein (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Lock-up Shares or any interest in any of the foregoing);

(c) enter into any transaction with the same economic effect as any transaction specified in paragraphs (a) or (b) above; or

(d) offer to or agree to or announce any intention to effect any transaction specified in paragraphs (a), (b) or (c) above.

The restrictions in the Lock-up Undertakings shall not apply to, among others, any Shares subscribed under the Global Offering or acquired in open market transactions after the completion of the Global Offering by the Shareholder and/or its affiliates, or any transfer of the Lock-Up Shares during the Lock-up Period to any affiliate of the Shareholders, provided that prior to such transfer, such affiliate gives a written undertaking addressed to and in favour of the Company, the Joint Sponsors and the Sponsor-Overall Coordinators (on behalf of the Underwriters) on substantially the same terms as set forth in the Lock-up Undertakings in respect of the remaining period of the Lock-up Period at the time of such transfer.

ACTIVITIES BY SYNDICATE MEMBERS

The underwriters of the Hong Kong Public Offering and the International Offering (together, the "**Syndicate Members**") and their affiliates may each individually undertake a variety of activities (as further described below) which do not form part of the underwriting or stabilizing process.

The Syndicate Members and their affiliates are diversified financial institutions with relationships in countries around the world. These entities engage in a wide range of commercial and investment banking, brokerage, funds management, trading, hedging, investing and other activities for their own account and for the account of others. In the ordinary course of their various business activities, the Syndicate Members and their respective affiliates may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers. Such investment and trading activities may involve or relate to assets, securities and/or instruments of the Company and/or persons and entities with relationships with the Company and may also include swaps and other financial instruments entered into for hedging purposes in connection with the Group's loans and other debt.

In relation to the Shares, the activities of the Syndicate Members and their affiliates could include acting as agent for buyers and sellers of the Shares, entering into transactions with those buyers and sellers in a principal capacity, including as a lender to initial purchasers of the Shares (which financing may be secured by the Shares) in the Global Offering, proprietary trading in the Shares, and entering into over the counter or listed derivative transactions or listed or unlisted securities transactions (including issuing securities such as derivative warrants listed on a stock exchange) which have as their underlying assets, assets including the Shares. Such transactions may be carried out as bilateral agreements or trades with selected counterparties. Those activities may require hedging activity by those entities involving, directly or indirectly, the buying and selling of the Shares, which may have a negative impact on the trading price of the Shares. All such activities could occur in Hong Kong and elsewhere in the world and may result in the Syndicate Members and their affiliates holding long and/or short positions in the Shares, in baskets of securities or indices including the Shares, in units of funds that may purchase the Shares, or in derivatives related to any of the foregoing.

In relation to issues by Syndicate Members or their affiliates of any listed securities having the Shares as their underlying securities, whether on the Stock Exchange or on any other stock exchange, the rules of the stock exchange may require the issuer of those securities (or one of its affiliates or agents) to act as a market maker or liquidity provider in the security, and this will also result in hedging activity in the Shares in most cases.

All such activities may occur both during and after the end of the stabilizing period described in the section headed "Structure of the Global Offering" in this prospectus. Such activities may affect the market price or value of the Shares, the liquidity or trading volume in the Shares and the volatility of the price of the Shares, and the extent to which this occurs from day to day cannot be estimated.

It should be noted that when engaging in any of these activities, the Syndicate Members will be subject to certain restrictions, including the following:

(a) the Syndicate Members (other than the Stabilizing Manager or any person acting for it) must not, in connection with the distribution of the Offer Shares, effect any transactions (including issuing or entering into any option or other derivative transactions relating to the Offer Shares), whether in the open market or otherwise, with a view to stabilizing or maintaining the market price of any of the Offer Shares at levels other than those which might otherwise prevail in the open market; and

(b) the Syndicate Members must comply with all applicable laws and regulations, including the market misconduct provisions of the SFO, including the provisions prohibiting insider dealing, false trading, price rigging and stock market manipulation.

Certain of the Syndicate Members or their respective affiliates have provided from time to time, and expect to provide in the future, investment banking and other services to the Company and each of its affiliates for which such Syndicate Members or their respective affiliates have received or will receive customary fees and commissions.

In addition, the Syndicate Members or their respective affiliates may provide financing to investors to finance their subscriptions of Offer Shares in the Global Offering.

THE GLOBAL OFFERING

This prospectus is published in connection with the Hong Kong Public Offering as part of the Global Offering. China International Capital Corporation Hong Kong Securities Limited and J.P. Morgan Securities (Asia Pacific) Limited *(in alphabetical order)* are the Overall Coordinators of the Global Offering.

The listing of the Shares on the Stock Exchange is sponsored by the Joint Sponsors. The Joint Sponsors have made an application on behalf of the Company to the Stock Exchange for the listing of, and permission to deal in, the Shares in issue and to be issued as mentioned in this prospectus.

68,166,200 Offer Shares will initially be made available under the Global Offering comprising:

(a) the Hong Kong Public Offering of initially 6,816,700 Shares (subject to reallocation and the Offer Size Adjustment Option) in Hong Kong as described in "—The Hong Kong Public Offering" in this section below; and

(b) the International Offering of initially 61,349,500 Shares (subject to reallocation, the Offer Size Adjustment Option and the Over-allotment Option) outside the United States (including to professional and institutional investors within Hong Kong) in offshore transactions in reliance on Regulation S, as described in the sub-section headed "—The International Offering" in this section below.

Investors may either:

(i) apply for Hong Kong Offer Shares under the Hong Kong Public Offering; or

(ii) apply for or indicate an interest for International Offering Shares under the International Offering, but may not do both.

The Offer Shares will represent approximately 16.0% of the total Shares in issue immediately following the completion of the Capitalization Issue and the Global Offering, assuming (i) the Offer Size Adjustment and the Over-allotment Option are not exercised; and (ii) each of the Preferred Shares will be converted into Shares on a one-to-one basis by way of re-designation and re-classification upon Listing. If the Over-allotment Option and the Offer Size Adjustment are exercised in full (assuming each of the Preferred Shares will be converted into Shares on a one-to-one basis by way of re-designation and re-classification upon Listing), the Offer Shares (including Shares issued pursuant to the full exercise of the Over-allotment Option and the Offer Size Adjustment) will represent approximately 20.1% of the total Shares in issue immediately following the completion of the Capitalization Issue, the Global Offering and the issue of Offer Shares pursuant to the Over-Allotment Option and the Offer Size Adjustment.

References in this prospectus to applications, application monies or the procedure for applications relate solely to the Hong Kong Public Offering.

THE HONG KONG PUBLIC OFFERING

Number of Offer Shares initially offered

The Company is initially offering 6,816,700 Shares for subscription by the public in Hong Kong at the Offer Price, representing 10% of the total number of Offer Shares initially available under the Global Offering. The number of Offer Shares initially offered under the Hong Kong Public Offering, subject to any reallocation of Offer Shares between the International Offering and the Hong Kong Public Offering, will represent approximately 1.60% of the total Shares in issue immediately following the completion of the Capitalization Issue and the Global Offering (assuming (i) the Offer Size Adjustment Option and the Over-allotment Option are not exercised; and (ii) each of the Preferred Shares will be converted into Shares on a one-to-one basis by way of re-designation and re-classification upon Listing).

The Hong Kong Public Offering is open to members of the public in Hong Kong as well as to institutional and professional investors in Hong Kong. Professional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities that regularly invest in shares and other securities.

Completion of the Hong Kong Public Offering is subject to the conditions set out in "—Conditions of the Global Offering" in this section.

Allocation

Allocation of Offer Shares to investors under the Hong Kong Public Offering will be based solely on the level of valid applications received under the Hong Kong Public Offering. The basis of allocation may vary, depending on the number of Hong Kong Offer Shares validly applied for by applicants. Such allocation could, where appropriate, consist of balloting, which could mean that some applicants may receive a higher allocation than others who have applied for the same number of Hong Kong Offer Shares, and those applicants who are not successful in the ballot may not receive any Hong Kong Offer Shares.

For allocation purposes only, the total number of Hong Kong Offer Shares available under the Hong Kong Public Offering (after taking into account any reallocation referred to below) will be divided equally into two pools: pool A and pool B (with any odd lots being allocated to pool A). The Hong Kong Offer Shares in pool A will be allocated on an equitable basis to applicants who have applied for Hong Kong Offer Shares with an aggregate price of HK$5 million (excluding the brokerage, the SFC transaction levy, AFRC transaction levy and the Stock Exchange trading fee payable) or less. The Hong Kong Offer Shares in pool B will be allocated on an equitable basis to applicants who have applied for Hong Kong Offer Shares with an aggregate price of more than HK$5 million (excluding the brokerage, the SFC transaction levy, AFRC transaction levy and the Stock Exchange trading fee payable) and up to the total value in pool B.

Applicants should be aware that applications in pool A and applications in pool B may receive different allocation ratios. If any Hong Kong Offer Shares in one (but not both) of the pools are unsubscribed, such unsubscribed Hong Kong Offer Shares will be transferred to the other pool to satisfy demand in that other pool and be allocated accordingly. For the purpose of the immediately preceding paragraph only, the "price" for Hong Kong Offer Shares means the price payable on application therefor. Applicants can only receive an allocation of Hong Kong Offer Shares from either pool A or pool B and not from both pools. Multiple or suspected multiple applications under the Hong Kong Public Offering and any application for more than 3,408,300 Hong Kong Offer Shares (being approximately 50% of the Hong Kong Offer Shares initially available under the Hong Kong Public Offering) is liable to be rejected.

Reallocation

The Offer Shares to be offered in the Hong Kong Public Offering and the International Offering may, in certain circumstances, be reallocated as between these offerings at the discretion of the Overall Coordinators. Subject to the allocation cap described in the subsequent paragraph, the Overall Coordinators may in their discretion reallocate Offer Shares from the International Offering to the Hong Kong Public Offering to satisfy valid applications under the Hong Kong Public Offering. In addition, if the Hong Kong Public Offering is not fully subscribed, the Overall Coordinators will have the discretion (but shall not be under any obligation) to reallocate to the International Offering all or any unsubscribed Hong Kong Offer Shares in such amounts as they deem appropriate.

In each case, the additional Offer Shares reallocated to the Hong Kong Public Offering will be allocated between Pool A and Pool B and the number of Offer Shares allocated to the International Offering will be correspondingly reduced in such manner as the Overall Coordinators deem appropriate. In the event of reallocation of Offer Shares between the International Offering and the Hong Kong Public Offering, then up to 3,408,200 Offer Shares may be reallocated from the International Offering to the Hong Kong Public Offering, so that the total number of Offer Shares available for subscription under the Hong Kong Public Offering will increase up to 10,224,900 Offer Shares, representing approximately 15% of the number of Offer Shares initially available under the Global Offering (before exercise of the Offer Size Adjustment Option and the Over-allotment Option) in accordance with Chapter 4.14 of the Guide for New Listing Applicants.

Given the initial allocation of the Offer Shares to the Hong Kong Public Offering and the International Offering follows Mechanism B set out under paragraph 2 of Chapter 4.14 of the Guide for New Listing Applicants and the provision of Paragraph 4.2(b) of Practice Note 18 of the Listing Rules, no mandatory clawback or reallocation mechanism is required to increase the number of Offer Shares under the Hong Kong Public Offering to a certain percentage of the total number of Offer Shares offered under the Global Offering.

In each case, the additional Offer Shares reallocated to the Hong Kong Public Offering will be allocated between Pool A and Pool B in equal proportion and the number of Offer Shares allocated to the International Offering will be correspondingly reduced in such manner as the Joint Global Coordinators in their discretion consider appropriate.

In the event that both the Hong Kong Public Offering and International Offering are undersubscribed, the Global Offering will not proceed unless the Underwriters would subscribe or procure subscribers for their respective applicable proportions of the Offer Shares being offered which are not taken up under the Global Offering on the terms and conditions of this prospectus and the Underwriting Agreements.

Details of any reallocation of Offer Shares between the Hong Kong Public Offering and the International Offering will be disclosed in the results announcement of the Global Offering, which is expected to be published on Monday, October 20, 2025.

Applications

Each applicant under the Hong Kong Public Offering will be required to give an undertaking and confirmation in the application submitted by him that he and any person(s) for whose benefit he is making the application has not applied for or taken up, or indicated an interest for, and will not apply for or take up, or indicate an interest for, any International Offering Shares under the International Offering. Such applicant's application in the International Offering is liable to be rejected if such undertaking and/or confirmation is/are breached and/or untrue (as the case may be) or if he has been or will be placed or allocated International Offering Shares under the International Offering.

Applicants under the Hong Kong Public Offering are required to pay, on application, the Offer Price of HK$30.60 per Offer Share in addition to the brokerage, the SFC transaction levy, AFRC transaction levy and the Stock Exchange trading fee payable on each Offer Share, amounting to a total of HK$3,090.85 for one board lot of 100 Shares. Further details are set out in the section headed "How to Apply for Hong Kong Offer Shares" in this prospectus.

THE INTERNATIONAL OFFERING

Number of Offer Shares initially offered

The International Offering will consist of an offering of initially 61,349,500 Shares, representing approximately 90.0% of the total number of Offer Shares initially available under the Global Offering (subject to reallocation, the Offer Size Adjustment Option and the Over-allotment Option). The number of Offer Shares initially offered under the International Offering, subject to any reallocation of Offer Shares between the International Offering and the Hong Kong Public Offering, will represent approximately 14.40% of the total Shares in issue immediately following the completion of the Capitalization Issue and the Global Offering (assuming (i) the Offer Size Adjustment Option and the Over-allotment Option are not exercised; and (ii) each of the Preferred Shares will be converted into Shares on a one-to-one basis by way of re-designation and re-classification upon Listing).

Allocation

The International Offering will include selective marketing of Offer Shares to institutional and professional investors and other investors anticipated to have a sizeable demand for such Offer Shares in Hong Kong and other jurisdictions outside the United States in reliance on Regulation S. Professional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities that regularly invest in shares and other securities. Allocation of Offer Shares pursuant to the International Offering will be effected in accordance with the "book-building" process described in "—Pricing of the Global Offering" in this section and based on a number of factors, including the level and timing of demand, the total size of the relevant investor's invested assets or equity assets in the relevant sector and whether or not it is expected that the relevant investor is likely to buy further Shares and/or hold or sell its Shares after the Listing. Such allocation is intended to result in a distribution of the Shares on a basis which would lead to the establishment of a solid professional and institutional shareholder base to the benefit of the Group and the Shareholders as a whole.

The Overall Coordinators (on behalf of the Underwriters) may require any investor who has been offered Offer Shares under the International Offering and who has made an application under the Hong Kong Public Offering to provide sufficient information to the Overall Coordinators so as to allow it to identify the relevant applications under the International Offering and to ensure that they are excluded from any allocation of Offer Shares under the International Offering.

Reallocation

The total number of Offer Shares to be issued or sold pursuant to the International Offering may change as a result of the reallocation arrangement described in "—The Hong Kong Public Offering—Reallocation" in this section above, the exercise of the Offer Size Adjustment Option and the Over-allotment Option in whole or in part and/or any reallocation of unsubscribed Offer Shares originally included in the Hong Kong Public Offering.

OFFER SIZE ADJUSTMENT OPTION

As part of the Global Offering, the Company has the Offer Size Adjustment Option under the Hong Kong Underwriting Agreement. The Offer Size Adjustment Option provides flexibility to increase the number of Offer Shares available for purchase under the Global Offering to cover additional market demand, if any. The Offer Size Adjustment Option may be exercised jointly by the Company and the Overall Coordinators prior to the execution of the International Underwriting Agreement and will expire upon execution of the International Underwriting Agreement.

Under the Offer Size Adjustment Option, the Company may issue any number of Shares up to an aggregate of 10,224,900 additional Offer Shares at the Offer Price. These Offer Size Adjustment Option Shares, if any, will be allocated in such manner as closely as practicable to maintain the proportionality between the Hong Kong Public Offering and the International Offering following the application of the reallocation arrangement described in the subsection headed "—The Hong Kong Public Offering—Reallocation" and the Sponsor-Overall Coordinators shall allocate additional new Shares to be offered by the Company pursuant to the International Offering to the Hong Kong Public Offering in order to maintain such proportionality and the relevant number of Offer Size Adjustment Option Shares shall be allocated to the International Offering to maintain such proportionality.

If the Offer Size Adjustment Option is exercised in full, the Offer Size Adjustment Option Shares to be issued pursuant thereto will represent approximately 2.3% of our issued share capital immediately following the completion of the Global Offering (assuming the Over-allotment Option is not exercised) and the exercise of the Offer Size Adjustment Option.

The dilution effect of the Offer Size Adjustment Option (assuming the Over-allotment Option is not exercised) is set out below:

Number of Shares issued under the Global Offering before the exercise of the Offer Size Adjustment Option	Approximate percentage of total issued share capital of the Offer Shares initially offered before the exercise of the Offer Size Adjustment Option	Number of Shares issued under the Global Offering after the full exercise of the Offer Size Adjustment Option	Approximate percentage of total issued share capital of the Offer Shares initially offered after the full exercise of the Offer Size Adjustment Option
68,166,200	16.0%	78,391,100	18.0%

The Offer Size Adjustment Option will not be used for price stabilisation purposes and will not be subject to the provisions of the Securities and Futures (Price Stabilisation) Rules (Chapter 571W of the Laws of Hong Kong). The Offer Size Adjustment Option will be in addition to the Over-allotment Option.

The Company will disclose in its allotment results announcement if and to what extent the Offer Size Adjustment Option has been exercised, or confirm that if the Offer Size Adjustment Option has not been exercised prior to the execution of the International Underwriting Agreement which is expected to be on or before Monday, October 20, 2025, it will lapse and cannot be exercised at any future date.

OVER-ALLOTMENT OPTION

In connection with the Global Offering, the Company is expected to grant the Over-allotment Option to the International Underwriters, exercisable by the Overall Coordinators (on behalf of the International Underwriters).

Pursuant to the Over-allotment Option, the International Underwriters will have the right, exercisable by the Overall Coordinators (on behalf of the International Underwriters) at any time from the Listing Date until 30 days after the last day for lodging applications under the Hong Kong Public Offering, to require the Company to issue up to an aggregate of 10,224,900 additional Shares, representing not more than 15% of the total number of Offer Shares initially available under the Global Offering assuming the Offer Size Adjustment Option is not exercised at all, or up to 11,758,600 additional Shares, representing in aggregate approximately 15% of the Offer Shares initially available under the Global Offering assuming the Offer Size Adjustment Option is exercised in full, at the Offer Price under the International Offering to, among other things, cover over-allocations in the International Offering, if any.

If the Offer Size Adjustment Option is not exercised and the Over-allotment Option is exercised in full, the additional Offer Shares to be issued pursuant thereto will represent approximately 2.34% of the total Shares in issue immediately following the completion of the Capitalization Issue, the Global Offering and the issue of Offer Shares pursuant to the Over-allotment Option (assuming each of the Preferred Shares will be converted into Shares on a one-to-one basis by way of re-designation and re-classification upon Listing). If the Over-allotment Option is exercised, an announcement will be made.

STOCK BORROWING ARRANGEMENT

In order to facilitate the settlement of over-allocations, if any, in connection with the Global Offering, the Stabilizing Manager (on its own or through its affiliates) may choose to borrow up to an aggregate of 10,224,900 Shares, representing not more than 15% of the total number of Offer Shares initially available under the Global Offering assuming the Offer Size Adjustment Option is not exercised at all, or up to 11,758,600 Shares, representing in aggregate approximately 15% of the Offer Shares initially available under the Global Offering assuming the Offer Size Adjustment Option is exercised in full, from Black Tea Limited pursuant to the Stock Borrowing Agreement, which is expected to be entered into between the Stabilizing Manager and/or its affiliates and Black Tea Limited, on or around October 17, 2025, or acquire Shares from other sources, including exercising the Over-allotment Option or by making purchases in the secondary market at prices that do not exceed the Offer Price.

If the Stock Borrowing Agreement with Black Tea Limited is entered into, the borrowing of Shares will only be effected by the Stabilizing Manager (on its own or through its affiliates) for the settlement of over-allocations in the International Offering.

The same number of the Shares so borrowed must be returned to Black Tea Limited or its nominees, as the case may be, on or before the third Business Day following the earlier of (i) the last day for exercising the Over-allotment Option and (ii) the day on which the Overallotment Option is exercised in full.

The stock borrowing arrangement described above will be for the sole purpose of covering any short position prior to the exercise of the Over-allotment Option in connection with the International Offering, and will be effected in compliance with all applicable laws, rules and regulatory requirements. No payment will be made to Black Tea Limited by the Stabilizing Manager (on its own or through its affiliates) in relation to such stock borrowing arrangement.

STABILIZATION

Stabilization is a practice used by underwriters in some markets to facilitate the distribution of securities. To stabilize, the underwriters may bid for, or purchase, the securities in the secondary market during a specified period of time, to retard and, if possible, prevent a decline in the initial public market price of the securities below the offer price. Such transactions may be effected in all jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws and regulatory requirements, including those of Hong Kong. In Hong Kong, the price at which stabilization is effected is not permitted to exceed the offer price.

In connection with the Global Offering, the Stabilizing Manager (or any person acting for it), on behalf of the Underwriters, may over-allocate or effect transactions with a view to stabilizing or supporting the market price of the Shares at a level higher than that which might otherwise prevail for a limited period after the Listing Date. However, there is no obligation on the Stabilizing Manager (or any person acting for it) to conduct any such stabilizing action.

Such stabilizing action, if taken, (a) will be conducted at the absolute discretion of the Stabilizing Manager (or any person acting for it) and in what the Stabilizing Manager reasonably regards as the best interest of the Company; (b) may be discontinued at any time; and (c) is required to be brought to an end within 30 days of the last day for lodging applications under the Hong Kong Public Offering. The number of Shares that may be over-allocated will not exceed the number of Shares that may be sold under the Over-allotment Option, being 10,224,900 Shares, representing not more than 15% of the total number of Offer Shares initially available under the Global Offering assuming the Offer Size Adjustment Option is not exercised at all, or 11,758,600 Shares, representing in aggregate approximately 15% of the Offer Shares initially available under the Global Offering assuming the Offer Size Adjustment Option is exercised in full.

Stabilization action will be entered into in accordance with the laws, rules and regulations in place in Hong Kong. Stabilization action permitted in Hong Kong pursuant to the Securities and Futures (Price Stabilizing) Rules of the SFO includes (a) over-allocating for the purpose of preventing or minimizing any reduction in the market price of the Shares; (b) selling or agreeing to sell the Shares so as to establish a short position in them for the purpose of preventing or minimizing any reduction in the market price of the Shares; (c) purchasing, or agreeing to purchase, the Shares pursuant to the Offer Size Adjustment Option and the Over-allotment Option in order to close out any position established under paragraph (a) or (b) above, (d) purchasing, or agreeing to purchase, any of the Shares for the sole purpose of preventing or minimizing any reduction in the market price of the Shares, (e) selling or agreeing to sell any Shares in order to liquidate any position established as a result of those purchases, and (f) offering or attempting to do anything as described in paragraph (b), (c), (d) or (e) above.

Specifically, prospective applicants for and investors in the Offer Shares should note that:

(a) the Stabilizing Manager (or any person acting for it) may, in connection with the stabilizing action, maintain a long position in the Shares;

(b) there is no certainty as to the extent to which and the time or period for which the Stabilizing Manager (or any person acting for it) will maintain such a long position;

(c) liquidation of any such long position by the Stabilizing Manager (or any person acting for it) and selling in the open market may have an adverse impact on the market price of the Shares;

(d) no stabilizing action can be taken to support the price of the Shares for longer than the stabilization period, which will begin on the Listing Date, and is expected to expire on the 30th day after the last day for lodging applications under the Hong Kong Public Offering. After this date, when no further stabilizing action may be taken, demand for the Shares, and therefore the price of the Shares, could fall;

(e) the price of the Shares cannot be assured to stay at or above the Offer Price either during or after the stabilization period by the taking of any stabilizing action; and

(f) stabilizing bids or transactions effected in the course of the stabilizing action may be made at any price at or below the Offer Price and can, therefore, be done at a price below the price paid by applicants for, or investors in, the Offer Shares.

In order to effect stabilization actions, the Stabilizing Manager will arrange cover of up to an aggregate of 10,224,900 additional Shares, representing not more than 15% of the total number of Offer Shares initially available under the Global Offering assuming the Offer Size Adjustment Option is not exercised at all, or up to 11,758,600 additional Shares, representing in aggregate approximately 15% of the Offer Shares initially available under the Global Offering assuming the Offer Size Adjustment Option is exercised in full, through borrowing of Shares from the Shareholders and/or delayed delivery arrangements with investors who have been allocated Offer Shares in the International Offering. The delayed delivery arrangements (if specifically agreed by an investor) relate only to the delay in the delivery of the Offer Shares to such investor and the Offer Price for the Offer Shares allocated to such investor will be paid on the Listing Date.

The Company will ensure or procure that an announcement in compliance with the Securities and Futures (Price Stabilizing) Rules of the SFO will be made within seven days of the expiration of the stabilization period.

Over-Allocation

Following any over-allocation of Shares in connection with the Global Offering, the Stabilizing Manager (or any person acting for it) may cover such over-allocations by exercising the Offer Size Adjustment Option and the Over-allotment Option in full or in part, by using Shares purchased by the Stabilizing Manager (or any person acting for it) in the secondary market at prices that do not exceed the Offer Price or through stock borrowing arrangements or a combination of these means.

PRICING OF THE GLOBAL OFFERING

Determining the Offer Price

The International Underwriters will be soliciting from prospective investors' indications of interest in acquiring Offer Shares in the International Offering. Prospective professional and institutional investors will be required to specify the number of Offer Shares under the International Offering they would be prepared to acquire either at different prices or at a particular price. This process, known as "book-building," is expected to continue up to, and to cease on or around, the last day for lodging applications under the Hong Kong Public Offering.

Offer Price

The Offer Price per Offer Share under the Hong Kong Public Offering will be identical to the Offer Price per Offer Share under the International Offering based on the Hong Kong dollar price per Offer Share, as determined by the Joint Global Coordinators (for themselves and on behalf of the Underwriters) and our Company and the Single Largest Group of Shareholders.

Price Payable on Application

The Offer Price will be HK$30.60 per Offer Share. If you apply for the Offer Shares under the Hong Kong Public Offering, you are required to pay, on application (subject to application channel), the Offer Price of HK$30.60 per Offer Share, plus 1.0% brokerage, 0.0027% SFC transaction levy, 0.00015% AFRC transaction levy and 0.00565% Stock Exchange trading fee, amounting to a total of HK$3,090.85 for one board lot of 100 Shares.

Reduction in Offer Price and/or Number of Offer Shares

The Joint Global Coordinators (for themselves and on behalf of the Underwriters) may, where considered appropriate, based on the level of interest expressed by prospective professional and institutional investors during the book-building process, and with the consent of our Company, reduce the number of Offer Shares and/or the Offer Price as stated in this prospectus at any time on or prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such case, we will, as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the day which is the last day for lodging applications under the Hong Kong Public Offering, cause to be published on the websites of the Stock Exchange at **www.hkexnews.hk** and the Company at **jushuitan.com**, notices of the reduction. Upon issue of such a notice, the revised number of Offer Shares and/or the Offer Price will be final and conclusive. Our Company will also, as soon as practicable following the decision to make such change, issue a supplemental prospectus updating investors of the change in the number of Offer Shares being offered under the Global Offering and/or the Offer Price. The Global Offering must first be canceled and subsequently relaunched on FINI pursuant to the supplemental prospectus.

Before submitting applications for the Hong Kong Offer Shares, applicants should have regard to the possibility that any announcement of a reduction in the number of Offer Shares and/or the Offer Price may not be made until the day which is the last day for lodging applications under the Hong Kong Public Offering. In the absence of any such notice so published, the number of Offer Shares will not be reduced and/or the Offer Price, if agreed upon by the Joint Global Coordinators, for themselves and on behalf of the Underwriters, and our Company, will not be reduced. However, if the number of Offer Shares and/or the Offer Price is reduced, our Company will issue a supplemental prospectus updating investors of the change in the number of Offer Shares being offered under the Global Offering and/or the Offer Price. The Global Offering must first be canceled and subsequently relaunched on FINI pursuant to the supplemental prospectus.

In the event of a reduction in the number of Offer Shares, the Joint Global Coordinators (for themselves and on behalf of the Underwriters) may, at their discretion, reallocate the number of Offer Shares to be offered in the Hong Kong Public Offering and the International Offering. The Offer Shares to be offered in the Hong Kong Public Offering and the Offer Shares to be offered in the International Offering may, in certain circumstances, be reallocated between these offerings at the discretion of the Joint Global Coordinators (for themselves and on behalf of the Underwriters).

Announcement of Basis of Allocations

The level of indications of interest in the Global Offering, the results of allocations and the basis of allotment of the Hong Kong Offer Shares are expected to be announced on Monday, October 20, 2025 through a variety of channels in the manner described in the section headed "How to Apply for Hong Kong Offer Shares—B. Publication of Results" in this prospectus.

UNDERWRITING

The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters under the terms and conditions of the Hong Kong Underwriting Agreement and is conditional upon the International Underwriting Agreement being signed and becoming unconditional.

The Company expects to enter into the International Underwriting Agreement relating to the International Offering on or about Friday, October 17, 2025.

These underwriting arrangements, including the Underwriting Agreements, are summarized in the section headed "Underwriting" in this prospectus.

CONDITIONS OF THE GLOBAL OFFERING

Acceptance of all applications for Offer Shares will be conditional on, among other things:

(a) the Listing Committee granting approval for the listing of, and permission to deal in, the Shares in issue and to be issued pursuant to the Global Offering on the Main Board of the Stock Exchange and such approval not subsequently having been withdrawn or revoked prior to the commencement of trading of the Shares on the Stock Exchange;

(b) the execution and delivery of the International Underwriting Agreement on or about Friday, October 17, 2025; and

(c) the obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement and the obligations of the International Underwriters under the International Underwriting Agreement becoming and remaining unconditional and not having been terminated in accordance with the terms of the respective agreements or otherwise,

in each case on or before the dates and times specified in the respective Underwriting Agreements (unless and to the extent such conditions are validly waived on or before such dates and times).

The consummation of each of the Hong Kong Public Offering and the International Offering is conditional upon, among other things, the other offering becoming unconditional and not having been terminated in accordance with its terms.

If the above conditions are not fulfilled or waived prior to the dates and times specified, the Global Offering will lapse and the Stock Exchange will be notified immediately. Notice of the lapse of the Hong Kong Public Offering will be published on the websites of the Company and the Stock Exchange at **jushuitan.com** and **www.hkexnews.hk**, respectively, on the next day following such lapse. In such a situation, all application monies will be returned, without interest, on the terms set out in the section headed "How to Apply for Hong Kong Offer Shares—D. Despatch/Collection of Share Certificates and Refund of Application Monies" in this prospectus. In the meantime, all application monies will be held in separate bank account(s) with the receiving banks or other bank(s) in Hong Kong licensed under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong).

Share certificates for the Offer Shares will only become valid evidence of title at 8:00 a.m. on Tuesday, October 21, 2025, provided that the Global Offering has become unconditional in all respects at or before that time.

DEALINGS IN THE SHARES

Assuming that the Hong Kong Public Offering becomes unconditional at or before 8:00 a.m. in Hong Kong on Tuesday, October 21, 2025, it is expected that dealings in the Shares on the Stock Exchange will commence at 9:00 a.m. on Tuesday, October 21, 2025.

The Shares will be traded in board lots of 100 Shares each and the stock code of the Shares will be 6687.

IMPORTANT NOTICE TO INVESTORS OF HONG KONG OFFER SHARES

FULLY ELECTRONIC APPLICATION PROCESS

We have adopted a fully electronic application process for the Hong Kong Public Offering and below are the procedures for application.

This prospectus is available at the website of the Stock Exchange at www.hkexnews.hk under the "HKEXnews > New Listings > New Listing Information" section, and our website at jushuitan.com.

The contents of this prospectus are identical to the prospectus as registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

A. APPLICATION FOR HONG KONG OFFER SHARES

1. Who Can Apply

You can apply for Hong Kong Offer Shares if you or the person(s) for whose benefit you are applying for:

- are 18 years of age or older; and
- have a Hong Kong address *(for the* ***White Form eIPO*** *service only).*

Unless permitted by the Listing Rules or a waiver and/or consent has been granted by the Stock Exchange to us, you cannot apply for any Hong Kong Offer Shares if you or the person(s) for whose benefit you are applying for:

- are an existing Shareholder or close associates; or
- are a Director or any of his/her close associates.

2. Application Channels

The Hong Kong Public Offering period will begin at 9:00 am on Monday, October 13, 2025 and end at 12:00 noon on Thursday, October 16, 2025 (Hong Kong time).

To apply for Hong Kong Offer Shares, you may use one of the following application channels:

Application Channel	Platform	Target Investors	Application Time
White Form eIPO service	**www.eipo.com.hk**	Applicants who would like to receive a physical Share certificate. Hong Kong Offer Shares successfully applied for will be allotted and issued in your own name.	From 9:00 am on Monday, October 13, 2025 to 11:30 a.m. on Thursday, October 16, 2025, Hong Kong time. The latest time for completing full payment of application monies will be 12:00 noon on Thursday, October 16, 2025, Hong Kong time.
HKSCC EIPO channel	Your broker or custodian who is a HKSCC Participant will submit electronic application instructions on your behalf through HKSCC's FINI system in accordance with your instruction	Applicants who would not like to receive a physical Share certificate. Hong Kong Offer Shares successfully applied for will be allotted and issued in the name of HKSCC Nominees, deposited directly into CCASS and credited to your designated HKSCC Participant's stock account.	Contact your broker or custodian for the earliest and latest time for giving such instructions, as this may vary by broker or custodian.

The **White Form eIPO** service and the **HKSCC EIPO** channel are facilities subject to capacity limitations and potential service interruptions and you are advised not to wait until the last day of the application period to apply for Hong Kong Offer Shares.

For those applying through the **White Form eIPO** service, once you complete payment in respect of any application instructions given by you or for your benefit through the **White Form eIPO** service to make an application for Hong Kong Offer Shares, an actual application shall be deemed to have been made. If you are a person for whose benefit the electronic application instructions are given, you shall be deemed to have declared that only one set of electronic application instructions has been given for your benefit. If you are an agent for another person, you shall be deemed to have declared that you have only given one set of electronic application instructions for the benefit of the person for whom you are an agent and that you are duly authorized to give those instructions as an agent.

For the avoidance of doubt, giving an application instruction under the **White Form eIPO** service more than once and obtaining different application reference numbers without effecting full payment in respect of a particular reference number will not constitute an actual application.

If you apply through the **White Form eIPO** service, you are deemed to have authorized the **White Form eIPO** service provider to apply on the terms and conditions in this prospectus, as supplemented and amended by the terms and conditions of the **White Form eIPO** service.

By instructing your broker or custodian to apply for the Hong Kong Offer Shares on your behalf through the **HKSCC EIPO** channel, you (and, if you are joint applicants, each of you jointly and severally) are deemed to have instructed and authorized HKSCC to cause HKSCC Nominees (acting as nominee for the relevant HKSCC Participants) to apply for Hong Kong Offer Shares on your behalf and to do on your behalf all the things stated in this prospectus and any supplement to it.

For those applying through **HKSCC EIPO** channel, an actual application will be deemed to have been made for any application instructions given by you or for your benefit to HKSCC (in which case an application will be made by HKSCC Nominees on your behalf) provided such application instruction has not been withdrawn or otherwise invalidated before the closing time of the Hong Kong Public Offering.

HKSCC Nominees will only be acting as a nominee for you and neither HKSCC nor HKSCC Nominees shall be liable to you or any other person in respect of any actions taken by HKSCC or HKSCC Nominees on your behalf to apply for Hong Kong Offer Shares or for any breach of the terms and conditions of this prospectus.

3. Information Required to Apply

You must provide the following information with your application:

For Individual/Joint Applicants

- Full name(s)[2] as shown on your identity document
- Identity document's issuing country or jurisdiction
- Identity document type, with order of priority:
  - i. HKID card; or
  - ii. National identification document; or
  - iii. Passport; and
- Identity document number

For Corporate Applicants

- Full name(s)[2] as shown on your identity document
- Identity document's issuing country or jurisdiction
- Identity document type, with order of priority:
  - i. LEI registration document; or
  - ii. Certificate of incorporation; or
  - iii. Business registration certificate; or
  - iv. Other equivalent document; and
- Identity document number

Notes:

1. If you are applying through the **White Form eIPO** service, you are required to provide a valid e-mail address, a contact telephone number and a Hong Kong address. You are also required to declare that the identity information provided by you follows the requirements as described in Note 2 below. In particular, where you cannot provide a HKID number, you must confirm that you do not hold a HKID card.

2. The applicant's full name as shown on their identity document must be used and the surname, given name, middle and other names (if any) must be input in the same order as shown on the identity document. If an applicant's identity document contains both an English and Chinese name, both English and Chinese names must be used. Otherwise, either English or Chinese names will be accepted. The order of priority of the applicant's identity document type must be strictly followed and where an individual applicant has a valid HKID card (including both Hong Kong Residents and Hong Kong Permanent Residents), the HKID number must be used when making an application to subscribe for the Hong Kong Offer Shares. Similarly for corporate applicants, a LEI number must be used if an entity has a LEI certificate.

3. If the applicant is a trustee, the client identification data ("**CID**") of the trustee, as set out above, will be required. If the applicant is an investment fund (i.e. a collective investment scheme, or CIS), the CID of the asset management company or the individual fund, as appropriate, which has opened a trading account with the broker will be required, as above.

4. The maximum number of joint applicants on FINI is capped at 4[1] in accordance with market practice.

5. If you are applying as a nominee, you must provide: (i) the full name (as shown on the identity document), the identity document's issuing country or jurisdiction, the identity document type; and (ii), the identity document number, for each of the beneficial owners or, in the case(s) of joint beneficial owners, for each joint beneficial owner. If you do not include this information, the application will be treated as being made for your benefit.

6. If you are applying as an unlisted company and (i) the principal business of that company is dealing in securities; and (ii) you exercise statutory control over that company, then the application will be treated as being for your benefit and you should provide the required information in your application as stated above.

   "Unlisted company" means a company with no equity securities listed on the Stock Exchange or any other stock exchange.

   "Statutory control" means you:

   - control the composition of the board of directors of the company;
   - control more than half of the voting power of the company; or
   - hold more than half of the issued share capital of the company (not counting any part of it which carries no right to participate beyond a specified amount in a distribution of either profits or capital).

For those applying through **HKSCC EIPO** channel, and making an application under a power of attorney, we and the Overall Coordinators, as our agent, have discretion to consider whether to accept it on any conditions we think fit, including evidence of the attorney's authority.

Failing to provide any required information may result in your application being rejected.

[1] Subject to change, if the Company's Articles and applicable company law prescribe a lower cap.

4. Permitted Number of Hong Kong Offer Shares for Application

Board lot size	:	100 Shares
Permitted number of Hong Kong Offer Shares for application and amount payable on application/ successful allotment	:	Hong Kong Offer Shares are available for application in specified board lot sizes only. Please refer to the amount payable associated with each specified board lot size in the table below. The Offer Price is HK$30.60 per Offer Share. If you are applying through the **HKSCC EIPO** channel, your broker or custodian may require you to pre-fund your application in such amount as determined by the broker or custodian, based on the applicable laws and regulations in Hong Kong. You are responsible for complying with any such pre-funding requirement imposed by your broker or custodian with respect to the Hong Kong Offer Shares you applied for. By instructing your broker or custodian to apply for the Hong Kong Offer Shares on your behalf through the **HKSCC EIPO** channel, you (and, if you are joint applicants, each of you jointly and severally) are deemed to have instructed and authorized HKSCC to cause HKSCC Nominees (acting as nominee for the relevant HKSCC Participants) to arrange payment of the Offer Price, brokerage, SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy by debiting the relevant nominee bank account at the Designated Bank for your broker or custodian. If you are applying through the **White Form eIPO** service, you may refer to the table below for the amount payable for the number of Shares you have selected. You must pay the respective maximum amount payable on application in full upon application for Hong Kong Offer Shares.

JST Group Corporation Limited
(HK$30.60 per Hong Kong Offer Share)
NUMBER OF HONG KONG OFFER SHARES THAT MAY BE APPLIED FOR AND PAYMENTS

No. of Hong Kong Offer Shares applied for	Amount payable(2) on application	No. of Hong Kong Offer Shares applied for	Amount payable(2) on application	No. of Hong Kong Offer Shares applied for	Amount payable(2) on application	No. of Hong Kong Offer Shares applied for	Amount payable(2) on application
	HK$		*HK$*		*HK$*		*HK$*
100	3,090.85	1,500	46,362.90	8,000	247,268.81	90,000	2,781,774.09
200	6,181.73	2,000	61,817.20	9,000	278,177.41	100,000	3,090,860.10
300	9,272.58	2,500	77,271.50	10,000	309,086.01	200,000	6,181,720.20
400	12,363.44	3,000	92,725.81	20,000	618,172.02	300,000	9,272,580.30
500	15,454.29	3,500	108,180.10	30,000	927,258.04	400,000	12,363,440.40
600	18,545.17	4,000	123,634.40	40,000	1,236,344.05	500,000	15,454,300.50
700	21,636.02	4,500	139,088.71	50,000	1,545,430.06	1,000,000	30,908,601.00
800	24,726.88	5,000	154,543.00	60,000	1,854,516.05	1,500,000	46,362,901.50
900	27,817.74	6,000	185,451.61	70,000	2,163,602.06	2,000,000	61,817,202.00
1,000	30,908.61	7,000	216,360.20	80,000	2,472,688.08	3,408,300(1)	105,345,784.79

(1) Maximum number of Hong Kong Offer Shares you may apply for.

(2) The amount payable is inclusive of brokerage, SFC transaction levy, the Stock Exchange trading fee and AFRC transaction levy. If your application is successful, brokerage will be paid to the Exchange Participants (as defined in the Listing Rules) and the SFC transaction levy, the Stock Exchange trading fee and AFRC transaction levy are paid to the Stock Exchange (in the case of the SFC transaction levy and in the case of the AFRC transaction levy, collected by the Stock Exchange on behalf of the SFC and the AFRC respectively).

5. Multiple Applications Prohibited

You or your joint applicant(s) shall not make more than one application for your own benefit, except where you are a nominee and provide the information of the underlying investor in your application as required under the paragraph headed "—A. Applications for Hong Kong Offer Shares—3. Information Required to Apply" in this section. If you are suspected of submitting or cause to submit more than one application, all of your applications will be rejected.

Multiple applications made either through (i) the **White Form eIPO** service, (ii) **HKSCC EIPO** channel, or (iii) both channels concurrently are prohibited and will be rejected. If you have made an application through the **White Form eIPO** service or **HKSCC EIPO** channel, you or the person(s) for whose benefit you have made the application shall not apply for any Global Offer Shares.

6. Terms and Conditions of An Application

By applying for Hong Kong Offer Shares through the **White Form eIPO** service or **HKSCC EIPO** channel, you (or as the case may be, HKSCC Nominees will do the following things on your behalf):

(i) undertake to execute all relevant documents and instruct and authorise us and/or the Overall Coordinators, as our agents, to execute any documents for you and to do on your behalf all things necessary to register any Hong Kong Offer Shares allocated to you in your name or in the name of HKSCC Nominees as required by the Articles of Association, and (if you are applying through the **HKSCC EIPO** channel) to deposit the allotted Hong Kong Offer Shares directly into CCASS for the credit of your designated HKSCC Participant's stock account on your behalf;

(ii) confirm that you have read and understand the terms and conditions and application procedures set out in this prospectus and the designated website of the **White Form eIPO** service (or as the case may be, the agreement you entered into with your broker or custodian), and agree to be bound by them;

(iii) (if you are applying through the **HKSCC EIPO** channel) agree to the arrangements, undertakings and warranties under the participant agreement between your broker or custodian and HKSCC and observe the General Rules of HKSCC and the HKSCC Operational Procedures for giving application instructions to apply for Hong Kong Offer Shares;

(iv) confirm that you are aware of the restrictions on offers and sales of shares set out in this prospectus and they do not apply to you, or the person(s) for whose benefit you have made the application;

(v) confirm that you have read this prospectus and any supplement to it and have relied only on the information and representations contained therein in making your application (or as the case may be, causing your application to be made) and will not rely on any other information or representations;

(vi) agree that the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Capital Market Intermediaries, the Underwriters, any of them or the Company's respective directors, officers, employees, partners, agents, advisors and any other parties involved in the Global Offering (the "**Relevant Persons**"), the Hong Kong Share Registrar and HKSCC will not be liable for any information and representations not in this prospectus and any supplement to it;

(vii) agree to disclose the details of your application and your personal data and any other personal data which may be required about you and the person(s) for whose benefit you have made the application to us, the Relevant Persons, the Hong Kong Share Registrar, HKSCC, HKSCC Nominees, the Stock Exchange, the SFC and any other statutory regulatory or governmental bodies or otherwise as required by laws, rules or regulations, for the purposes under the paragraph headed "—G. Personal Data—3. Purposes and 4. Transfer of personal data" in this section;

(viii) agree (without prejudice to any other rights which you may have once your application (or as the case may be, HKSCC Nominees' application) has been accepted) that you will not rescind it because of an innocent misrepresentation;

(ix) agree that subject to Section 44A(6) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, any application made by you or HKSCC Nominees on your behalf cannot be revoked once it is accepted, which will be evidenced by the notification of the result of the ballot by the Hong Kong Share Registrar by way of publication of the results at the time and in the manner as specified in the paragraph headed "—B. Publication of Results" in this section;

(x) confirm that you are aware of the situations specified in the paragraph headed "—C. Circumstances In Which You Will Not Be Allocated Hong Kong Offer Shares" in this section;

(xi) agree that your application or HKSCC Nominees' application, any acceptance of it and the resulting contract will be governed by and construed in accordance with the laws of Hong Kong;

(xii) agree to comply with the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Articles of Association and laws of any place outside Hong Kong that apply to your application and that neither we nor the Relevant Persons will breach any law inside and/or outside Hong Kong as a result of the acceptance of your offer to purchase, or any action arising from your rights and obligations under the terms and conditions contained in this prospectus;

(xiii) confirm that (a) your application or HKSCC Nominees' application on your behalf is not financed directly or indirectly by the Company, any of the directors, chief executives, substantial Shareholder(s) or existing shareholder(s) of the Company or any of its subsidiaries or any of their respective close associates; and (b) you are not accustomed or will not be accustomed to taking instructions from the Company, any of the directors, chief executives, substantial shareholder(s) or existing shareholder(s) of the Company or any of its subsidiaries or any of their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Shares registered in your name or otherwise held by you;

(xiv) warrant that the information you have provided is true and accurate;

(xv) confirm that you understand that we and the Overall Coordinators will rely on your declarations and representations in deciding whether or not to allocate any Hong Kong Offer Shares to you and that you may be prosecuted for making a false declaration;

(xvi) agree to accept Hong Kong Offer Shares applied for or any lesser number allocated to you under the application;

(xvii) declare and represent that this is the only application made and the only application intended by you to be made to benefit you or the person for whose benefit you are applying;

(xviii) (if the application is made for your own benefit) warrant that no other application has been or will be made for your benefit by giving electronic application instructions to HKSCC directly or indirectly or through the application channel of the Hong Kong Share Registrar or by any one as your agent or by any other person; and

(xix) (if you are making the application as an agent for the benefit of another person) warrant that (1) no other application has been or will be made by you as agent for or for the benefit of that person or by that person or by any other person as agent for that person by giving electronic application instructions to HKSCC and (2) you have due authority to give electronic application instructions on behalf of that other person as its agent.

B. PUBLICATION OF RESULTS

Results of Allocation

You can check whether you are successfully allocated any Hong Kong Offer Shares through:

Platform | | **Date/Time**

Applying through **White Form eIPO** service or **HKSCC EIPO** channel:

Platform		Date/Time
Website	The designated results of allocation at **www.iporesults.com.hk** (alternatively: **www.eipo.com.hk/eIPOAllotment**) with a "search by ID" function	24 hours, from 11:00 p.m. on Monday, October 20, 2025 to 12:00 midnight on Sunday, October 26, 2025 (Hong Kong time)
	The full list of (i) wholly or partially successful applicants using the **White Form eIPO** service and **HKSCC EIPO** channel, and (ii) the number of Hong Kong Offer Shares conditionally allotted to them, among other things, will be displayed on the "Allotment Results" page of the designated results of allocation at **www.iporesults.com.hk** (alternatively: **www.eipo.com.hk/eIPOAllotment**)	
	The Stock Exchange's website at **www.hkexnews.hk** and our website at **jushuitan.com** which will provide links to the above mentioned websites of the Hong Kong Share Registrar.	No later than 11:00 p.m. on Monday, October 20, 2025 (Hong Kong time).
Telephone	+852 2862 8555 – the allocation results telephone enquiry line provided by the Hong Kong Share Registrar	between 9:00 a.m. and 6:00 p.m. on Tuesday, October 21, 2025, Wednesday, October 22, 2025, Thursday, October 23, 2025 and Friday, October 24, 2025

For those applying through **HKSCC EIPO** channel, you may also check with your broker or custodian from 6:00 p.m. on Friday, October 17, 2025 (Hong Kong time)

HKSCC Participants can log into FINI and review the allotment result from 6:00 p.m. on Friday, October 17, 2025 (Hong Kong time) on a 24-hour basis and should report any discrepancies on allotments to HKSCC as soon as practicable.

Allocation Announcement

We expect to announce the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocations of Hong Kong Offer Shares on the Stock Exchange's website at **www.hkexnews.hk** and our website at **jushuitan.com** by no later than 11:00 p.m. on Monday, October 20, 2025 (Hong Kong time).

C. CIRCUMSTANCES IN WHICH YOU WILL NOT BE ALLOCATED HONG KONG OFFER SHARES

You should note the following situations in which Hong Kong Offer Shares will not be allocated to you or the person(s) for whose benefit you are applying for:

1. If your application is revoked:

Your application or the application made by HKSCC Nominees on your behalf may be revoked pursuant to Section 44A(6) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

2. If we or our agents exercise our discretion to reject your application:

We, the Overall Coordinators, the Hong Kong Share Registrar and their respective agents and nominees have full discretion to reject or accept any application, or to accept only part of any application, without giving any reasons.

3. If the allocation of Hong Kong Offer Shares is void:

The allocation of Hong Kong Offer Shares will be void if the Stock Exchange does not grant permission to list the Shares either:

- within three weeks from the closing date of the application lists; or
- within a longer period of up to six weeks if the Stock Exchange notifies us of that longer period within three weeks of the closing date of the application lists.

4. If:

- you make multiple applications or suspected multiple applications. You may refer to the paragraph headed "—A. Applications for Hong Kong Offer Shares—5. Multiple Applications Prohibited" in this section on what constitutes multiple applications;
- your application instruction is incomplete;
- your payment (or confirmation of funds, as the case may be) is not made correctly;
- the Underwriting Agreements do not become unconditional or are terminated;
- we or the Overall Coordinators believe that by accepting your application, it or we would violate applicable securities or other laws, rules or regulations.

5. If there is money settlement failure for allotted Shares:

Based on the arrangements between HKSCC Participants and HKSCC, HKSCC Participants will be required to hold sufficient application funds on deposit with their Designated Bank before balloting. After balloting of Hong Kong Offer Shares, the Receiving Bank will collect the portion of these funds required to settle each HKSCC Participant's actual Hong Kong Offer Share allotment from their Designated Bank.

There is a risk of money settlement failure. In the extreme event of money settlement failure by a HKSCC Participant (or its Designated Bank), who is acting on your behalf in settling payment for your allotted shares, HKSCC will contact the defaulting HKSCC Participant and its Designated Bank to determine the cause of failure and request such defaulting HKSCC Participant to rectify or procure to rectify the failure.

However, if it is determined that such settlement obligation cannot be met, the affected Hong Kong Offer Shares will be reallocated to the Global Offer. Hong Kong Offer Shares applied for by you through the broker or custodian may be affected to the extent of the settlement failure. In the extreme case, you will not be allocated any Hong Kong Offer Shares due to the money settlement failure by such HKSCC Participant. None of us, the Relevant Persons, the Hong Kong Share Registrar and HKSCC is or will be liable if Hong Kong Offer Shares are not allocated to you due to the money settlement failure.

D. DESPATCH/COLLECTION OF SHARE CERTIFICATES AND REFUND OF APPLICATION MONIES

You will receive one Share certificate for all Hong Kong Offer Shares allotted to you under the Hong Kong Public Offering (except pursuant to applications made through the **HKSCC EIPO** channel where the Share certificates will be deposited into CCASS as described below).

No temporary document of title will be issued in respect of the Shares. No receipt will be issued for sums paid on application.

Share certificates will only become valid evidence of title at 8:00 a.m. on Tuesday, October 21, 2025 (Hong Kong time), provided that the Global Offer has become unconditional and the right of termination described in the section headed "Underwriting" has not been exercised. Investors who trade Shares prior to the receipt of Share certificates or the Share certificates becoming valid do so entirely at their own risk.

The right is reserved to retain any Share certificate(s) and (if applicable) any surplus application monies pending clearance of application monies.

The following sets out the relevant procedures and time:

	White Form eIPO service	**HKSCC EIPO channel**
Despatch/collection of Share certificate[1]		
For physical share certificates of equal or over 1,000,000 Hong Kong Offer Shares issued under your own name	Collection in person from the Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong	Share certificate(s) will be issued in the name of HKSCC Nominees, deposited into CCASS and credited to your designated HKSCC Participant's stock account

[1] Except in the event of a tropical cyclone warning signal number 8 or above, a black rainstorm warning and/or an "extreme conditions" announcement issued after a super typhoon in force in Hong Kong in the morning on the Monday, October 20, 2025 rendering it impossible for the relevant share certificates to be dispatched to HKSCC in a timely manner, the Company shall procure the Hong Kong Share Registrar to arrange for delivery of the supporting documents and share certificates in accordance with the contingency arrangements as agreed between them. You may refer to "*—E. Severe Weather Arrangements*" in this section.

White Form eIPO service	**HKSCC EIPO channel**
Time: from 9:00 a.m. to 1:00 p.m. on Tuesday, October 21, 2025 (Hong Kong time) If you are an individual, you must not authorise any other person to collect for you. If you are a corporate applicant, your authorised representative must bear a letter of authorization from your corporation stamped with your corporation's chop. Both individuals and authorised representatives must produce, at the time of collection, evidence of identity acceptable to the Hong Kong Share Registrar. *Note:* If you do not collect your Share certificate(s) personally within the time above, it/they will be sent to the address specified in your application instructions by ordinary post at your own risk.	No action by you is required

	White Form eIPO service	**HKSCC EIPO channel**
For physical share certificates of less than 1,000,000 Offer Shares issued under your own name	Your Share certificate(s) will be sent to the address specified in your application instructions by ordinary post at your own risk Time: on or before Monday, October 20, 2025	

Refund mechanism for surplus application monies paid by you

Date	Tuesday, October 21, 2025	Subject to the arrangement between you and your broker or custodian
Responsible party	Hong Kong Share Registrar	Your broker or custodian
Application monies paid through single bank account	**White Form** e-Refund payment instructions to your designated bank account	Your broker or custodian will arrange refund to your designated bank account subject to the arrangement between you and it
Application monies paid through multiple bank accounts	Refund cheque(s) will be despatched to the address as specified in your application instructions by ordinary post at your own risk	

E. SEVERE WEATHER ARRANGEMENTS

The Opening and Closing of the Application Lists

The application lists will not open or close on Thursday, October 16, 2025 if, there is/are:

- a tropical cyclone warning signal number 8 or above;
- a black rainstorm warning; and/or
- an **Extreme Conditions**,

(collectively, "**Severe Weather Signals**"),

in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Thursday, October 16, 2025.

Instead they will open between 11:45 a.m. and 12:00 noon and/or close at 12:00 noon on the next business day which does not have **Severe** Weather Signals in force at any time between 9:00 a.m. and 12:00 noon.

Prospective investors should be aware that a postponement of the opening/closing of the application lists may result in a delay in the listing date. Should there be any changes to the dates mentioned in the section headed "Expected Timetable" in this prospectus, an announcement will be made and published on the Stock Exchange's website at **www.hkexnews.hk** and our website at **jushuitan.com** of the revised timetable.

If a **Severe** Weather Signal is hoisted on Monday, October 20, 2025, the Hong Kong Share Registrar will make appropriate arrangements for the delivery of the share certificates to the CCASS Depository's service counter so that they would be available for trading on Tuesday, October 21, 2025.

If a **Severe** Weather Signal is hoisted on Tuesday, October 21, 2025:

- for physical share certificates of equal or over 1,000,000 offer shares issued under your own name, you may collect your physical share certificates from the Hong Kong Share Registrar's office after the **Severe** Weather Signal is lowered or cancelled (e.g. in the afternoon of Tuesday, October 21, 2025 or on Wednesday, October 22, 2025.

If a **Severe** Weather Signal is hoisted on Monday, October 20, 2025:

- for physical share certificates of less than 1,000,000 offer shares issued under your own name, despatch will be made by ordinary post when the post office re-opens after the **Severe** Weather Signal is lowered or cancelled (e.g. in the afternoon of Monday, October 20, 2025 or on Tuesday, October 21, 2025.

Prospective investors should be aware that if they choose to receive physical share certificates issued in their own name, there may be a delay in receiving the share certificates.

F. ADMISSION OF THE SHARES INTO CCASS

If the Stock Exchange grants the listing of, and permission to deal in, the Shares on the Stock Exchange and we comply with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the Shares or any other date HKSCC chooses. Settlement of transactions between Exchange Participants is required to take place in CCASS on the second settlement day after any trading day.

All activities under CCASS are subject to the General Rules of HKSCC and the HKSCC Operational Procedures in effect from time to time.

All necessary arrangements have been made enabling the Shares to be admitted into CCASS.

You should seek the advice of your broker or other professional advisor for details of the settlement arrangement as such arrangements may affect your rights and interests.

G. PERSONAL DATA

The following Personal Information Collection Statement applies to any personal data collected and held by the Company, the Hong Kong Share Registrar, the receiving banks and the Relevant Persons about you in the same way as it applies to personal data about applicants other than HKSCC Nominees. This personal data may include client identifier(s) and your identification information. By giving application instructions to HKSCC, you acknowledge that you have read, understood and agree to all of the terms of the Personal Information Collection Statement below.

1. Personal Information Collection Statement

This Personal Information Collection Statement informs the applicant for, and holder of, Hong Kong Offer Shares, of the policies and practices of the Company and the Hong Kong Share Registrar in relation to personal data and the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong).

2. Reasons for the collection of your personal data

It is necessary for applicants and registered holders of Hong Kong Offer Shares to ensure that personal data supplied to the Company or its agents and the Hong Kong Share Registrar is accurate and up-to-date when applying for Hong Kong Offer Shares or transferring Hong Kong Offer Shares into or out of their names or in procuring the services of the Hong Kong Share Registrar.

Failure to supply the requested data or supplying inaccurate data may result in your application for Hong Kong Offer Shares being rejected, or in the delay or the inability of the Company or the Hong Kong Share Registrar to effect transfers or otherwise render their services. It may also prevent or delay registration or transfers of Hong Kong Offer Shares which you have successfully applied for and/or the despatch of Share certificate(s) to which you are entitled.

It is important that applicants for and holders of Hong Kong Offer Shares inform the Company and the Hong Kong Share Registrar immediately of any inaccuracies in the personal data supplied.

3. Purposes

Your personal data may be used, held, processed, and/or stored (by whatever means) for the following purposes:

- processing your application and refund cheque and **White Form** e-Refund payment instruction(s), where applicable, verification of compliance with the terms and application procedures set out in this prospectus and announcing results of allocation of Hong Kong Offer Shares;
- compliance with applicable laws and regulations in Hong Kong and elsewhere;
- registering new issues or transfers into or out of the names of the holders of the Shares including, where applicable, HKSCC Nominees;
- maintaining or updating the register of members of the Company;
- verifying identities of applicants for and holders of the Shares and identifying any duplicate applications for the Shares;
- facilitating Hong Kong Offer Shares balloting;
- establishing benefit entitlements of holders of the Shares, such as dividends, rights issues, bonus issues, etc.;
- distributing communications from the Company and its subsidiaries;

- compiling statistical information and profiles of the holder of the Shares;
- disclosing relevant information to facilitate claims on entitlements; and
- any other incidental or associated purposes relating to the above and/or to enable the Company and the Hong Kong Share Registrar to discharge their obligations to applicants and holders of the Shares and/or regulators and/or any other purposes to which applicants and holders of the Shares may from time to time agree.

4. Transfer of personal data

Personal data held by the Company and the Hong Kong Share Registrar relating to the applicants for and holders of Hong Kong Offer Shares will be kept confidential but the Company and the Hong Kong Share Registrar may, to the extent necessary for achieving any of the above purposes, disclose, obtain or transfer (whether within or outside Hong Kong) the personal data to, from or with any of the following:

- the Company's appointed agents such as financial advisers, receiving banks and overseas principal share registrar;
- HKSCC or HKSCC Nominees, who will use the personal data and may transfer the personal data to the Hong Kong Share Registrar for the purposes of providing its services or facilities or performing its functions in accordance with its rules or procedures and operating FINI and CCASS (including where applicants for the Hong Kong Offer Shares request a deposit into CCASS);
- any agents, contractors or third-party service providers who offer administrative, telecommunications, computer, payment or other services to the Company or the Hong Kong Share Registrar in connection with their respective business operation;
- the Stock Exchange, the SFC and any other statutory regulatory or governmental bodies or otherwise as required by laws, rules or regulations, including for the purpose of the Stock Exchange's administration of the Listing Rules and the SFC's performance of its statutory functions; and
- any persons or institutions with which the holders of Hong Kong Offer Shares have or propose to have dealings, such as their bankers, solicitors, accountants or brokers etc.

5. Retention of personal data

The Company and the Hong Kong Share Registrar will keep the personal data of the applicants and holders of Hong Kong Offer Shares for as long as necessary to fulfil the purposes for which the personal data were collected. Personal data which is no longer required will be destroyed or dealt with in accordance with the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong).

6. Access to and correction of personal data

Applicants for and holders of Hong Kong Offer Shares have the right to ascertain whether the Company or the Hong Kong Share Registrar hold their personal data, to obtain a copy of that data, and to correct any data that is inaccurate. The Company and the Hong Kong Share Registrar have the right to charge a reasonable fee for the processing of such requests. All requests for access to data or correction of data should be addressed to the Company and the Hong Kong Share Registrar, at their registered address disclosed in the section headed "Corporate information" in this prospectus or as notified from time to time, for the attention of the company secretary, or the Hong Kong Share Registrar for the attention of the privacy compliance officer.

The following is the text of a report set out on pages I-1 to I-3, received from the Company's reporting accountant, PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this prospectus. It is prepared and addressed to the directors of the Company and to the Joint Sponsors 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.

pwc 羅兵咸永道

ACCOUNTANT'S REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF JST GROUP CORPORATION LIMITED, CHINA INTERNATIONAL CAPITAL CORPORATION HONG KONG SECURITIES LIMITED AND J.P. MORGAN SECURITIES (FAR EAST) LIMITED

Introduction

We report on the historical financial information of JST GROUP CORPORATION LIMITED (the "Company") and its subsidiaries (together, the "Group") set out on pages I-4 to I-98, which comprises the consolidated balance sheets as at 31 December 2022, 2023, 2024 and 30 June 2025, the balance sheets of the Company as at 31 December 2022, 2023, 2024 and 30 June 2025, and the consolidated statements of comprehensive (loss)/income, the consolidated statements of changes in equity and the consolidated statements of cash flows for each of the years ended 31 December 2022, 2023, 2024 and the six months ended 30 June 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-98 forms an integral part of this report, which has been prepared for inclusion in the prospectus of the Company dated October 13, 2025 (the "Prospectus") in connection with the initial listing of shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited.

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 presentation and preparation set out in Notes 1.3 and 2.1 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 accountant's 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.

PricewaterhouseCoopers, 22/F Prince's Building, Central, Hong Kong SAR, China
T: +852 2289 8888, F: +852 2810 9888, www.pwchk.com

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 accountant's judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountant considers 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 presentation and preparation set out in Notes 1.3 and 2.1 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 accountant's report, a true and fair view of the financial position of the Company as at 31 December 2022, 2023, 2024 and 30 June 2025 and the consolidated financial position of the Group as at 31 December 2022, 2023, 2024 and 30 June 2025 and of its consolidated financial performance and its consolidated cash flows for the Track Record Period in accordance with the basis of presentation and preparation set out in Notes 1.3 and 2.1 to the Historical Financial Information.

Review of stub period comparative financial information

We have reviewed the stub period comparative financial information of the Group which comprises the consolidated statement of comprehensive (loss)/income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the six months ended 30 June 2024 and other explanatory information (the "Stub Period Comparative Financial Information"). The directors of the Company are responsible for the presentation and preparation of the Stub Period Comparative Financial Information in accordance with the basis of presentation and preparation set out in Notes 1.3 and 2.1 to the Historical Financial Information. Our responsibility is to express a conclusion on the Stub Period Comparative Financial Information based on our review. We conducted our review in accordance with International Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the International Auditing and Assurance Standards Board ("IAASB"). A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Based on our review, nothing has come to our attention that come to our that causes us to believe that the Stub Period Comparative Financial Information, for the purposes of the accountant's report, is not prepared, in all material respects, in accordance with the basis of presentation and preparation set out in Notes 1.3 and 2.1 to the Historical Financial Information.

Report on matters under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and the Companies (Winding Up and Miscellaneous Provisions) Ordinance

Adjustments

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page I-4 have been made.

Dividends

We refer to Note 13 to the Historical Financial Information which states that no dividends have been paid by JST Group Corporation Limited in respect of the Track Record Period.

No statutory financial statements for the Company

No statutory financial statements have been prepared for the Company since its date of incorporation.

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong, October 13, 2025

I 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 accountant's report.

The consolidated financial statements of the Group for the Track Record Period, on which the Historical Financial Information is based, were audited by PricewaterhouseCoopers in accordance with International Standards on Auditing issued by the IAASB ("Underlying Financial Statements").

The Historical Financial Information is presented in Renminbi ("RMB") and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS)/INCOME

	Note	Year ended 31 December			Six months ended 30 June	
		2022	2023	2024	2024	2025
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Revenue	*6*	523,078	697,191	909,750	420,973	523,642
Cost of sales	*7*	(249,565)	(262,585)	(286,899)	(141,593)	(147,573)
Gross profit		273,513	434,606	622,851	279,380	376,069
Selling and marketing expenses	*7*	(314,310)	(343,999)	(369,921)	(170,556)	(189,002)
General and administrative expenses	*7*	(98,079)	(131,430)	(90,489)	(45,089)	(49,006)
Research and development expenses	*7*	(234,327)	(233,913)	(239,798)	(112,096)	(115,379)
Provision for impairment loss on financial assets	*3.1(b)*	(25)	(137)	(150)	(10)	(581)
Other income	*9*	22,055	32,896	15,096	3,358	3,793
Other (loss)/gains – net	*10*	(18,522)	2,565	318	(2,948)	1,194
Operating (loss)/income		(369,695)	(239,412)	(62,093)	(47,961)	27,088
Finance income	*11*	1,485	6,726	6,495	5,437	4,891
Finance costs	*11*	(103,717)	(13,650)	(1,079)	(631)	(355)
Finance (costs)/income – net		(102,232)	(6,924)	5,416	4,806	4,536
Loss on convertible redeemable preferred shares	*26*	–	(225,435)	(18,526)	(14,301)	(72,512)
Share of net (loss)/gain of investments accounted for using equity method	*18*	(35,152)	(18,252)	(4,438)	(2,747)	585
Loss before income tax		(507,079)	(490,023)	(79,641)	(60,203)	(40,303)
Income tax credit/(expense)	*12*	–	–	90,224	(136)	759
(Loss)/profit for the year/period		(507,079)	(490,023)	10,583	(60,339)	(39,544)
(Loss)/profit attributable to:						
Equity owners of the Company		(505,335)	(486,555)	12,152	(58,845)	(41,146)
Non-controlling interests		(1,744)	(3,468)	(1,569)	(1,494)	1,602
		(507,079)	(490,023)	10,583	(60,339)	(39,544)

		Year ended 31 December			Six months ended 30 June	
	Note	**2022**	**2023**	**2024**	**2024**	**2025**
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Other comprehensive income/(loss), net of tax						
Items that may be reclassified to profit or loss						
Exchange differences on translation of foreign operation		93	(3)	(102)	185	(170)
Items that may not be reclassified to profit or loss						
Fair value changes on convertible redeemable preferred shares due to own credit risk	*26*	–	2,063	2,516	(1,636)	(2,141)
Total comprehensive (loss)/income for the year/period		(506,986)	(487,963)	12,997	(61,790)	(41,855)
Total comprehensive (loss)/income attributable to:						
Equity owners of the Company		(505,260)	(484,494)	14,587	(60,333)	(43,423)
Non-controlling interests		(1,726)	(3,469)	(1,590)	(1,457)	1,568
		(506,986)	(487,963)	12,997	(61,790)	(41,855)
(Loss)/earning per share attributable to the equity owners of the Company for the year (expressed in RMB per share)						
– Basic and diluted	*14*	(283.61)	(273.07)	6.82	(33.03)	(23.09)

CONSOLIDATED BALANCE SHEETS

		As at 31 December			As at 30 June
	Note	**2022**	**2023**	**2024**	**2025**
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
ASSETS					
Non-current assets					
Contract acquisition costs	*6.2*	227,467	248,714	258,519	264,468
Property, plant and equipment	*15*	10,419	5,521	3,698	2,130
Right-of-use assets	*16*	9,275	26,439	15,279	10,828
Intangible assets	*17*	7,155	5,674	4,037	3,173
Investments accounted for using equity method	*18*	117,791	99,539	84,946	53,169
Financial assets at fair value through profit or loss	*20(b)*	213,047	131,773	121,042	123,027
Financial assets at fair value through other comprehensive income	*20(c)*	20,000	–	–	101,002
Prepayments	*23*	67,566	76,378	57,597	51,397
Deferred income tax assets	*19*	–	–	90,375	91,200
Total non-current assets		672,720	594,038	635,493	700,394
Current assets					
Inventories		347	465	523	324
Contract acquisition costs	*6.2*	85,498	125,575	139,494	146,018
Financial assets at fair value through profit or loss	*20(a)*	6,500	–	–	–
Financial assets at fair value through other comprehensive income	*20(c)*	150,000	–	–	–
Trade and other receivables	*21*	102,547	98,919	190,447	237,910
Prepayments	*23*	14,241	26,788	64,092	65,430
Restricted cash	*22(b)*	–	–	100,000	–
Cash and cash equivalents	*22(a)*	426,659	897,327	1,085,276	730,831
Total current assets		785,792	1,149,074	1,579,832	1,180,513
Total assets		1,458,512	1,743,112	2,215,325	1,880,907

	Note	As at 31 December			As at 30 June
		2022	2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
DEFICITS IN EQUITY					
Attributable to equity owners of the Company					
Share capital	*27*	–	1	1	1
Share premium	*27*	–	2,479,571	2,479,571	2,479,571
Other reserves	*28*	76,131	(4,073,572)	(4,060,430)	(4,054,533)
Accumulated losses		(1,586,027)	(2,072,582)	(2,060,430)	(2,101,576)
Deficits in equity attributable to owners of the Company		(1,509,896)	(3,666,582)	(3,641,288)	(3,676,537)
Non-controlling interests		(3,171)	(6,639)	(8,208)	(6,606)
Total deficits in equity		(1,513,067)	(3,673,221)	(3,649,496)	(3,683,143)
LIABILITIES					
Non-current liabilities					
Lease liabilities	*16*	2,313	17,443	6,863	1,930
Contract liabilities	*6.2*	755,759	979,527	1,159,893	1,252,306
Financial liabilities to investors	*25*	1,200,717	–	–	–
Total non-current liabilities		1,958,789	996,970	1,166,756	1,254,236
Current liabilities					
Trade and other payables	*24*	474,611	654,726	749,766	768,018
Contract liabilities	*6.2*	530,377	624,958	795,073	855,268
Lease liabilities	*16*	7,802	11,778	9,315	11,256
Convertible redeemable preferred shares	*26*	–	3,127,901	3,143,911	2,675,272
Total current liabilities		1,012,790	4,419,363	4,698,065	4,309,814
Total liabilities		2,971,579	5,416,333	5,864,821	5,564,050
Total deficits in equity and liabilities		1,458,512	1,743,112	2,215,325	1,880,907
Net current liabilities		(226,998)	(3,270,289)	(3,118,233)	(3,129,301)

BALANCE SHEET OF THE COMPANY

	Note	As at 31 December 2022	As at 31 December 2023	As at 31 December 2024	As at 30 June 2025
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
ASSETS					
Non-current assets					
Investment in subsidiaries	*34*	–	5,125,710	5,136,438	5,144,646
Total non-current assets		–	5,125,710	5,136,438	5,144,646
Current assets					
Other receivables	*21*	1	350,027	350,027	27
Prepayments	*23*	–	8,181	11,015	7,280
Cash and cash equivalents		–	1,307	709	31,458
Total current assets		1	359,515	361,751	38,765
Total assets		1	5,485,225	5,498,189	5,183,411
EQUITY					
Attributable to equity owners of the Company					
Share capital	*27*	1	1	1	1
Share premium	*27*	–	2,479,571	2,479,571	2,479,571
Other reserves	*28*	–	95,118	108,362	114,429
Accumulated losses		(29)	(226,181)	(245,912)	(322,122)
Total (deficits)/equity		(28)	2,348,509	2,342,022	2,271,879
LIABILITIES					
Current liabilities					
Other payables	*24*	29	8,815	12,256	236,260
Convertible redeemable preferred shares	*26*	–	3,127,901	3,143,911	2,675,272
Total current liabilities		29	3,136,716	3,156,167	2,911,532
Total liabilities		29	3,136,716	3,156,167	2,911,532
Total equity and liabilities		1	5,485,225	5,498,189	5,183,411
Net current liabilities		(28)	(2,777,201)	(2,794,416)	(2,872,767)

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

		Attributable to equity owners of the Company						
	Note	Share capital	Share premium	Other reserves	Accumulated losses	Total	Non-controlling interests	Total deficits in equity
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Balance at 1 January 2022		–	–	51,477	(1,080,692)	(1,029,215)	(3,328)	(1,032,543)
Comprehensive loss								
Loss for the year		–	–	–	(505,335)	(505,335)	(1,744)	(507,079)
Other comprehensive income		–	–	93	–	93	–	93
Transactions with owners of the Company								
Capital contribution from non-controlling shareholders		–	–	–	–	–	1,901	1,901
Share-based payments for employees	*29*	–	–	24,561	–	24,561	–	24,561
Balance at 31 December 2022		–	–	76,131	(1,586,027)	(1,509,896)	(3,171)	(1,513,067)

	Note	Attributable to equity owners of the Company					Non-controlling interests	Total deficits in equity
		Share capital	Share premium	Other reserves	Accumulated losses	Total		
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Balance at 1 January 2023		–	–	76,131	(1,586,027)	(1,509,896)	(3,171)	(1,513,067)
Comprehensive loss								
Loss for the year		–	–	–	(486,555)	(486,555)	(3,468)	(490,023)
Fair value changes on convertible redeemable preferred shares due to own credit risk		–	–	2,063	–	2,063	–	2,063
Currency translation differences		–	–	(3)	–	(3)	–	(3)
Transactions with owners of the Company								
Effect of the Reorganisation		1	2,479,571	(2,481,586)	–	(2,014)	–	(2,014)
Issuance of conversion redeemable preferred shares	*26*	–	–	(1,691,449)	–	(1,691,449)	–	(1,691,449)
Share-based payments for employees	*29*	–	–	21,272	–	21,272	–	21,272
Balance at 31 December 2023		1	2,479,571	(4,073,572)	(2,072,582)	(3,666,582)	(6,639)	(3,673,221)

	Note	Attributable to equity owners of the Company					Non-controlling interests	Total deficits in equity
		Share capital	Share premium	Other reserves	Accumulated losses	Total		
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Balance at 1 January 2024		1	2,479,571	(4,073,572)	(2,072,582)	(3,666,582)	(6,639)	(3,673,221)
Comprehensive income/(loss)								
Profit/(loss) for the year		–	–	–	12,152	12,152	(1,569)	10,583
Fair value changes on convertible redeemable preferred shares due to own credit risk	*26*	–	–	2,516	–	2,516	–	2,516
Currency translation differences		–	–	(102)	–	(102)	–	(102)
Transactions with owners of the Company								
Share-based payments for employees	*29*	–	–	10,728	–	10,728	–	10,728
Balance at 31 December 2024		1	2,479,571	(4,060,430)	(2,060,430)	(3,641,288)	(8,208)	(3,649,496)

	Note	Attributable to equity owners of the Company					Non-controlling interests	Total deficits in equity
		Share capital	Share premium	Other reserves	Accumulated losses	Total		
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Balance at 1 January 2025		1	2,479,571	(4,060,430)	(2,060,430)	(3,641,288)	(8,208)	(3,649,496)
Comprehensive loss								
Profit/(loss) for the period		–	–	–	(41,146)	(41,146)	1,602	(39,544)
Fair value changes on convertible redeemable preferred shares and warrants due to own credit risk	*26*	–	–	(2,141)	–	(2,141)	–	(2,141)
Currency translation differences		–	–	(170)	–	(170)	–	(170)
Transactions with owners of the Company								
Share-based payments for employees	*29*	–	–	8,208	–	8,208	–	8,208
Balance at 30 June 2025		1	2,479,571	(4,054,533)	(2,101,576)	(3,676,537)	(6,606)	(3,683,143)
Balance at 1 January 2024		1	2,479,571	(4,073,572)	(2,072,582)	(3,666,582)	(6,639)	(3,673,221)
Comprehensive loss								
Loss for the period		–	–	–	(58,845)	(58,845)	(1,494)	(60,339)
Fair value changes on convertible redeemable preferred shares and warrants due to own credit risk	*26*	–	–	(1,636)	–	(1,636)	–	(1,636)
Currency translation differences		–	–	185	–	185	–	185
Transactions with owners of the Company								
Share-based payments for employees	*29*	–	–	11,133	–	11,133	–	11,133
Balance at 30 June 2024 (Unaudited)		1	2,479,571	(4,063,890)	(2,131,427)	(3,715,745)	(8,133)	(3,723,878)

CONSOLIDATED STATEMENTS OF CASH FLOWS

		Year ended 31 December			Six months ended 30 June	
	Note	**2022**	**2023**	**2024**	**2024**	**2025**
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Cash flows from operating activities						
Cash generated from operations	*30*	78,711	210,381	279,259	1,976	159,929
Income tax paid		–	–	(89)	(74)	–
Net cash generated from operating activities		78,711	210,381	279,170	1,902	159,929
Cash flows from investing activities						
Loan to related parties	*33(b)*	(15,500)	(1,000)	–	–	–
Repayment of loan and interests by related parties	*33(b)*	3,000	18,136	1,578	1,578	–
Repayment of loan by a third party		4,000	–	–	–	–
Proceeds from redemption of wealth management product	*3.3*	1,326,161	91,036	4,258,669	841,471	2,759,314
Purchase of wealth management product	*3.3, 22(b)*	(1,297,500)	(84,300)	(4,250,030)	(840,000)	(2,756,630)
Increase in restricted cash	*22(b)*	–	–	(100,000)	–	–
Decrease in restricted cash	*22(b)*	–	–	–	–	100,000
Interest received from time deposits	*3.3*	4,044	3,375	–	–	–
Purchase of time deposits	*3.3*	(170,000)	(20,000)	–	–	(100,000)
Redemption of time deposits	*3.3*	30,000	190,000	–	–	–
Payment for equity investment	*18(i)*	(5,000)	–	–	–	–
Payment for unlisted equity investment	*3.3*	(51,781)	–	–	–	–
Disposal of unlisted equity investment	*3.3*	–	83,032	–	–	–
Disposal of an associate	*18(i), (iv)*	–	–	13,500	13,500	30,000
Receipt of dividends from an investment with significant influence		620	970	–	–	–
Others		(2,459)	(265)	(969)	(473)	(85)
Net cash (used in)/generated from investing activities		(174,415)	280,984	(77,252)	16,076	32,599

	Note	Year ended 31 December 2022	2023	2024	Six months ended 30 June 2024	2025
		RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Cash flows from financing activities						
Proceeds from issue of shares of the Company to the then shareholders of Shanghai Jushuitan Network Technology Co., Ltd. ("Shanghai Jushuitan") pursuant to the Reorganisation		–	141,445	–	–	–
Cash paid to the then shareholders of Shanghai Jushuitan pursuant to the Reorganisation		–	(143,484)	–	–	–
Capital contributions from non-controlling shareholders		1,901	–	–	–	–
Proceeds from bank borrowings	*30(d)*	–	138,657	–	–	–
Repayment of bank borrowings and interest	*30(d)*	–	(138,914)	–	–	–
Redemption of conversion redeemable preferred shares	*26*	–	–	–	–	(543,292)
Principal elements and interest elements of lease payments	*30(d)*	(14,753)	(11,969)	(12,184)	(7,144)	(3,841)
Payment for listing expense		–	(6,400)	(991)	(623)	–
Net cash used in financing activities		(12,852)	(20,665)	(13,175)	(7,767)	(547,133)
Net (decrease)/increase in cash and cash equivalents		(108,556)	470,700	188,743	10,211	(354,605)
Effect of exchange rate changes		622	(32)	(794)	134	160
Cash and cash equivalents at beginning of the year/period		534,593	426,659	897,327	897,327	1,085,276
Cash and cash equivalents at end of the year/period		426,659	897,327	1,085,276	907,672	730,831

II NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1 GENERAL INFORMATION, REORGANISATION AND BASIS OF PRESENTATION

1.1 General information

JST Group Corporation Limited (the "Company") was incorporated in the Cayman Islands on 2 August 2021 as an exempted company with limited liability under the Companies Act (As Revised) of the Cayman Islands. The address of the Company's registered office is Palm Grove Unit 4, 265 Smith Road, George Town, P.O. Box 52A Edgewater Way, #1653, Grand Cayman KY1-9006, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries (hereinafter collectively referred to as the "Group") are principally engaged in providing e-commerce SaaS ERP service in the People's Republic of China (the "PRC") (the "Listing Business").

1.2 Reorganisation

Prior to incorporation of the Company and the completion of the reorganisation as described below (the "Reorganisation"), the Listing Business was mainly carried out by Shanghai Jushuitan Network Technology Co., Ltd. ("Shanghai Jushuitan"), a limited liability company established in the PRC, and its subsidiaries (the "PRC Operating Entities").

In preparation for the initial public offering and listing of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "Listing"), the Group underwent the Reorganisation to incorporate the Company as the holding company of the companies which now comprise the Group to conduct the Listing Business. The Reorganisation involved the following steps:

(a) Incorporation of the Company

On 2 August 2021, the Company was incorporated in the Cayman Islands as an exempted company with limited liability. As at the date of incorporation, the authorised share capital of the Company was United States Dollar ("US$") 50,000 divided into 500,000,000 ordinary shares with a par value of US$0.0001 each. On the date of its incorporation, and September 13, 2021, the Company allotted and issued 2,039,641 ordinary shares to the four of the then shareholders of Shanghai Jushuitan (the "Initial Shareholders") and two other investors.

(b) Incorporation of an offshore subsidiary in the British Virgin Islands (the "BVI")

True Value Limited was incorporated in the BVI with limited liability on 14 September 2021 as an intermediate holding company of the Group. On the date of incorporation, one ordinary share of True Value Limited was issued and allotted to the Company. Upon completion of such allotment and issue, True Value Limited became directly wholly-owned by the Company.

(c) Incorporation of an offshore subsidiary in Hong Kong

Hong Kong True Value Limited ("HK True Value") was incorporated in Hong Kong with a limited liability on 4 October 2021 as an intermediate holding company of the Group. On the date of incorporation, 1 ordinary share of HK True Value was issued and allotted to True Value Limited. Upon completion of such allotment and issue, HK True Value became directly wholly-owned by True Value Limited.

(d) Acquisition of equity interests of Shanghai Jushuitan from its then shareholders by HK True Value

For the purpose of reflecting and mirroring the then shareholding structure of Shanghai Jushuitan before the Reorganisation, on 21 February 2023, the Company (a) repurchased 337,815 ordinary shares from the Initial Shareholders, (b) entered into share subscription agreements with the then shareholders of Shanghai Jushuitan except for the Initial Shareholders for their subscription of 1,800,745 convertible redeemable preferred share ("Preferred Shares") reclassified from authorized ordinary shares, including (i) 288,441 Series Angel Preferred Shares (including 276,607 in the form of warrant ("Warrant") with exercise price equal to RMB1 per share), (ii) 79,290 Series Pre-A Preferred Shares (including 65,089 in the form of Warrant with exercise price equal to RMB1 per share), (iii) 299,137 Series A Preferred Shares in the form of Warrant with exercise price equal to RMB1 per share, (iv) 235,212 Series B1 Preferred Shares (including 89,604 in the form of Warrant with exercise price equal to RMB1 per share), (v) 234,749 Series B2 Preferred Shares (including 108,313 in the form of Warrant with exercise price equal to RMB1 per share), (vi) 286,239 Series B3 Preferred Shares in the form of Warrant with exercise price equal to RMB1 per share, and (vii) 377,677 Series C Preferred Shares of the Company (including 329,878 in the form of Warrant with exercise price equal to their original issue price), and (c) reserved 311,780 ordinary shares to be issued for the purpose of employee incentive.

On 21 February 2023, HK True Value entered into share transfer agreements with the shareholders of Shanghai Jushuitan other than Broad Street Investments Holding (Singapore) Pte. Ltd. ("Broad Street"), StoneBridge 2020, L.P. ("StoneBridge"), StoneBridge 2020 Offshore Holdings II, L.P. ("StoneBridge II") and Zhongjin Gongying Qijiang (Shanghai) Science and Innovation Equity Investment Fund Partnership (L.P.) ("CICC Gongying Fund"), pursuant to which HK True Value agreed to acquire their equity interests in Shanghai Jushuitan equivalent to RMB3,484,473 of registered share capital, representing 91.3517% of the then share capital of Shanghai Jushuitan, at an aggregate consideration of RMB3,484,473, which has been paid in 2023.

Upon and from the issuance of the Warrants, the warrant holders shall be deemed as the holders of Preferred Shares assuming the Warrants have been exercised in full, and the Company shall procure that the warrant holders have, any and all of the rights of Preferred Shares.

On 8 June 2023, the Warrants held by the warrant holders except for (Broad Street, StoneBridge, StoneBridge II and CICC Gongying Fund) were exercised, and on 5 September 2023, the Warrants held by Broad Street, StoneBridge, StoneBridge II and CICC Gongying Fund were exercised since relevant regulatory filings have been completed. On the same day of 5 September 2023, HK True Value further acquired the remaining 8.6483% equity interests in Shanghai Jushuitan from Broad Street, StoneBridge, StoneBridge II and CICC Gongying Fund at an aggregate consideration of RMB 490,000,000 or equivalent US dollars and Shanghai Jushuitan became the subsidiary of HK True Value with 100% equity interests. The consideration of RMB140,000,000 has been settled in 2023 and the remaining RMB350,000,000 as promissory notes receivable due from HK True Value were settled subsequently in March 2025 (Note 21).

Upon completion of the above transfers on 21 February 2023, the Group's reorganisation was in substance completed and the Company became the holding company of Shanghai Jushuitan and the companies now comprising the Group.

Overall, the transactions above were considered multiple steps of one transaction which formed a recapitalisation of the Listing Business with no changes in management of the Listing Business and the ultimate owners of the Listing Business remain the same.

Moreover, as the Group's reorganisation was completed by 31 December 2023, the Group's historical financial information for the years ended 31 December 2022, 2023, 2024 and the six months ended 30 June 2024 and 2025 was prepared on consolidated basis.

Upon the completion of the Reorganisation and as at the date of this report, the Group had direct or indirect interests in the following subsidiaries:

			Attributable equity interest of the Group						
			As at 31 December			As at 30 June			
Company name	Country/place and date of incorporation/ establishment	Registered issued capital	2022	2023	2024	2025	As at the date of this report	Principal activities and place of operation	*Note*
Directly held:									
True Value Limited	BVI, 14 Sep 2021	USD1	100%	100%	100%	100%	100%	BVI	
Indirectly held:									
Shanghai Jushuitan Network Technology Co., Ltd. 上海聚水潭網絡科技有限公司	The PRC, 26 Sep 2014	RMB606,481,809	100%	100%	100%	100%	100%	Shanghai	*(i)*
Jiaxing Jushuitan Smart Technology Co., Ltd. 嘉興聚水潭智能科技有限公司	The PRC, 29 Jun 2020	RMB50,000,000	100%	100%	100%	100%	100%	Jiaxing	*(ii)*

Company name	Country/place and date of incorporation/ establishment	Registered issued capital	Attributable equity interest of the Group: As at 31 December 2022	2023	2024	As at 30 June 2025	As at the date of this report	Principal activities and place of operation	*Note*
Nanchang Jushuitan Information Technology Co., Ltd. 南昌聚水潭信息技術有限公司	The PRC, 28 Jan 2021	RMB10,000,000	100%	100%	100%	100%	100%	Nanchang	
Jiaxing Jushuitan Information Technology Co., Ltd. 嘉興聚水潭信息科技有限公司	The PRC, 27 Jan 2014	RMB1,000,000	100%	100%	100%	100%	100%	Jiaxing	
Shenzhen Zhongxiang Network Technology Co., Ltd. 深圳市眾享網絡科技有限公司	The PRC, 1 Aug 2011	RMB2,000,000	100%	100%	100%	100%	100%	Shenzhen	
Shanghai Juhuotong E-Commerce Co., Ltd. 上海聚貨通電子商務有限公司	The PRC, 26 Apr 2020	RMB5,000,000	90%	90%	90%	90%	90%	Shanghai	*(iii)*
Hangzhou Jushuitan Network Technology Co., Ltd. 杭州聚水潭網絡科技有限公司	The PRC, 28 Sep 2021	RMB10,000,000	85%	85%	85%	85%	85%	Hangzhou	*(iv)*
Shanghai Shengshang Technology Co., Ltd. 上海晟尚科技有限公司	The PRC, 31 Jan 2019	RMB60,000,000	100%	100%	100%	100%	100%	Shanghai	*(vi)*
Hong Kong Jushuitan Technology Co., Limited 香港聚水潭科技有限公司	Hong Kong, 1 Sep 2020	USD2,571,572.00	100%	100%	100%	100%	100%	Hong Kong	*(viii)*
JST Investment Holding Corporation	BVI, 14 May 2021	–	100%	100%	100%	100%	100%	BVI	
Zhuhai Furun Technology Co., Ltd. 珠海富潤科技有限公司 ("Zhuhai Furun")	The PRC, 7 Apr 2011	RMB1,000,000	100%	100%	100%	100%	100%	Zhuhai	*(v)*
JST ERP Technology (Thailand) Company Limited	Thailand, 31 Oct 2022	USD220,000	80%	80%	80%	80%	80%	Thailand	*(vii)*
Jiaxing Jushuitan Investment Management Partnership (limited partnership) ("Jiaxing Partnership") 嘉興聚水潭投資管理合夥企業(有限合夥)	The PRC, 7 Sep 2017	RMB3,208,972	100%	100%	100%	100%	100%	Jiaxing	
HK True Value Limited	Hong Kong, 4 Oct 2021	HKD1	100%	100%	100%	100%	100%	Hong Kong	*(ix)*

The English names of certain subsidiaries referred herein represent the directors' best effort at translating the Chinese names of these companies as no English names have been registered.

Except for below mentioned, no statutory audited financial statements were issued for some companies as they are either newly incorporated or not required to issue audited financial statements under the statutory requirement of their respective place of incorporation.

(i) The statutory financial statements of Shanghai Jushuitan for the years ended 31 December 2022, 2023 and 2024 were audited by Shanghai Zhonghui Certified Public Accountants.

(ii) The statutory financial statements of Jiaxing Jushuitan Smart Technology Co., Ltd. for the years ended 31 December 2022, 2023 and 2024 were audited by Jiaxing Zhenhe Certified Public Accountants.

(iii) The statutory financial statements of Shanghai Juhuotong E-Commerce Co., Ltd. for the years ended 31 December 2022, 2023 and 2024 were audited by Shanghai Zhonghui Certified Public Accountants.

(iv) The statutory financial statements of Hangzhou Jushuitan Network Technology Co., Ltd. for the year ended 31 December 2022, 2023 and 2024 were audited by Jiaxing Zhenhe Certified Public Accountants.

(v) The statutory financial statements of Zhuhai Furun Technology Co., Ltd. for the year ended 31 December 2022 was audited by Zhuhai Guorui Xinda Certified Public Accountants. The financial statements of Zhuhai Furun Technology Co., Ltd. for the years ended 31 December 2023 and 2024 were not audited.

(vi) The statutory financial statements of Shanghai Shengshang Technology Co., Ltd. for the year ended 31 December 2024 was audited by Shanghai Zhonghui Certified Public Accountants. The statutory financial statements of Shanghai Shengshang Technology Co., Ltd. for the year ended 31 December 2023 was audited by Jiaxing Zhenhe Certified Public Accountants. The financial statements of Shanghai Shengshang Technology Co., Ltd. for the year ended 31 December 2022 was not audited.

(vii) The statutory financial statements of JST ERP Technology (Thailand) Company Limited for the year ended 31 December 2024 was audited by The Best Associated Accounting Co., Ltd. The statutory financial statements of JST ERP Technology (Thailand) Company Limited for the years ended 31 December 2022 and 2023 were audited by Goglobal Accounting (Thailand) Co., Ltd.

(viii) The statutory financial statements of Hong Kong Jushuitan Technology Co., Limited for the year ended 31 December 2023 was audited by ICS CPA Limited. The statutory financial statements of Hong Kong Jushuitan Technology Co., Limited for the years ended 31 December 2022 and 2024 were not audited.

(ix) The statutory financial statements of HK True Value Limited for the year ended 31 December 2023 was audited by ICS CPA Limited. The statutory financial statements of HK True Value Limited for the years ended 31 December 2022 and 2024 were not audited.

1.3 Basis of presentation

Immediately prior to and after the Reorganisation, the Listing Business was mainly conducted through the PRC Operating Entities. Pursuant to the Reorganisation, the Listing Business were ultimately under effective control of the Company through direct equity holding. The Company has not been involved in any other business prior to the Reorganisation and do not meet the definition of a business. The steps as described in Note 1.2 are merely a recapitalisation of the Listing Business with no change in shareholders and management of such business.

Accordingly, the Group resulting from the Reorganisation is regarded as a continuation of the Listing Business under the PRC Operating Entities and, for the purpose of this report, the Historical Financial Information of the Company now comprising the Group is presented using the carrying value of the Listing Business for all periods presented as if the Reorganisation has been completed before the Track Record Period.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER ACCOUNTING POLICIES

This note provides a list of material accounting policies adopted in the preparation of the Historical Financial Information. These policies have been consistently applied to all the years presented, unless otherwise stated. The Historical Financial Information is for the group consisting of the Company and the companies now comprising the Group.

2.1 Basis of preparation

The Historical Financial Information of the Company has been prepared in accordance with International Financial Reporting Standards as issued by International Accounting Standards Board "IASB" ("IFRS Accounting Standards").

The Historical Financial Information has been prepared on a historical cost conversion, as modified by revaluation of certain financial liabilities and assets measured at fair value.

The preparation of Historical Financial Information in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Historical Financial Information are disclosed in Note 4.

In preparing the Historical Financial Information, the Group has consistently adopted all applicable new and amended IFRS Accounting Standards throughout all the years presented except for any new or interpretation that are not yet effective.

Going concern

As at 31 December 2022, 2023, 2024 and 30 June 2025, the Group had total deficits in equity of approximately RMB1,513,067,000, RMB3,673,221,000, RMB3,649,496,000, and RMB3,683,143,000, and net current liability position of approximately RMB226,998,000, RMB3,270,289,000, RMB3,118,233,000 and RMB3,129,301,000 respectively. For the years ended 31 December 2022, 2023, 2024 and the six months ended 30 June 2025, the Group incurred net (loss)/profit of approximately RMB(507,079,000), RMB(490,023,000), RMB10,583,000 and RMB(39,544,000) respectively, and had operating cash inflow of approximately RMB78,711,000, RMB210,381,000, RMB279,170,000 and RMB159,929,000, respectively.

The deficits in equity as at 31 December 2022, 2023 and 2024 and 30 June 2025 are attributable primarily to the financial liabilities to investors of RMB1,200,717,000 and the convertible redeemable preferred shares of RMB3,127,901,000, RMB3,143,911,000 and RMB2,675,272,000 respectively, which derived from the issuance of the capital with preferred rights and preferred shares in the past and are classified as financial liabilities. The net current liability position as at 31 December 2022, 2023 and 2024 and 30 June 2025 are attributable primarily to (1) convertible redeemable preferred shares with amount of nil, RMB3,127,901,000, RMB3,143,911,000 and RMB2,675,272,000 (Note 26); and (2) current contract liability with the amount of RMB530,377,000, RMB624,958,000, RMB795,073,000 and RMB855,268,000 respectively, which represents the received considerations in advance of performance and is likely not required to be repaid in cash.

In preparation of the Historical Financial Information, the directors of the Company have given careful consideration of the following facts and circumstances which may have impact on the current and anticipated future liquidity of the Group:

- The Company will continue to improve its operating cashflow, mainly (1) to continue its selling efforts to expand the customer bases and continue to receive considerations in advance of performance from its customers; (2) to manage the people cost and improve cost efficiency;

- Pursuant to the updated shareholders agreement signed in May 2025, certain investors' rights to request the Company to settle the convertible redeemable preferred shares will be reinstated and become exercisable if the initial public offering, listing and trading of the Company's shares on a recognised stock exchange does not occur before 31 December 2025. The redemption price shall be paid within 12 months of the date of the redemption request. The directors of the Company therefore are of the view that it is unlikely that the Group will have significant cash outflows for the settlement of convertible redeemable preferred shares in the next 12 months from 30 June 2025;

- Pursuant to the side letters signed in May 2025, certain investors have already undertaken that they will not exercise above redemption rights prior to 31 December 2026.

Based on above consideration, management of the Group has prepared a cash flow projection covering a period of no less than 12 months from 30 June 2025. Based on the projection prepared by management, the directors of the Company believe that the Group will have sufficient cash resources to satisfy its operations in the next 12 months from 30 June 2025. Accordingly, the directors of the Company consider that it is appropriate to prepare the Historical Financial Information on a going concern basis.

2.1.1 New and amended standards adopted by the Group

The IASB has issued a number of new and revised IFRS during the Track Record Period. For the purpose of preparing the Group's Financial Information, the Group has adopted all applicable new and revised IFRSs throughout the Track Record Period except for any new standards or interpretation that are not yet effective for the reporting period ended 30 June 2025.

As a result of adoption of this amendment, all the Convertible redeemable preferred shares were classified as current liabilities and the comparative figures in Track Record Period were classified as current liabilities as well.

2.1.2 New standards, amendments to standards and interpretations not yet adopted

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for Track Record Period and have not been early adopted by the Group. These standards, amendments or interpretations are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

The Group plans to adopt these new standards, amendments to standards and annual improvements when they become effective:

Standards and amendments	**Effective for accounting periods beginning on or after**
IFRS 9 and IFRS 7 (Amendment) 'Amendments to the Classification and Measurement of Financial Instruments'	1 January 2026
IFRS 9 and IFRS 7 (Amendment) 'Contracts Referencing Nature-dependent Electricity'	1 January 2026
Annual improvement to IFRS 10, IFRS 9, IFRS 1, IAS 7, IFRS 7	1 January 2026
IFRS 18 'Presentation and Disclosure in Financial Statements'	1 January 2027
IFRS 19 'Subsidiaries without Public Accountability: Disclosures'	1 January 2027
IFRS 10 (Amendment) and IAS 28 (Amendment) 'Sale or contribution of Assets between an Investor and its Associate or Joint Venture'	To be determined

The directors have performed assessment on the new standards and amendments, and has concluded on a preliminary basis that these new standards and amendments would not have a significant impact on the Group's consolidated financial statements when they become effective, except for IFRS 18 which will mainly impact the presentation of profit and loss statements.

IFRS 18 sets out requirements on presentation and disclosures in financial statements and will replace IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management – defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. Minor amendments to IAS 7 "Statement of Cash Flows" and IAS 33 "Earnings per Share" are also made.

IFRS 18, and the consequential amendments to other IFRS Accounting Standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted.

The application of IFRS 18 is not expected to have material impact on the financial position of the Group but is expected to affect the presentation of the consolidated statement of profit or loss and other comprehensive income and consolidated statement of cash flows and disclosures in the future financial statements. The Group will continue to assess the impact of IFRS 18 on the consolidated financial statements of the Group.

2.2 Principles of consolidation and equity accounting

2.2.1 Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Except for the Reorganisation, the acquisition method of accounting is used to account for business combinations by the Group (refer to Note 2.3).

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised loss are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statements of comprehensive income, balance sheets and statements of changes in equity respectively.

2.2.2 Associates

Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (2.2.3) below), after initially being recognised at cost.

The Group's investments in associate in the form of redeemable instruments are measured at fair value through profit or loss ("FVPL").

2.2.3 Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or loss of the investee in profit or loss, and the group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

Where the group's share of loss in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further loss, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates are eliminated to the extent of the group's interest in these entities. Unrealised loss are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in note 2.7.

2.3 Business combinations

The acquisition method of accounting is used to account for all business combinations, except for business combination under common control. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the group
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred,
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or loss arising from such remeasurement are recognised in profit or loss.

2.4 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2.5 Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives or, in case of leasehold improvements, the shorter lease term, as follows:

	Years
– Office and electronic equipment	3 to 5 years
– Vehicles	3 to 5 years
– Leasehold improvements	the shorter of the lease term or the useful life

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.7).

Gain and loss on disposals are determined by comparing the proceeds with the carrying amount and are recognised within "Other gains – net" in the consolidated statements of comprehensive income.

2.6 Intangible assets

(a) Goodwill

Goodwill is measured as described in Note 17. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment loss. Gains and loss on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units ("CGUs") for the purpose of impairment testing. The allocation is made to those CGU or groups of CGU that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments.

(b) Customer relationship

Customer relationships acquired in business combination are recognised initially at fair value at the acquisition date and subsequently carried at the amount initially recognised less accumulated amortisation and impairment loss, if any. Amortisation is calculated using the straight-line method to allocate the costs of acquired intangible assets over the estimated useful lives.

(c) Software and others

Software and others mainly include acquired computer software capitalised on the basis of the costs incurred to acquire and bring the specific software into usage. These costs are amortised using the straight-line method over their estimated useful lives. Costs associated with maintaining computer software programs are recognised as expense as incurred.

(d) Research and development

The Group incurs significant costs and efforts on research and development activities. Research expenditures are charged to the profit or loss as an expense in the period the expenditures are incurred. Development costs are recognised as assets if they can be directly attributable to a newly developed products and all the following can be demonstrated:

- it is technically feasible to complete the development project so that it will be available for use;
- management intends to complete the development project, and use or sell it;
- the ability to use or sell the development project;
- it can be demonstrated how the development project will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and the ability to use or sell the development project are available; and
- the expenditure attributable to the asset during its development can be reliably measured.

Other development expenditures that do not meet those above criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

During the years ended 31 December 2022, 2023 and 2024 and the six months ended 30 June 2024 and 2025, there were no development costs meeting these criteria and capitalised as intangible assets.

(e) Amortisation methods and periods

The Group amortises intangible assets with a limited useful life using the straight-line method over the following periods:

– Customer relationships	5 years
– Software and others	1-3 years

2.7 Impairment of non-financial assets

Goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

There were indicators of impairment for non-financial assets in sight of the loss making position (before tax) of the Group as of 31 December 2022, 2023, 2024 and 30 June 2025. The Group operates in one business as a whole, providing SaaS services for e-commerce businesses through cloud-based software. The Group has two cash generating units ("CGU") for impairment testing purpose, Zhuhai Furun and Shanghai Jushuitan. As of 31 December 2022, 2023, 2024 and 30 June 2025, other than goodwill from Zhuhai Furun CGU, which was fully impaired in 2022, non-financial assets of the Group mainly include leased buildings, equipment and software held for its R&D activities and daily operations, which are from Shanghai Jushuitan CGU. The recoverable amount of the Shanghai Jushuitan CGU at the end of the reporting period had been determined based on value in use calculations, using cash flow projections based on management's financial forecasts. Key assumptions applied in preparing the cash flow projections included revenue growth rate and pre-tax discount rate. Based on the result of the assessment, the recoverable amount exceeded the carrying amount of the Shanghai Jushuitan CGU with sufficient headroom. Hence, no impairment of other non-financial assets was recognised during the years ended 31 December 2022, 2023, 2024 and the six months ended 30 June 2024 and 2025.

2.8 Investments and other financial assets

(a) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income ("OCI"), or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For financial assets measured at fair value, gains and loss will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income ("FVOCI").

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

(b) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

(c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in "Other gains – net", together with foreign exchange gains and loss. Impairment loss are presented as separate line item in the statements of comprehensive income.

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or loss, interest income and foreign exchange gains and loss which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in "Other gains – net". Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and loss are presented in "Other gains – net" and impairment expenses are presented as separate line item in the statements of comprehensive income.

- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt instrument that is subsequently measured at FVPL is recognised in profit or loss and presented net within "Other gains – net" in the period in which it arises.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and loss on equity investments in OCI, there is no subsequent reclassification of fair value gains and loss to profit or loss following the derecognition of the investments. Dividends from such investments continue to be recognised in "Other income" when the Group's right to receive payments is established.

Changes in the fair value of financial assets measured at FVPL are recognised in "Other gains – net" as applicable. Impairment loss (and reversal of impairment loss) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(d) Impairment

The Group assesses on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Expected credit loss are a probability-weighted estimate of credit loss (i.e. the present value of all cash shortfalls) over the expected life of the financial assets.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime loss to be recognised from initial recognition of the receivables. The provision matrix is determined based on historical observed default rates over the expected life of the trade receivables with similar credit risk characteristics and is adjusted for forward-looking estimates. At every reporting date the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Impairment on other receivables from third parties and related parties are measured as either 12-month expected credit loss or lifetime expected credit loss, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of a receivable has occurred since initial recognition, then impairment is measured as lifetime expected credit loss.

2.9 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the consolidated balance sheet where the Group currently has a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

2.10 Trade and other receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade and other receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. See Note 21 for further information about the Group's accounting for trade receivables and other receivables and see Note 2.8 and Note 3.1 for a description of the Group's impairment policies.

2.11 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.12 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

2.13 Trade and other payables

These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

2.14 Convertible redeemable preferred shares

Preferred shares issued by the Company ("Preferred Shares") are redeemable upon occurrence of certain future events. These instruments are also attached with a conversion option.

The Group designated the Preferred Shares as financial liabilities at fair value through profit or loss. They are initially recognised at fair value. Any directly attributable transaction costs are recognised as finance costs in profit or loss. The component of fair value changes relating to the Company's own credit risk is recognised in OCI. Amounts recorded in OCI related to credit risk are not subject to recycling in profit or loss, but are transferred to retained earnings when realised. Other fair value changes relating to market risk are recognised in profit or loss.

The Preferred Shares were classified as current liabilities as the Preferred Shares may be converted at any time at the option of the Preferred Shareholders and the conversion feature does not meet the criteria for equity instrument under IAS 32.

2.15 Financial liabilities to investors

A contract that contains an obligation to purchase its own equity instruments for cash or another financial asset gives rise to a financial liability for the present value of the redemption amount. Even if the obligations to purchase are conditional on the counterparty exercising a right to redeem, the financial instruments with preferred rights are recognised as financial liability initially at the present value of the redemption amount and subsequently measured at amortised cost with interest charged in finance costs.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, canceled or have expired. The carrying amount of the financial instruments derecognised was credited into the equity.

2.16 Contract liabilities

Contract liabilities are recognised if the Group receives consideration (or if it has the unconditional right to receive consideration) in advance of performance. Contract liabilities are expected to be settled within 12 months after the end of the period are presented as current liabilities in the balance sheet, otherwise are presented as other non-current liabilities.

2.17 Current and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax loss.

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

(b) Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and loss.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.18 Employee benefits

(a) Short-term obligations

Liabilities for wages and salaries are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the consolidated balance sheets.

(b) Pension obligations

Employees in the PRC are covered by various government-sponsored defined-contribution pension plans under which the employees are entitled to a monthly pension based on certain formulas. The relevant government agencies are responsible for the pension liability to these retired employees. The Group contributes on a monthly basis to these pensions. Under these plans, the Group has no further payment obligation for post-retirement benefits beyond the contribution made. Contributions to these plans are expensed as incurred and contributions paid to the defined contribution pension plans for an employee are not available to reduce the Group's future obligations to such defined contribution pension plans even if the staff leaves.

The Group also participates in a pension scheme under the rules and regulations of Mandatory Provident Fund Scheme (the "MPF Scheme") for all its qualifying employees in Hong Kong. Under the MPF Scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HKD30,000. Contributions to the MPF Scheme vest immediately.

There were no forfeited contributions (by employers on behalf of employees who leave the defined contribution retirement benefit plans prior to vesting fully in such contributions) to offset existing contributions under the defined contribution schemes.

(c) Housing funds, medical insurances and other social insurances

Employees of the Group in the PRC are entitled to participate in various government-supervised housing funds, medical insurances and other social insurance plan. The Group contributes on a monthly basis to these funds based on certain percentages of the salaries of the employees, subject to certain ceiling. The Group's liability in respect of these funds is limited to the contributions payable in each year. Contributions to the housing funds, medical insurances and other social insurances are expensed as incurred.

(d) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

2.19 Share-based payments

The Group operates an equity-settled share-based compensation plan, under which the Group receives service from its employees in exchange for the equity instruments of the Group. The fair value of equity-settled share-based payments for the services received from employees was measured at the grant date of the equity instruments. It was recognised as share-based payments in the profit or loss and as share-based payment reserve respectively. The total amount to be expensed is determined by reference to the fair value of the options granted as at grant date, including any market performance conditions, excluding the impacts of any service and non-market performance vesting conditions as well as including any non-vesting conditions, when applicable. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest based on the non-marketing performance and service conditions. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

In addition, in some circumstances employees may provide services in advance of the grant date and therefore the grant date fair value is estimated for the purposes of recognising the expense during the period between service commencement period and grant date.

Where there is any modification of terms and conditions which increases the fair value of the equity instruments granted, the Group includes the incremental fair value granted in the measurement of the amount recognised for the services received over the remainder of the vesting period. The incremental fair value is the difference between the fair value of the modified equity instrument and that of the original equity instrument, both estimated as at the date of the modification. An expense based on the incremental fair value is recognised over the period from the modification date to the date when the modified equity instruments vest in addition to any amount in respect of the original instrument, which should continue to be recognised over the remainder of the original vesting period. Furthermore, if the entity modifies the terms or conditions of the equity instruments granted in a manner that reduces the total fair value of the share-based payment arrangement, or is not otherwise beneficial to the employee, the entity shall nevertheless continue to account for the services received as consideration for the equity instruments granted as if that modification had not occurred (other than a cancellation of some or all the equity instruments granted).

The share incentive scheme is administrated by Jiaxing Partnership, which is consolidated in accordance with the principles in note 2.2.1. When the shares are granted but not vested, they are recognised as other reserves of the Group.

2.20 Revenue recognition

Revenue are recognised when or as the control of the goods or services is provided to the customer. Depending on the terms of the contract and the laws that apply to the contract, services and goods may be transferred over time or at a point in time.

(i) Revenue from provision of SaaS services

The Group provides SaaS services for e-commerce businesses mainly in the PRC. Revenue from providing services is recognised in the accounting period in which the services are rendered.

The Group offers SaaS products which are cloud-based software, and provides implementation services, which assist customers with initial setup of the SaaS products and do not transfer distinct goods or services to customers. Therefore, there is one performance obligation identified, which is provision of SaaS products. The Group sells SaaS products to customers, i.e. the SaaS products users, through its direct sales force or through its sales agents. The Group is responsible for delivering the cloud-based software, paying server fees to external cloud server vendors to ensure the cloud-based software is accessible and stable, and the Group has discretion in establishing the prices for SaaS products. The sales agents have the contractual obligation to follow the Group's pricing guidance and has no significant performance obligation towards the customer. Therefore, the Group is the principal and recognises revenue at the gross amount billed to the customers.

SaaS revenues primarily consist of fees that provide customers access to one or more of the cloud applications for e-commerce with routine customer support. The Group either charge customers (i) on an annual subscription package that offers unlimited or maximum volume, or (ii) based on the volume of orders processed on the products.

Under unlimited or maximum volume subscription model, customers are provided with access to one or more of the Group's SaaS products over the contract term. Revenue is generally recognised ratably over the contract term.

Under limited volume model, customers first purchase certain number of volume from the Group, and consumed the volume upon usage. Related revenue is recognised upon the consumption.

The Group capitalises sales commissions paid to its direct sales force and sales agents that had a direct and incremental relationship to obtain a contract as contract acquisition cost. Contract acquisition costs are charged into selling and distribution expenses on a ratable basis which is in line with the revenue recognition.

The costs incurred in fulfilling the contract is capitalised as an asset if the costs relate directly to a contract or anticipated contract, generate or enhance resources that will be used in satisfying the performance obligations in the future and are expected to be recovered. Costs would be recognised as expenses if they are general and administrative costs, wasted material, labour or other resources that were not reflected in pricing, related to satisfied performance obligations, or cannot be distinguished between satisfied and unsatisfied performance obligations.

The Group periodically evaluates whether there have been any changes in its business, the market conditions in which it operates or other events which would indicate that its amortisation period of contract acquisition cost should be changed or if there are impairment indicators.

(ii) Revenue from sales of products

The Group also sells a range of e-Commerce supportive equipment. Revenue from the sale of goods is recognised when control of the products has transferred, being when the products are accepted by the customer.

(iii) Revenue from promotion services

The Group provides promotion services through its direct sales force for products of other companies and charges commission. The revenue is recognised when the sales contracts are signed between these companies and their customers and the customers complete the payments.

(iv) Other services

The Group also provides other services and recognises revenue when the services are rendered.

2.21 Leases

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable,
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date,
- amounts expected to be payable by the Group under residual value guarantees,
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the Right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received,

- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third-party financing, and

- makes adjustments specific to the lease, e.g. term, country, currency and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the Group entities use that rate as a starting point to determine the incremental borrowing rate.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability,

- any lease payments made at or before the commencement date less any lease incentives received,

- any initial direct costs, and

- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option. Low-value assets comprise IT equipment and small items of office furniture.

2.22 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants relating to costs are deferred and recognised in the consolidated statement of comprehensive income over the period necessary to match them with the costs that they are intended to compensate.

2.23 Interest income

Interest income from financial assets at FVPL is included in the net fair value gains on these assets.

Interest income on financial assets at amortised cost calculated using the effective interest method is recognised in the consolidated statements of comprehensive income as "other income". Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purpose, see Note 11 below.

2.24 Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares, and

- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and

- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

2.25 Other accounting policies

2.25.1 Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.

When the group ceases to consolidate or equity account for an investment because of a loss of control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRS Accounting Standards.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

2.25.2 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision-maker ("CODM"), who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors who makes strategic decisions.

2.25.3 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Renminbi ("RMB"), which is the Company's functional and the Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and loss resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised within "Other gains – net" in the consolidated statements of comprehensive income.

(c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each consolidated income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- all resulting currency translation differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

2.25.4 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

2.25.5 Provisions

Provisions for legal claims, service warranties and make good obligations are recognised when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating loss.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expenses.

2.25.6 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's and the Company's financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk and cash flow and fair value interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Market risk

(i) Foreign exchange risk

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the functional currency of the relevant group entity. Foreign exchange risk is the risk of loss resulting from changes in fluctuation of foreign currency exchange rates.

For the years ended 31 December 2022, 2023 and 2024 and the six months ended 30 June 2024 and 2025, the foreign currency assets of the Group entities are mainly PRC entities' cash and cash equivalents denominated in USD and THB. The foreign exchange risk the Group is facing mainly comes from movements in the USD/RMB and THB/RMB.

For the Group's subsidiaries whose functional currency is RMB, if USD had strengthened/weakened by 5% against RMB with all other variables held constant, loss before income tax for the year would have been approximately RMB849,000, RMB344,000, RMB853,000, RMB336,000 and RMB1,984,000, lower/higher for the years ended 31 December 2022, 2023 and 2024 and the six months ended 30 June 2024 and 2025 respectively, as a result of net foreign exchange gains/loss on translation of net monetary assets denominated in USD. If THB had strengthened/weakened by 5% against RMB with all other variables held constant, loss before income tax for the year would have been approximately RMB20,000, RMB84,000, RMB540,000, RMB170,000 and RMB873,000 lower/higher for the years ended 31 December 2022, 2023 and 2024 and the six months ended 30 June 2024 and 2025 respectively, as a result of net foreign exchange gains/loss on translation of net monetary assets denominated in THB.

(ii) Price risk

The Group is exposed to price risk in respect of financial assets at fair value through profit or loss held by the Group which are carried at fair value with changes in the fair value recognised in profit or loss.

To manage its price risk arising from investments, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group. Each investment is managed by senior management on a case by case basis. The impact of variable price of the Group's investments please refer to Note 20.

(iii) Cash flow and fair value interest rate risk

The Group's income and operating cash flows were substantially independent of changes in market interest rates and the Group has no significant interest-bearing assets except for cash and cash equivalents, restricted cash and wealth management products, details of which have been disclosed in Note 22.

The Group's exposure to changes in interest rates is also attributable to the financial liabilities to investors, details of which have been disclosed in Note 25. The financial liabilities to investors were carried at fixed rates, which expose the Group to fair value interest-rate risk.

(b) Credit risk

The Group is exposed to credit risk in relation to its trade and other receivables, cash and cash equivalents, restricted cash, wealth management products and time deposits. The carrying amounts of trade and other receivables, cash and cash equivalents, restricted cash, wealth management products and time deposits represent the Group's maximum exposure to credit risk in relation to financial assets.

(i) Cash and cash equivalents, restricted cash, wealth management products and time deposits

To manage risk arising from cash and cash equivalents, restricted cash, wealth management products and time deposits, the Group only transacts with stated-owned financial institutions in the PRC or reputable banks and financial institutions having high-credit-quality in the PRC. There has been no recent history of default in relation to these financial institutions.

(ii) Trade and other receivables

For sale of SaaS products and other products, the Group requires prepayments from customers. For provision of promotion services, the Group's main customers are related parties. The Group has assessed the credit quality of the customers, taking into account its financial position, past experience and other factors. The credit term is 1 month. The Group has monitoring procedures to ensure that follow-up action is taken to recover overdue debts.

In addition, the Group makes periodic collective assessments as well as individual assessment on the recoverability based on historical settlement records and past experience. The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition.

Trade receivables

The Group applies the IFRS 9 simplified approach to measure expected credit loss which uses a lifetime expected loss allowance for trade receivables and contract assets without doubtful credit risk.

To measure the expected credit loss, trade receivables have been grouped based on shared credit risk characteristics and ageing period. The expected credit loss also incorporate forward-looking information.

The expected loss rates are based on payment pattern of debtors with similar risk profiles and the corresponding historical credit loss experienced within this period and aged-based migration rates of past due trade receivables. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the gross domestic product index ("GDP"), Consumer price index ("CPI") and Producer price index ("PPI") of the country in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

As at 31 December 2023 and 2024 and 30 June 2025, the Group's trade receivables of RMB1,857,000 and RMB2,735,000 and RMB3,282,000 was individually determined to be impaired. Among the total loss allowance of RMB817,000 and RMB920,000 and RMB1,143,000, as at 31 December 2023 and 2024 and 30 June 2025, the loss allowance of individually impaired trade receivables amounted to RMB371,000 and RMB547,000 and RMB656,000 which is due from a related party that was in collection difficulties and management assessed that this customer is unlikely to pay its credit obligations to the Group in full. There were no individually assessed trade receivables for impairment as at 31 December 2022.

On that basis, the Group's exposure to credit risk, ECLs for trade receivables, excluding those under individual assessment as at 31 December 2022, 2023 and 2024 and 30 June 2025 was determined as follows:

	Up to 1 year	Over 1 year	Total
31 December 2022			
Average expected credit loss rate	1.53%	100.00%	4.93%
Gross carrying amount (RMB'000)	2,739	98	2,837
Loss allowance (RMB'000)	(42)	(98)	(140)
31 December 2023			
Average expected credit loss rate	10.70%	100.00%	13.47%
Gross carrying amount (RMB'000)	3,207	103	3,310
Loss allowance (RMB'000)	(343)	(103)	(446)
31 December 2024			
Average expected credit loss rate	7.53%	100.00%	11.32%
Gross carrying amount (RMB'000)	3,160	135	3,295
Loss allowance (RMB'000)	(238)	(135)	(373)
30 June 2025			
Average expected credit loss rate	13.90%	100.00%	13.90%
Gross carrying amount (RMB'000)	3,504	–	3,504
Loss allowance (RMB'000)	(487)	–	(487)

The loss allowances for trade receivables as at 31 December and 30 June reconcile to the opening loss allowances as follows:

	Year ended 31 December			Six months ended 30 June	
	2022	**2023**	**2024**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
At the beginning of the year/period	(288)	(140)	(817)	(817)	(920)
Reversal/(provision) for doubtful receivables	148	(845)	(103)	(13)	(356)
Written off as uncollectible	–	168	–	–	133
At the end of the year/period	(140)	(817)	(920)	(830)	(1,143)

Other receivables

Other receivable mainly includes authorised fee due from e-Commerce platform, rental deposits and others. The Group has assessed all other receivables are in the stage 1 base on the historical settlements records and quantitative and qualitative information that is reasonable and supportive.

The loss allowance as at 31 December 2022, 2023 and 2024 and 30 June 2025 was determined as follows for other receivables:

	Up to 1 year	1 to 2 years	Over 2 years	Total
31 December 2022				
Average expected credit loss rate	0.86%	2.31%	2.30%	1.06%
Gross carrying amount (RMB'000)	87,038	6,724	7,159	100,921
Loss allowance (RMB'000)	(751)	(155)	(165)	(1,071)
31 December 2023				
Average expected credit loss rate	0.20%	1.52%	2.18%	0.38%
Gross carrying amount (RMB'000)	85,075	2,891	6,966	94,932
Loss allowance (RMB'000)	(167)	(44)	(152)	(363)
31 December 2024				
Average expected credit loss rate	0.13%	2.56%	1.41%	0.22%
Gross carrying amount (RMB'000)	174,412	1,602	9,733	185,747
Loss allowance (RMB'000)	(232)	(41)	(137)	(410)
30 June 2025				
Average expected credit loss rate	0.20%	2.28%	1.56%	0.27%
Gross carrying amount (RMB'000)	221,384	744	10,774	232,902
Loss allowance (RMB'000)	(450)	(17)	(168)	(635)

The loss allowances for other receivables as at 31 December and 30 June reconcile to the opening loss allowances as follows:

	Year ended 31 December			**Six months ended 30 June**	
	2022	**2023**	**2024**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
At the beginning of the year/period	(898)	(1,071)	(363)	(363)	(410)
(Provision)/reversal for doubtful receivables	(173)	708	(47)	3	(225)
At the end of the year/period	(1,071)	(363)	(410)	(360)	(635)

No significant changes to estimation techniques or assumptions were made during the years ended 31 December 2022, 2023, 2024 and the six months ended 30 June 2024 and 2025.

(iii) Provision for impairment loss on financial assets

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
(Provision)/reversal for doubtful receivables					
– Trade receivables	148	(845)	(103)	(13)	(356)
– Other receivables	(173)	708	(47)	3	(225)
	(25)	(137)	(150)	(10)	(581)

(c) Liquidity risk

The Group's management regularly monitors current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and long term.

The table below analyses the Group's financial liabilities that will be settled on a net basis into relevant maturity grouping based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Contractual maturities of financial Liabilities	**Less than 1 year**	**Between 1 and 2 years**	**Between 2 and 5 years**	**Over 5 years**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at 31 December 2022					
Trade and other payables (excluding staff salaries and welfare payables and accrual taxes other than income tax)	235,574	–	–	–	235,574
Lease liabilities	8,349	2,016	1,879	–	12,244
Financial liabilities to investors	–	–	1,493,225	–	1,493,225
	243,923	2,016	1,495,104	–	1,741,043

Contractual maturities of financial Liabilities	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at 31 December 2023					
Trade and other payables (excluding staff salaries and welfare payables and accrual taxes other than income tax)	395,925	–	–	–	395,925
Lease liabilities	12,892	11,224	6,922	–	31,038
Convertible redeemable preferred shares *(i)*	–	1,581,101	–	–	1,581,101
	408,817	1,592,325	6,922	–	2,008,064
As at 31 December 2024					
Trade and other payables (excluding staff salaries and welfare payables and accrual taxes other than income tax)	498,702	–	–	–	498,702
Lease liabilities	9,815	6,937	99	–	16,851
Convertible redeemable preferred shares *(i)*	1,581,101	–	–	–	1,581,101
	2,089,618	6,937	99	–	2,096,654
As at 30 June 2025					
Trade and other payables (excluding staff salaries and welfare payables and accrual taxes other than income tax)	558,510	–	–	–	558,510
Lease liabilities	11,290	1,944	–	–	13,234
Convertible redeemable preferred shares *(i)*	–	756,744	315,697	–	1,072,441
	569,800	758,688	315,697	–	1,644,185

(i) The contractual undiscounted cash flows of the Convertible redeemable preferred shares represents the maximum exposure of the redemption of Preferred Shares if a redemption event occurs as described in Note 26. Although the contractual maturity date for cash settlement is over one year, the convertible redeemable preferred shares were classified as current liabilities as they may be converted at any time at the option of the Preferred Shareholders and the conversion feature does not meet the criteria for equity instrument under IAS 32.

3.2 Capital management

The Group's objectives when managing capital are to:

- safeguard the Group's ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The Group monitors capital by regularly reviewing the capital structure. As a part of this review, the directors of the Company consider the cost of capital and the risks associated with the issued share capital. The Group may adjust the amount of dividends paid to owners, return capital to owners, issue new shares or repurchase the Company's shares. In the opinion of the directors of the Company, the Group's capital risk is low.

3.3 Fair value estimation

(a) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

As at 31 December 2022	*Note*	Level 1	Level 2	Level 3	Total
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets					
Financial assets at FVPL					
– Investment in wealth management products	*20*	–	–	6,500	6,500
– Unlisted equity investment	*20*	–	–	213,047	213,047
Financial assets at FVOCI					
– Time deposits	*20*	–	–	170,000	170,000
Total financial assets		–	–	389,547	389,547

As at 31 December 2023	*Note*	Level 1	Level 2	Level 3	Total
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets					
Financial assets at FVPL					
– Unlisted equity investment	*20*	–	–	131,773	131,773
Total financial assets		–	–	131,773	131,773
Financial liabilities					
Convertible redeemable preferred shares	*26*	–	–	3,127,901	3,127,901
Total financial liabilities		–	–	3,127,901	3,127,901

As at 31 December 2024	*Note*	Level 1	Level 2	Level 3	Total
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets					
Financial assets at FVPL					
– Unlisted equity investment	*20*	–	–	121,042	121,042
Total financial assets		–	–	121,042	121,042
Financial liabilities					
Convertible redeemable preferred shares	*26*	–	–	3,143,911	3,143,911
Total financial liabilities		–	–	3,143,911	3,143,911

As at 30 June 2025	*Note*	Level 1	Level 2	Level 3	Total
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets					
Financial assets at FVPL					
– Unlisted equity investment	*20*	–	–	123,027	123,027
Financial assets at FVOCI					
– Time deposits	*20*	–	–	101,002	101,002
Total financial assets		–	–	224,029	224,029
Financial liabilities					
Convertible redeemable preferred shares	*26*	–	–	2,675,272	2,675,272
Total financial liabilities		–	–	2,675,272	2,675,272

- Level 1: The fair value of financial instruments traded in active markets is based on quoted market prices at each of the reporting dates. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

- Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(b) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items including investments in wealth management product, unlisted companies and time deposit for the years ended 31 December 2022, 2023 and 2024 and the six months ended 30 June 2024 and 2025. Details of the movements and significant unobservable inputs used in convertible redeemable preferred shares are set out in Note 26.

	Investment in wealth management products	Unlisted equity investment	Time deposits
	RMB'000	*RMB'000*	*RMB'000*
Opening balance at 1 January 2022	46,321	172,590	30,000
Additions	1,297,500	51,781	170,000
Settlements	(1,326,161)	–	(34,044)
(Losses)/gains recognised in profit or loss	(11,160)	(11,324)	4,044
Closing balance at 31 December 2022	6,500	213,047	170,000
Opening balance at 1 January 2023	6,500	213,047	170,000
Additions	84,300	–	20,000
Settlements *(i)*	(91,036)	(83,032)	(193,375)
Gains recognised in profit or loss	236	1,758	3,375
Closing balance at 31 December 2023	–	131,773	–
Opening balance at 1 January 2024	–	131,773	–
Additions	4,250,030	–	–
Settlements	(4,258,669)	–	–
Gains/(losses) recognised in profit or loss	8,639	(10,731)	–
Closing balance at 31 December 2024	–	121,042	–
Opening balance at 1 January 2025	–	121,042	–
Additions	2,756,630	–	100,000
Settlements	(2,759,314)	–	–
Gains recognised in profit or loss	2,684	1,985	1,002
Closing balance at 30 June 2025	–	123,027	101,002
Opening balance at 1 January 2024	–	131,773	–
Additions	840,000	–	–
Settlements	(841,471)	–	–
Gains/(losses) recognised in profit or loss	1,471	(8,124)	–
Closing balance at 30 June 2024 (Unaudited)	–	123,649	–

(i) The Group disposed an unlisted equity investment in 2023.

(c) Valuation techniques and significant inputs used to determine fair values and valuation process

The Group has a team that manages the valuation exercise of level 3 instruments for financial reporting purposes. The team manages the valuation exercise of the financial instruments on a case-by-case basis. At least once every year, the team would use valuation techniques to determine the fair value of the Group's level 3 instruments. External valuation experts will be involved when necessary.

The valuation of the level 3 instruments mainly included investment in wealth management products, unlisted equity investment and time deposits. As these instruments are not traded in an active market, their fair values have been determined by using various applicable valuation techniques, including discounted cash flow model and market approach etc. The Group engaged an independent valuer to assist them on valuation of non-current unlisted equity investments.

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements:

Description	Fair value				Significant unobservable inputs	Range of inputs				Relationship of unobservable inputs to fair value
	As at 31 December			As at 30 June		As at 31 December			As at 30 June	
	2022	2023	2024	2025		2022	2023	2024	2025	
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*						
Investment in wealth management products	6,500	–	–	–	Expected rate of return	3.0%	N/A	N/A	N/A	The higher the expected rate of return, the higher the fair value
Unlisted equity investment	213,047	131,773	121,042	123,027	Expected volatility	41.1%~53%	38.3%~50.3%	35.3%~50.5%	38.7%~50.3%	The higher the expected volatility, the lower the fair value
					Business enterprise value/sales multiple ("EV/S")	0.5~17.1	0.8~21.3	0.9~15.5	0.76~17.5	The higher the multiple, the higher the fair value
					Discount for lack of marketability ("DloM")	21%~30%	20%~30%	13%~29%	13%~29%	The higher the lack of liquidity discount rate, the lower the fair value
Time deposits	170,000	–	–	101,002	Expected rate of return	3.30%~3.74%	N/A	N/A	2.2%	The higher the expected rate of return, the higher the fair value

Key assumptions used in the valuation of the fair value of financial assets include expected volatility, EV/S and DloM. The Company performed sensitivity analysis on expected volatility, EV/S and DloM, the most sensitive assumptions, for the years ended 31 December 2022, 2023 and 2024 and the six months ended 30 June 2024 and 2025. If the expected volatility had decreased or increased by 10% with all other variables held constant, the fair value of financial assets would have been increased or decreased by approximately RMB1,207,000, RMB2,725,000, RMB469,000 and RMB33,000 as at 31 December 2022, 2023 and 2024 and 30 June 2025, respectively. If the EV/S had decreased or increased by 10% with all other variables held constant, the fair value of financial assets would have been decreased or increased by approximately RMB12,122,000, RMB17,916,000, RMB10,382,000 and RMB10,986,000 as at 31 December 2022, 2023 and 2024 and 30 June 2025. If the DloM had decreased or increased by 10% with all other variables held constant, the fair value of financial assets would have been increased or decreased by approximately RMB3,908,000, RMB4,987,000, RMB3,229,000 and RMB3,660,000 as at 31 December 2022, 2023 and 2024 and 30 June 2025.

Key assumption used in the valuation of the fair value of investment in wealth management products and time deposits is expected rate of return. The Company performed sensitivity analysis on expected rate of return for the year ended 31 December 2022 and the six months ended 30 June 2025. If the expected rate of return had decreased or increased by 10% with all other variables held constant, the fair value of investment in wealth management products and time deposits would have been increased or decreased by approximately RMB1,102,000 at 31 December 2022 and RMB660,000 at 30 June 2025.

(d) Financial instruments carried at other than fair value

The carrying amounts of the Group's financial assets including cash and cash equivalents, restricted cash, trade receivables and other receivables and the Group's financial liabilities, including trade payables, other payables and accruals approximate to their fair values due to their short maturities.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(a) Estimation of the fair value of certain financial assets

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. Changes in these assumptions and estimates could materially affect the respective fair value of these financial assets.

(b) Share-based payments

As mentioned in Note 29, the Group has granted share options to its employees. The Group has engaged an independent valuer to determine the total fair value of the options granted to employees, which is to be expensed over the vesting period. Significant estimate on assumptions, such as the discount rate, risk-free interests rate, expected volatility, estimation of vesting period and dividend yield, is required to be made by the directors in applying the option pricing model.

(c) Current and deferred income taxes

The Group is subject to corporate income taxes in the PRC. Judgement is required in determining the amount of the provision for taxation and the timing of payment of the related taxations. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred tax assets relating to certain temporary differences and tax loss are recognised when management considers to be probable that future taxable profit will be available against which the temporary differences or tax loss can be utilised. The outcome of their actual utilisation may be different.

Critical management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits.

(d) Fair value of convertible redeemable preferred shares

The convertible redeemable preferred shares issued by the Company are not traded in an active market and the respective fair value is determined by using valuation techniques. The Group applied the discounted cash flow method to determine the underlying equity value method and equity allocation model to determine the fair value of the convertible redeemable preferred shares. Details of the valuation models, key assumptions and inputs are disclosed in Note 26.

5 SEGMENT INFORMATION

The Group's business activities, for which discrete financial information is available, are regularly reviewed and evaluated by the CODM. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors of the Company that make strategic decisions.

The Group's CODM reviews consolidated results when making strategic decisions about allocating resources and assessing performance of the Group as a whole and hence, the Group has only one reportable operating segment.

The major operating entities of the Group are domiciled in the PRC. Accordingly, almost all the Group's results were derived in the PRC and almost all the operating assets of the Group are located in the PRC during the years ended 31 December 2022, 2023 and 2024 and the six months ended 30 June 2025.

6 REVENUE

Revenue mainly comprises of proceeds from providing SaaS services and sales of supportive equipment. An analysis of the Group's revenue by category for the years ended 31 December 2022, 2023 and 2024 and the six months ended 30 June 2024 and 2025, is as follows:

6.1 Disaggregation of revenue from contracts with customers

	Year ended 31 December			Six months ended 30 June	
	2022	**2023**	**2024**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
SaaS	497,935	669,874	877,530	406,581	506,535
Sales of supportive equipment	17,697	17,813	18,002	9,582	7,931
Promotion service fees	6,998	8,746	13,596	4,173	8,387
Others	448	758	622	637	789
Total revenue	523,078	697,191	909,750	420,973	523,642

	Year ended 31 December			Six months ended 30 June	
	2022	**2023**	**2024**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Timing of revenue recognition					
– At a point in time	25,143	27,317	32,220	14,392	17,107
– Over time	497,935	669,874	877,530	406,581	506,535
Total revenue	523,078	697,191	909,750	420,973	523,642

6.2 Assets and liabilities related to contract with customers

The Group has recognised the following assets and liabilities related to contracts with customers:

	As at 31 December			As at 30 June
	2022	**2023**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Contract acquisition costs	312,965	374,289	398,013	410,486
Contract liabilities	1,286,136	1,604,485	1,954,966	2,107,574

(i) Contract acquisition costs

The Group has recognised an asset in relation to costs to obtain contracts. This is presented as contract acquisition costs in consolidated balance sheets.

Contract acquisition costs for initial contracts are amortised on a ratable basis which is in line with the revenue recognition. The management expects the capitalised costs to be completely recovered and no impairment loss should be recognised since no loss is expected to be incurred for the related customer contracts when all the costs that relate to the fulfillment of the contract are taken into account.

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Total contract acquisition costs	312,965	374,289	398,013	410,486
Less: amounts to be amortised within one year	(85,498)	(125,575)	(139,494)	(146,018)
Contract acquisition costs – non-current	227,467	248,714	258,519	264,468

The following table shows the changes of contract acquisition costs balances:

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
The beginning of contract acquisition costs	262,768	312,965	374,289	374,289	398,013
Asset recognised from costs incurred to obtain a contract	143,317	185,015	174,111	80,006	92,600
Amortisation recognised as sales commission to sales agents in selling and marketing expenses related to services or products during the year/period *(Note 7)*	(30,311)	(38,904)	(48,370)	(22,874)	(25,407)
Amortisation recognised as commission for sales personnel of employee benefit expenses in selling and marketing expenses related to services or products during the year/period *(Note 8)*	(62,809)	(84,787)	(102,017)	(48,413)	(54,720)
The ending balance of contract acquisition costs	312,965	374,289	398,013	383,008	410,486

(ii) Contract liabilities

Contract liabilities of the Group mainly arise from the advance payments made by customers while the underlying services are yet to be provided.

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Total contract liabilities	1,286,136	1,604,485	1,954,966	2,107,574
Less: amounts to be recognised in revenue within one year	(530,377)	(624,958)	(795,073)	(855,268)
Contract liabilities – non-current	755,759	979,527	1,159,893	1,252,306

(iii) Revenue recognised in relation to contract liabilities

	Year ended 31 December			Six months ended 30 June	
	2022	**2023**	**2024**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Beginning balance	1,085,285	1,286,136	1,604,485	1,604,485	1,954,966
Addition	698,786	988,223	1,228,011	565,058	659,143
Recognised in revenue *(Note 6.1)*	(497,935)	(669,874)	(877,530)	(406,581)	(506,535)
Ending balance	1,286,136	1,604,485	1,954,966	1,762,962	2,107,574

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities.

	Year ended 31 December			Six months ended 30 June	
	2022	**2023**	**2024**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Revenue recognised that was included in the balance of contract liabilities at the beginning of the year/period	350,527	474,648	613,660	349,431	476,807

(iv) Transaction price allocated to remaining performance obligations

	Year ended 31 December			Six months ended 30 June
	2022	**2023**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
To be recognised as revenue within 1 year	552,162	647,184	817,087	878,466
To be recognised as revenue over 1 year	1,429,475	1,744,632	2,047,446	2,120,003
Transaction price allocated to remaining performance obligations of long-term contracts	1,981,637	2,391,816	2,864,533	2,998,469

The following table shows performance obligations that were unsatisfied or partially unsatisfied.

	Year ended 31 December			Six months ended 30 June
	2022	**2023**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Unsatisfied	108,774	112,775	163,027	187,084
Partially unsatisfied	1,872,863	2,279,041	2,701,506	2,811,385
Transaction price allocated to remaining performance obligations of long-term contracts	1,981,637	2,391,816	2,864,533	2,998,469

7 EXPENSES BY NATURE

The detailed analysis of cost of sales, selling and marketing expenses, general and administrative expenses and research and development expenses is as follow:

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Employee benefit expenses *(Note 8)*	710,685	732,410	745,912	353,209	374,656
Cloud server fees	53,445	67,143	80,540	39,982	42,783
Sales commission to sales agents	30,311	38,904	48,370	22,874	25,407
Technical service fees	13,977	24,719	29,033	13,170	17,182
Listing expenses	–	25,273	9,151	1,461	5,779
Cost of goods sold	13,128	12,920	11,950	6,204	5,633
Depreciation of right-of-use assets *(Note 16)*	13,786	13,240	10,858	6,103	4,945
Utilities and office expenses	9,967	9,223	10,427	5,375	4,344
Taxes and surcharges	3,769	5,789	7,319	3,378	3,958
Travelling expenses	10,462	10,223	10,400	5,502	3,873
Marketing expenses	4,811	6,848	5,030	2,408	2,711
Depreciation and amortisation *(Note 15 and 17)*	8,222	7,304	5,448	2,782	2,534
Implementation materials	4,985	4,581	3,384	1,691	1,972
Expenses relating to short-term leases *(Note 16)*	2,766	2,436	3,723	1,681	1,933
Consulting fees	1,491	3,581	2,113	1,577	1,397
Auditors' remuneration	609	210	76	76	83
Impairment of goodwill	9,927	–	–	–	–
Others	3,940	7,123	3,373	1,861	1,770
	896,281	971,927	987,107	469,334	500,960

8 EMPLOYEE BENEFIT EXPENSES

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Wages and salaries	480,425	467,874	467,562	211,978	225,128
Commission for sales personnel	62,809	84,787	102,017	48,413	54,720
Social security costs, pension costs, housing benefits and other employee benefits	142,890	158,477	165,605	81,685	86,600
Share-based payments for employees	24,561	21,272	10,728	11,133	8,208
	710,685	732,410	745,912	353,209	374,656

(a) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group include 2, 1, 2, 2 and 3 directors for the years ended 31 December 2022, 2023, 2024 and the six months ended 30 June 2024 and 2025, respectively, and their emoluments are reflected in the analysis shown in Note 35. The emoluments payable to the remaining individuals for the years ended 31 December 2022, 2023, 2024 and the six months ended 30 June 2024 and 2025 are as follows:

	Year ended 31 December			Six months ended 30 June	
	2022	**2023**	**2024**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Wages and salaries	3,096	3,801	4,496	2,060	1,235
Bonuses	3,789	13,923	4,780	–	957
Pension costs-defined contribution plans	140	195	82	56	35
Other social security costs, housing benefits and other employee benefits	142	192	120	72	46
Share-based payments for employees	9,911	8,687	12,846	7,035	6,221
	17,078	26,798	22,324	9,223	8,494

The emoluments fell within the following bands:

	Year ended 31 December			Six months ended 30 June	
	2022	**2023**	**2024**	**2024**	**2025**
				(Unaudited)	
HK$1,000,001 to HK$1,500,000	–	–	–	–	1
HK$2,500,001 to HK$3,000,000	–	–	–	2	–
HK$3,000,001 to HK$3,500,000	–	–	1	–	–
HK$3,500,001 to HK$4,000,000	–	1	–	–	–
HK$5,000,001 to HK$5,500,000	–	–	1	–	–
HK$5,500,001 to HK$6,000,000	1	–	–	–	–
HK$6,000,001 to HK$6,500,000	2	1	–	–	–
HK$6,500,001 to HK$7,000,000	–	1	–	1	–
HK$7,500,001 to HK$8,000,000	–	–	–	–	1
HK$13,500,001 to HK$14,000,000	–	1	–	–	–
HK$15,000,001 to HK$15,500,000	–	–	1	–	–
	3	4	3	3	2

9 OTHER INCOME

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Government grants	13,765	24,560	14,101	2,402	2,028
Tax refund	516	611	602	616	650
Super deduction of input VAT	2,452	2,906	231	230	3
Interest income derived from loan to employees	216	258	162	110	110
Interest income derived from loan to related parties *(Note 33(b))*	442	383	–	–	–
Dividends from invested enterprises	620	970	–	–	–
Interest income derived from time deposits	4,044	3,208	–	–	1,002
	22,055	32,896	15,096	3,358	3,793

10 OTHER (LOSS)/GAINS – NET

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Fair value (loss)/gain of wealth management products *(Note 3.3(b))*	(11,160)	236	8,639	1,471	2,684
Gain on disposal of property, plant and equipment	241	660	1,019	1,009	17
Foreign exchange gain/(loss)	529	(35)	(693)	(51)	(6,814)
Gain on disposal of an associate *(Note 18(iii), (iv))*	–	–	3,345	3,345	3,778
Fair value (loss)/gain of unlisted equity investments *(Note 3.3(b))*	(11,324)	1,758	(10,731)	(8,124)	1,985
Deemed disposal gain of equity method investment *(i)* *(Note 18(i))*	3,613	–	–	–	–
Gain on disposal of time deposits	–	167	–	–	–
Other loss	(421)	(221)	(1,261)	(598)	(456)
	(18,522)	2,565	318	(2,948)	1,194

(i) Deemed disposal gain of equity method investment is the gain from passive dilution of shares of the investee due to subsequent financing by other investors.

11 FINANCE (COSTS)/INCOME – NET

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Finance income:					
– Interest income derived from bank deposits	1,485	6,726	6,495	5,437	4,891
Finance costs:					
– Interest expense on financial liabilities to investors	(103,146)	(12,362)	–	–	–
– Interest expense of bank borrowings	–	(257)	–	–	–
– Interest expense on lease liabilities	(571)	(1,031)	(1,079)	(631)	(355)
	(103,717)	(13,650)	(1,079)	(631)	(355)
Finance (costs)/income – net	(102,232)	(6,924)	5,416	4,806	4,536

12 TAXATION

(a) Value added tax

The Group is mainly subject to 6% and 13% VAT, and surcharges on VAT payments according to PRC tax law.

Pursuant to the 'Announcement on Relevant Policies for Deepening the Value-added Tax Reform' (Cai Shui Haiguan [2019] No. 39) jointly issued by the Ministry of Finance, the State Taxation Administration and the General Administration of Customs and the 'Announcement on VAT Policies for Promoting the Bailout and Development of Vulnerable Industries in the Service Sector' (Cai Shui [2022] 11) and the 'Announcement on Clarifying the Reduction and Exemption of VAT' (Cai Shui [2023] 1) issued by Ministry of Finance and the State Taxation Administration, the Group's certain subsidiaries, as producer service companies, qualifies for additional 10% deduction of input VAT from 1 April 2019 to 31 December 2022 and additional 5% deduction of input VAT from 1 January 2023 to 31 December 2023.

(b) Income tax

Cayman Islands Income Tax

The Company is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Act of Cayman Islands and accordingly, is exempted from Cayman Islands income tax.

Hong Kong Profits Tax

Hong Kong income tax rate is two-tiered profits tax regime, under which the tax rate is 8.25% for assessable profits on the first HK dollar 2 million and 16.5% for any assessable profits in excess of HK dollar 2 million.

PRC Enterprise Income Tax

Income tax provision of the Group in respect of operations in mainland China has been calculated at the applicable tax rate on the estimated assessable profits for the period, based on the existing legislation, interpretations and practices in respect thereof. The general corporate income tax rate in the PRC is 25%. Certain subsidiaries of the Group in the PRC were qualified as "high and new technology enterprises" and were subject to a preferential income tax rate of 15%.

Certain subsidiaries of the Group in the PRC were qualified as "Small Low-Profit Enterprise". "Small Low-Profit Enterprise" was entitled to a preferential income tax rate that was calculated in accordance with the two-tiered profits tax rates regime. From 1 January 2021 to 31 December 2022, the first RMB1,000,000 of the taxable income of qualified entities are taxed at 2.5%, and the taxable income above RMB1,000,000 and less than RMB3,000,000 are taxed at 10%. Thus the subsidiaries were subject to a preferential income tax rate of 2.5% or 10% in 2022. From 1 January 2023 to 31 December 2027, Small Low-Profit Enterprise with taxable income less than RMB3,000,000 are taxed at 5%.

Thailand Corporate Income Tax

The Group's subsidiary in Thailand is subject to Thailand CIT which is calculated based on the applicable tax rate of 20% on the assessable profits of the subsidiaries in accordance with Thailand tax laws and regulations for the reporting period.

PRC withholding Tax ("WHT")

According to the New Corporate Income Tax Law ("New EIT Law"), distribution of profits earned by PRC companies since 1 January 2008 to foreign investors is subject to withholding tax of 5% or 10%, depending on if the foreign investor is considered as the beneficial owner of the dividend according to the double tax treaty (agreement) between China and the jurisdiction of incorporation of the foreign investor, upon the distribution of profits to overseas-incorporated immediate holding companies.

During the year ended 31 December 2022, 2023 and 2024 and the six months ended 30 June 2024 and 2025, the Group does not have any plan to require its PRC subsidiaries to distribute their retained earnings to foreign investors and intends to retain them to operate and expand its business in the PRC. Accordingly, no deferred income tax liability on WHT was accrued as at the end of each reporting period.

	Year ended 31 December			**Six months ended 30 June**	
	2022	**2023**	**2024**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Current income tax	–	–	151	136	66
Deferred income tax *(Note 19)*	–	–	(90,375)	–	(825)
Income tax (credit)/expense	–	–	(90,224)	136	(759)

The reconciliation from income tax calculated based on the applicable tax rates and total loss presented in the consolidated financial statements to the income tax (credit)/expense is set out as below:

	Year ended 31 December			Six months ended 30 June	
	2022	**2023**	**2024**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Loss before income tax	(507,079)	(490,023)	(79,641)	(60,203)	(40,303)
Tax calculated at applicable tax rates	(123,139)	(121,189)	(16,813)	(13,625)	9,611
Effects of preferential tax rates	49,241	48,725	4,915	5,293	(4,269)
Accelerated research and development deductible expenses	(24,415)	(32,193)	(32,900)	(15,403)	(17,148)
Share of net loss/(gain) of investments accounted for using equity method	5,273	2,738	666	412	(88)
Deemed disposal gain	(542)	–	–	–	–
Expenses not deductible for taxation purpose	290	253	37	27	28
Utilization of previously unrecognised tax losses	–	–	(250)	(63)	–
Temporary differences and tax loss for which no deferred income tax asset was recognised	93,292	101,666	44,496	23,495	11,932
Recognition of previously unrecognised losses *(Note 19)*	–	–	(90,375)	–	(825)
Income tax (credit)/expense	–	–	(90,224)	136	(759)

13 DIVIDENDS

No dividend has been paid or declared by the Company or the companies now comprising the Group during each of the years ended 31 December 2022, 2023 and 2024 and the six months ended 30 June 2025.

14 (LOSS)/EARNING PER SHARE

(a) Basic (loss)/earning per share

Basic (loss)/earning per share is calculated by dividing the (loss)/gain attributable to ordinary shareholders of the Company by the weighted average number of outstanding shares during the Track Record Period.

For the purpose of computing basic and diluted (loss)/earning per share, 2,013,606 ordinary shares issued minus 311,780 ordinary shares repurchased and reserved for employee incentive and plus 80,000 contingent issuable ordinary shares for exercised employee share option reserved by the Company, were considered in the calculation of share number. The weighted average number of ordinary shares has been retrospectively adjusted for the effect of the issuance of shares in connection with the Reorganisation completed on 21 February 2023.

	Year ended 31 December			**Six months ended 30 June**	
	2022	**2023**	**2024**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
(Loss)/profit attributable to ordinary shareholders of the Company	(505,335)	(486,555)	12,152	(58,845)	(41,146)
Weighted average number of outstanding ordinary shares	1,781,826	1,781,826	1,781,826	1,781,826	1,781,826
Basic (loss)/earning per share (RMB)	(283.61)	(273.07)	6.82	(33.03)	(23.09)

(b) Diluted earning/(loss) per share

Diluted earning/(loss) per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

As the Group incurred net loss for the years ended 31 December 2022 and 2023 and the six months ended 30 June 2024 and 2025, the dilutive potential ordinary shares were not included in the calculation of dilutive earning/(loss) per share, as their inclusion would be anti-dilutive. Accordingly, dilutive loss per share for the years ended 31 December 2022 and 2023 and the six months ended 30 June 2024 and 2025 are the same as basic loss per share of the respective years.

For the year ended 31 December 2024, diluted earnings per share would be the same as basic earnings per share considering that (i) the share options and RSUs granted by the Company are subject to the IPO condition to be exercisable and are treated as contingently issuable shares because their issue is contingent on satisfying IPO condition in addition to the passage of time; (2) the convertible redeemable preferred shares issued by the Company were excluded from the diluted earnings per share calculation, as their effect would have been anti-dilutive.

15 PROPERTY, PLANT AND EQUIPMENT

	Office and electronic equipment	Vehicles	Lease hold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January 2022				
Cost	6,085	3,474	15,476	25,035
Accumulated depreciation	(2,990)	(2,391)	(4,795)	(10,176)
Net book amount	3,095	1,083	10,681	14,859
Year ended 31 December 2022				
Opening net book amount	3,095	1,083	10,681	14,859
Additions	618	–	1,407	2,025
Disposals	(89)	(36)	–	(125)
Depreciation *(Note 7)*	(1,131)	(653)	(4,556)	(6,340)
Closing net book amount	2,493	394	7,532	10,419
As at 31 December 2022				
Cost	6,259	2,748	16,883	25,890
Accumulated depreciation	(3,766)	(2,354)	(9,351)	(15,471)
Net book amount	2,493	394	7,532	10,419
Year ended 31 December 2023				
Opening net book amount	2,493	394	7,532	10,419
Additions	110	520	46	676
Disposals	(110)	(57)	–	(167)
Depreciation *(Note 7)*	(1,127)	(309)	(3,971)	(5,407)
Closing net book amount	1,366	548	3,607	5,521
As at 31 December 2023				
Cost	5,553	2,104	16,929	24,586
Accumulated depreciation	(4,187)	(1,556)	(13,322)	(19,065)
Net book amount	1,366	548	3,607	5,521
Year ended 31 December 2024				
Opening net book amount	1,366	548	3,607	5,521
Additions	307	1,061	450	1,818
Disposals	(32)	(79)	–	(111)
Depreciation *(Note 7)*	(731)	(271)	(2,528)	(3,530)
Closing net book amount	910	1,259	1,529	3,698
As at 31 December 2024				
Cost	5,513	1,581	17,379	24,473
Accumulated depreciation	(4,603)	(322)	(15,850)	(20,775)
Net book amount	910	1,259	1,529	3,698

	Office and electronic equipment	Vehicles	Lease hold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Six months ended 30 June 2025				
Opening net book amount	910	1,259	1,529	3,698
Additions	12	–	17	29
Disposals	(12)	–	–	(12)
Depreciation *(Note 7)*	(205)	(188)	(1,192)	(1,585)
Closing net book amount	705	1,071	354	2,130
As at 30 June 2025				
Cost	5,313	1,581	17,396	24,290
Accumulated depreciation	(4,608)	(510)	(17,042)	(22,160)
Net book amount	705	1,071	354	2,130
Six months ended 30 June 2024 (Unaudited)				
Opening net book amount	1,366	548	3,607	5,521
Additions	230	1,061	100	1,391
Disposals	(26)	(79)	–	(105)
Depreciation *(Note 7)*	(427)	(83)	(1,314)	(1,824)
Closing net book amount	1,143	1,447	2,393	4,983
As at 30 June 2024 (Unaudited)				
Cost	5,550	1,581	17,029	24,160
Accumulated depreciation	(4,407)	(134)	(14,636)	(19,177)
Net book amount	1,143	1,447	2,393	4,983

(a) Depreciation expenses were charged to the following categories in the consolidated statements of comprehensive income:

	Year ended 31 December			Six months ended 30 June	
	2022	**2023**	**2024**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Selling and marketing expenses	1,010	967	582	331	41
General and administrative expenses	5,188	4,337	2,887	1,457	1,544
Research and development expenses	142	103	61	36	–
	6,340	5,407	3,530	1,824	1,585

No property, plant and equipment was restricted or pledged as security for liabilities as at 31 December 2022, 2023 and 2024 and 30 June 2025.

16 LEASES

	As at 31 December			As at 30 June
	2022	**2023**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Right-of-use assets	9,275	26,439	15,279	10,828
Lease liabilities				
Current	7,802	11,778	9,315	11,256
Non-current	2,313	17,443	6,863	1,930
	10,115	29,221	16,178	13,186

(i) The movements of the right-of-use assets for the years ended 31 December 2022, 2023 and 2024 and the six months ended 30 June 2024 and 2025 were as follows:

	Year ended 31 December			Six months ended 30 June	
	2022	**2023**	**2024**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Opening net book value	22,040	9,275	26,439	26,439	15,279
Additions	1,021	30,606	1,356	213	494
Early termination	–	(202)	(7)	–	–
Depreciation charge *(Note 7)*	(13,786)	(13,240)	(10,858)	(6,103)	(4,945)
Modifications	–	–	(1,651)	–	–
Closing net book value	9,275	26,439	15,279	20,549	10,828

(ii) Depreciation expenses were charged to the following categories in the consolidated statements of comprehensive income:

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Depreciation charge of right-of-use assets *(Note 7)*	13,786	13,240	10,858	6,103	4,945
Interest expense *(Note 11)*	571	1,031	1,079	631	355
Expense relating to short-term leases (included in cost of sales, selling and marketing expenses, general and administrative expenses and research and development expenses) *(Note 7)*	2,766	2,436	3,723	1,681	1,933

The total cash outflow for leases for the years ended 31 December 2022, 2023 and 2024 and the six months ended 30 June 2024 and 2025 was approximately RMB17,519,000, RMB14,405,000, RMB15,907,000, RMB8,825,000 and RMB5,774,000 out of which RMB14,753,000, RMB11,969,000, RMB12,184,000, RMB7,144,000 and RMB3,841,000 was relating to financing activities.

17 INTANGIBLE ASSETS

	Goodwill *(a)*	Customer relationship	Software and others	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January 2022				
Cost	9,927	8,500	831	19,258
Accumulated amortisation	–	(850)	(244)	(1,094)
Net book amount	9,927	7,650	587	18,164
Year ended 31 December 2022				
Opening net book amount	9,927	7,650	587	18,164
Additions	–	–	800	800
Amortisation charge *(Note 7)*	–	(1,700)	(182)	(1,882)
Impairment provision	(9,927)	–	–	(9,927)
Closing net book amount	–	5,950	1,205	7,155
As at 31 December 2022				
Cost	9,927	8,500	1,631	20,058
Accumulated amortisation	–	(2,550)	(426)	(2,976)
Impairment provision	(9,927)	–	–	(9,927)
Net book amount	–	5,950	1,205	7,155

	Goodwill *(a)*	Customer relationship	Software and others	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Year ended 31 December 2023				
Opening net book amount	–	5,950	1,205	7,155
Additions	–	–	416	416
Amortisation charge *(Note 7)*	–	(1,700)	(197)	(1,897)
Closing net book amount	–	4,250	1,424	5,674
As at 31 December 2023				
Cost	9,927	8,500	2,047	20,474
Accumulated amortisation	–	(4,250)	(623)	(4,873)
Impairment provision	(9,927)	–	–	(9,927)
Net book amount	–	4,250	1,424	5,674
Year ended 31 December 2024				
Opening net book amount	–	4,250	1,424	5,674
Additions	–	–	281	281
Amortisation charge *(Note 7)*	–	(1,700)	(218)	(1,918)
Closing net book amount	–	2,550	1,487	4,037
As at 31 December 2024				
Cost	9,927	8,500	2,329	20,756
Accumulated amortisation	–	(5,950)	(842)	(6,792)
Impairment provision	(9,927)	–	–	(9,927)
Net book amount	–	2,550	1,487	4,037
Six months ended 30 June 2025				
Opening net book amount	–	2,550	1,487	4,037
Additions	–	–	85	85
Amortization charge *(Note 7)*	–	(850)	(99)	(949)
Closing net book amount	–	1,700	1,473	3,173
As at 30 June 2025				
Cost	9,927	8,500	2,414	20,841
Accumulated amortization	–	(6,800)	(941)	(7,741)
Impairment provision	(9,927)	–	–	(9,927)
Net book amount	–	1,700	1,473	3,173

	Goodwill *(a)*	Customer relationship	Software and others	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Six months ended 30 June 2024 (Unaudited)				
Opening net book amount	–	4,250	1,424	5,674
Additions	–	–	196	196
Amortization charge *(Note 7)*	–	(850)	(108)	(958)
Closing net book amount	–	3,400	1,512	4,912
As at 30 June 2024 (Unaudited)				
Cost	9,927	8,500	2,243	20,670
Accumulated amortization	–	(5,100)	(731)	(5,831)
Impairment provision	(9,927)	–	–	(9,927)
Net book amount	–	3,400	1,512	4,912

Amortisation expenses were charged to the following categories in the consolidated statements of comprehensive income:

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Cost of sales	33	32	29	16	–
Selling and marketing expenses	1,703	1,703	1,703	852	852
General and administrative expenses	120	150	174	84	97
Research and development expenses	26	12	12	6	–
	1,882	1,897	1,918	958	949

(a) Impairment test for goodwill

The goodwill of RMB9,927,000 represents the excess of the acquisition consideration transferred and amount of controlling interests in Zhuhai Furun over the fair value of the net identifiable assets acquired as at the acquisition date in July 2021, and was allocated on Zhuhai Furun. As at 31 December 2021 and 2022, the Group has performed the goodwill impairment assessments. The recoverable amount of goodwill was determined based on value-in-use calculations. The value-in-use calculations use cash flow projections based on business plan for the purpose of impairment reviews covering a five-year period for Zhuhai Furun as a CGU. The accuracy and reliability of the information is reasonably assured by the appropriate budgeting, forecast and control process established by the Group. The management leveraged their experiences in the industries and provided forecast based on past performance and their expectation of future business plans and market developments.

The Group has engaged an independent external appraiser to assist management to perform the goodwill impairment assessments. The following table sets forth each key assumption on which management has based its five years cash flow projections to undertake impairment testing of goodwill:

	As at 31 December
	2022
Annual growth rate of revenue during the projection period	-48.6%~6.2%
Gross margin during the projection period (% of revenue)	76.4%
Terminal growth rate	2.0%
Pre-tax discount rate	22.5%

Due to the operations of Zhuhai Furun had been significantly impacted by factors after acquisition such as change of the macroeconomic conditions and customer attrition. As at 31 December 2022, the recoverable amount of Zhuhai Furun is estimated to be lower than the carrying amount of the CGU.

The Group recorded impairment of approximately RMB9,927,000 as at 31 December 2022 in light of the changes in economic, operating and market environment.

18 INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

(i) The amounts summarised in the consolidated balance sheet are as follows:

	As at 31 December			**As at 30 June**
	2022	**2023**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Investments in associates accounted for using the equity method – Associates	117,791	99,539	84,946	53,169

The movement of the investment in associates accounted for using the equity method is set out below.

	Year ended 31 December			**Six months ended 30 June**	
	2022	**2023**	**2024**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Beginning of year/period	144,330	117,791	99,539	99,539	84,946
Share of results of associates summarised in the consolidated statements of comprehensive income	(35,152)	(18,252)	(4,438)	(2,747)	585
Additions	5,000	–	–	–	–
Disposal of equity method investments	–	–	(10,155)	(10,155)	(32,362)
Deemed disposal gain *(Note 10)*	3,613	–	–	–	–
End of year/period	117,791	99,539	84,946	86,637	53,169

Set out below are the associates of the Group as at 31 December 2022, 2023 and 2024 and 30 June 2025. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Company name	Place of incorporation and operation and date of incorporation	Particulars of issued shares held (thousand)	Attributable equity interests to the Group				Carrying amount			
			As at 31 December			As at 30 June	As at 31 December			As at 30 June
			2022	2023	2024	2025	2022	2023	2024	2025
Shenzhen Zexi Network Technology Co., Ltd. 深圳澤熙網絡科技有限公司 *(iii)*	The PRC, 25 Sept 2015	1,053	20.00%	20.00%	N/A	N/A	10,030	10,155	N/A	N/A
Shanghai Painting Dragon Information Technology Co., Ltd. ("Shanghai Painting") 上海畫龍信息科技有限公司	The PRC, 28 Mar 2016	12,950	12.59%	12.59%	12.59%	12.59%	42,200	42,907	37,897	36,032
Changxiaojia (Shenzhen) Technology Co., Ltd. 暢銷家(深圳)科技有限公司 *(iv)*	The PRC, 5 Feb 2018	1,182	17.50%	17.50%	17.50%	N/A	28,152	27,880	29,889	N/A
Wuxi Wuhe Cloud Network Technology Co., Ltd 無錫五合雲網絡科技有限公司	The PRC, 15 Dec 2016	1,087	8.00%	8.00%	8.00%	8.00%	3,999	3,785	3,621	3,653
Shenzhen Lingxing Network Technology Co., Ltd. ("Shenzhen Lingxing") 深圳市領星網絡科技有限公司	The PRC, 11 Apr 2019	2,286	14.58%	14.58%	14.58%	14.58%	19,848	1,331	–	–
Zhejiang Luodige Enterprise Management Consulting Co., Ltd. 浙江落地哥企業管理諮詢有限責任公司	The PRC, 28 May 2019	10,256	5.00%	5.00%	5.00%	5.00%	2,465	2,480	2,473	2,464
Zhejiang Quality Control Technology Management Co., Ltd. 浙江品控科技管理有限公司	The PRC, 16 Dec 2019	12,344	2.50%	2.50%	2.50%	2.50%	6,329	6,533	6,644	6,644
Jiuzhang Arithmetic (Zhejiang) Technology Co., Ltd. 玖章算術(浙江)科技有限公司	The PRC, 23 Nov 2021	11,765	2.00%	2.00%	2.00%	2.00%	4,768	4,468	4,422	4,376
							117,791	99,539	84,946	53,169

(ii) The Group has significant influence over the above investments based on its representation on the respective board of directors.

(iii) The Group disposed the associate in 2024, with the consideration of RMB13,500,000, resulted in a gain of RMB3,345,000.

(iv) The Group disposed the associate in 2025, with the consideration of RMB36,140,000, resulted in a gain of RMB3,778,000. The consideration of RMB30,000,000 has been settled in June 2025 and the remaining RMB6,140,000 as receivables from disposal of an associate were settled subsequently in July 2025 (Note 21(a)).

(v) Summarised financial information for an associate

The tables below provide summarised financial information for an associate that is material to the Group. The information disclosed reflects the amounts presented in the financial statements of the relevant associate and not the Group's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method.

	Associate			
	As at 31 December			**As at 30 June**
Summarised balance sheet	**2022**	**2023**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Current assets				
Cash and cash equivalents	4,537	6,351	2,462	3,325
Other current assets	82,627	111,903	134,665	125,221
Total current assets	87,164	118,254	137,127	128,546
Non-current assets	900	2,052	500	157
Current liabilities	12,671	37,505	94,673	100,601
Non-current liabilities	606	2,397	1,218	3,590
Non-controlling interests	1,546	2,539	3,664	1,246
Net assets	73,241	77,865	38,072	23,266

	Associate				
	Year ended 31 December			**Six months ended 30 June**	
	2022	**2023**	**2024**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Reconciliation to carrying amounts:					
Opening net assets 1 January	29,585	73,241	77,865	77,865	38,072
Profit/(loss) for the year/period	656	4,624	(39,793)	(18,068)	(14,806)
Capital injection	43,000	–	–	–	–
Closing net assets	73,241	77,865	38,072	59,797	23,266
Group's share in %	12.59%	12.59%	12.59%	12.59%	12.59%
Group's share in RMB'000	9,221	9,928	4,918	7,654	3,053
Goodwill	32,979	32,979	32,979	32,979	32,979
Carrying amount	42,200	42,907	37,897	40,633	36,032

	Associate				
	Year ended 31 December			Six months ended 30 June	
Summarised statements of comprehensive income	**2022**	**2023**	**2024**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Revenue	123,332	177,802	235,288	95,026	61,828
Cost of sales	(87,837)	(135,499)	(194,972)	(94,542)	(61,000)
Operating expense	(36,962)	(35,494)	(82,781)	(18,038)	(14,126)
Income tax (expense)/credit	(125)	(45)	(195)	(37)	20
Profit/(loss) for the year/period	1,150	5,617	(38,668)	(18,079)	(15,712)
Total comprehensive income/(loss)	1,150	5,617	(38,668)	(18,079)	(15,712)
– Equity owners of the company	656	4,624	(39,793)	(18,068)	(14,806)
– Non-controlling interests	494	993	1,125	(11)	(906)

19 DEFERRED INCOME TAX

Deferred income taxes are calculated in full on temporary differences under the liability method using the tax rates which are expected to apply at the time of reversal of the temporary differences.

The following amounts, determined after appropriate offsetting, are shown in the consolidated balance sheets:

	As at 31 December			As at 30 June
	2022	**2023**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Deferred income tax assets:				
– to be recovered after more than 12 months	5,985	5,696	95,274	95,310
– to be recovered within 12 months	2,068	1,986	1,397	1,688
	8,053	7,682	96,671	96,998
Set-off of deferred tax summarised pursuant to set-off provisions	(8,053)	(7,682)	(6,296)	(5,798)
Net deferred tax assets	–	–	90,375	91,200
Deferred income tax liabilities:				
– to be recovered after more than 12 months	(5,985)	(5,696)	(4,965)	(4,446)
– to be recovered within 12 months	(2,068)	(1,986)	(1,331)	(1,352)
	(8,053)	(7,682)	(6,296)	(5,798)
Set-off of deferred tax assets pursuant to set-off provisions	8,053	7,682	6,296	5,798
Net deferred tax liabilities	–	–	–	–

The gross movement on the deferred income tax account is as follows:

	Deductible tax loss carried forward	Lease liabilities	Right-of-use assets	Fair value change of non-current financial assets measured at FVPL	Customer relationship	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January 2022	9,819	–	(3,306)	(5,365)	(1,148)	–
Credited/(charged) to consolidated statements of comprehensive income	(1,766)	–	1,915	(404)	255	–
As at 31 December 2022	8,053	–	(1,391)	(5,769)	(893)	–
As at 1 January 2023	8,053	–	(1,391)	(5,769)	(893)	–
Credited/(charged) to consolidated statements of comprehensive income	(371)	–	(2,575)	2,691	255	–
As at 31 December 2023	7,682	–	(3,966)	(3,078)	(638)	–
As at 1 January 2024	7,682	–	(3,966)	(3,078)	(638)	–
Credited/(charged) to consolidated statements of comprehensive income	86,562	2,427	1,674	(543)	255	90,375
As at 31 December 2024	94,244	2,427	(2,292)	(3,621)	(383)	90,375
As at 1 January 2025	94,244	2,427	(2,292)	(3,621)	(383)	90,375
Credited/(charged) to consolidated statements of comprehensive income	777	(450)	668	(298)	128	825
As at 30 June 2025	95,021	1,977	(1,624)	(3,919)	(255)	91,200

	Deductible tax loss carried forward	Lease liabilities	Right-of-use assets	Fair value change of non-current financial assets measured at FVPL	Customer relationship	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January 2024	7,682	–	(3,966)	(3,078)	(638)	–
Credited/(charged) to consolidated statements of comprehensive income	(79)	–	884	(933)	128	–
As at 30 June 2024 (Unaudited)	7,603	–	(3,082)	(4,011)	(510)	–

The Group only recognises deferred tax assets for cumulative tax losses if it is probable that future taxable income will be available to utilize those tax losses. Management will continue to assess the recognition of deferred tax assets in future reporting periods. As at 31 December 2022, 2023, 2024 and 30 June 2025, management carried out an assessment to determine whether future taxable profits will be available to utilise the cumulative tax losses and the Group has recognised deferred tax assets of approximately RMB8,053,000, RMB7,682,000, RMB94,244,000 and RMB95,021,000 for tax losses.

As at 31 December 2022, 2023 and 2024 and 30 June 2025, the Group did not recognise deferred income tax assets of approximately RMB282,757,000, RMB349,055,000, RMB178,906,000 and RMB166,732,000, respectively, in respect of loss amounting to RMB1,912,410,000, RMB2,384,081,000, RMB1,550,419,000 and RMB1,635,270,000 that can be carried forward against future taxable income, respectively. The expiry calendar years of the related tax loss are as follow:

	As at 31 December			As at 30 June
	2022	**2023**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
2024	10,343	10,343	–	–
2025	4,696	4,696	10,008	9,857
2026	10,150	10,150	41,818	21,869
2027	102,388	134,401	19,511	–
2028	198,283	205,344	–	–
2029	154,085	154,085	–	–
2030	399,543	399,543	179,312	179,312
2031	424,667	424,667	279,688	279,688
2032	608,255	608,255	485,456	485,456
2033	–	432,597	261,050	249,232
2034	–	–	273,576	334,259
2035	–	–	–	75,597
	1,912,410	2,384,081	1,550,419	1,635,270

20 FINANCIAL ASSETS AT FVPL AND FINANCIAL ASSETS AT FVOCI

(a) Financial assets at FVPL – current

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Wealth management product	6,500	–	–	–

Financial assets at FVPL were presented within 'investing activities' in the consolidated statement of cash flows.

Changes in fair values of FVPL were recorded in 'Other gains – net' (Note 10).

The fair value of the product is based on its present value of future cash flow.

(b) Financial assets at FVPL – non-current

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Long-term investments measured at FVPL	213,047	131,773	121,042	123,027

The entities listed below have share capital consisting of ordinary shares with preference rights, which are held directly by the Group. Except for Hangzhou Fencha Intelligent Technology Co., Ltd., the Group has significant influence over these entities. These entities listed are measured by fair value through profit or loss.

Company name	Place of incorporation and operation and date of incorporation	Particulars of issued shares held (thousand)	Attributable equity interests to the Group: As at 31 December 2022	2023	2024	As at 30 June 2025	Carrying amount: As at 31 December 2022	2023	2024	As at 30 June 2025
Hangzhou Zhuidian Network Technology Co., Ltd. 杭州追電網絡技術有限公司	The PRC, 14 Jul 2016	429	22.44%	22.44%	22.44%	22.44%	8,448	5,112	4,377	7,830
Hangzhou Youfan Information Technology Co., Ltd. 杭州柚凡信息科技有限公司	The PRC, 2 Mar 2016	429	15.12%	15.12%	15.12%	15.12%	36,259	35,070	37,964	34,950
Hangzhou Yike Information Technology Co., Ltd. *(i)* 杭州衣科信息技術股份有限公司	The PRC, 31 Dec 2015	5,556	10.00%	N/A	N/A	N/A	76,640	N/A	N/A	N/A
Dian Inc	Cayman, 20 Jul 2018	14,063	10.00%	10.00%	10.00%	10.00%	17,716	25,516	25,326	27,024
Seller Motor Capital Holdings Limited	Cayman, 21 Nov 2019	230	22.00%	22.00%	22.00%	22.00%	–	–	–	–
Beijing Jishiyu Intelligent Technology Co., Ltd. 北京及時語智能科技有限公司	The PRC, 25 Apr 2021	389	20.00%	18.00%	18.00%	18.00%	17,978	13,257	2,305	1,438
Shanghai Mopu Network Technology Co., Ltd. 上海摩普網絡技術有限公司	The PRC, 6 Jan 2012	2,961	9.96%	9.96%	9.96%	9.96%	20,074	19,526	19,034	19,886
SeaStar Group Limited	Cayman, 4 Jan 2021	6,250	4.67%	4.67%	4.67%	4.67%	21,681	17,890	12,405	8,829
Hangzhou Fencha Intelligent Technology Co., Ltd. 杭州分叉智能科技有限公司	The PRC, 8 Mar 2019	31	0.96%	0.96%	0.96%	0.96%	14,251	15,402	19,631	23,070
							213,047	131,773	121,042	123,027

(i) The group disposed the investment in 2023, with the consideration of RMB83,032,000, resulted in a loss of RMB9,268,000.

(c) Financial assets at FVOCI

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Time deposits – current	150,000	–	–	–
Time deposits – non-current	20,000	–	–	101,002
	170,000	–	–	101,002

21 TRADE AND OTHER RECEIVABLES

(a) The Group

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables – net	2,697	4,350	5,110	5,643
Other receivables – net	99,850	94,569	185,337	232,267
Trade and other receivables – net	102,547	98,919	190,447	237,910

(i) Trade receivables

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables due from third parties	1,113	972	1,786	2,694
Trade receivables due from related parties *(Note 33(c))*	1,724	4,195	4,244	4,092
	2,837	5,167	6,030	6,786
Less: provision for loss allowance of receivables	(140)	(817)	(920)	(1,143)
Trade receivables – net	2,697	4,350	5,110	5,643

The ageing analysis of trade receivables based on invoice date, before provision for loss allowance, as at 31 December 2022, 2023 and 2024 and 30 June 2025 was as follows:

	As at 31 December			As at 30 June
	2022	**2023**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables, gross				
Within 1 year	2,739	4,759	5,776	6,298
Over 1 year	98	408	254	488
	2,837	5,167	6,030	6,786

(ii) Other receivables

	As at 31 December			As at 30 June
	2022	**2023**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Receivables due from e-Commerce platforms *(a)*	71,572	81,507	173,564	214,320
Receivables from disposal of an associate *(Note 18(iv))*	–	–	–	6,140
Staff advances	4,085	4,921	5,141	5,300
Other receivables due from related parties *(Note 33(c))*	18,319	1,578	–	–
Deposits	6,772	6,724	6,714	6,820
Others	173	202	328	322
	100,921	94,932	185,747	232,902
Less: provision for loss allowance of receivables	(1,071)	(363)	(410)	(635)
	99,850	94,569	185,337	232,267

(a) Customers typically need to pay software authorisation fees through e-Commerce platforms to use the Group's software and the authorisation fees will be refunded by the Group when meeting certain criteria. Receivables due from e-Commerce platforms represent the balances of authorisation fees paid by customers but yet to be settled by e-commerce platforms. Authorisation fees to be refunded represent the balances of authorisation fees yet to be refunded by the Group to customers.

As at 31 December 2022, 2023 and 2024 and 30 June 2025, the fair values of the trade and other receivables of the Group, approximated their carrying amounts.

The aging analysis of other receivables based on invoice date, before provision for loss allowance, as at 31 December 2022, 2023 and 2024 and 30 June 2025 was as follows:

	As at 31 December			As at 30 June
	2022	**2023**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Other receivables, gross				
Within 1 year	87,038	85,075	174,412	221,384
Over 1 year and within 2 years	6,724	2,891	1,602	744
Over 2 years	7,159	6,966	9,733	10,774
	100,921	94,932	185,747	232,902

The provision for doubtful trade and other receivables refers to Notes 3.1(b).

(b) The Company

	As at 31 December			As at 30 June
	2022	**2023**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Receivables due from a subsidiary	–	350,000	350,000	–
Other receivables	1	27	27	27
	1	350,027	350,027	27

22 CASH AND CASH EQUIVALENTS AND RESTRICTED CASH

(a) Cash and cash equivalents

	As at 31 December			As at 30 June
	2022	**2023**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Cash at banks and on hand	413,070	844,720	1,148,981	670,114
Cash equivalents *(i)*	13,589	52,607	36,295	60,717
Less: restricted cash *(b)*	–	–	(100,000)	–
Cash and cash equivalents	426,659	897,327	1,085,276	730,831

(i) Cash equivalents represents cash balances kept in third party payment platforms, such as Ali-pay and WeChat account which can be withdrawn by the Group at any time.

Cash and cash equivalents are denominated in the following currencies:

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
RMB	409,667	887,536	1,055,667	673,067
USD	16,277	6,871	17,053	39,674
THB	403	1,680	10,803	17,464
HKD	312	1,240	1,753	626
	426,659	897,327	1,085,276	730,831

(b) Restricted cash

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Cash at banks restricted for purchase of wealth management products	–	–	100,000	–
	–	–	100,000	–

Restricted cash is denominated in RMB.

23 PREPAYMENTS

(a) The Group

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Prepayments				
– Non-current				
Cloud server fee	67,566	76,378	57,597	51,397
– Current				
Prepaid listing expense	–	526	1,095	642
Deferred listing expense	–	7,655	9,920	6,638
Cloud server fee	4,240	14,886	48,566	54,778
Prepaid rental expense	1,076	96	287	352
Technical service expense	1,708	667	578	1,159
Others	7,217	2,958	3,646	1,861
	14,241	26,788	64,092	65,430
	81,807	103,166	121,689	116,827

(b) The Company

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Deferred listing expense	–	7,655	9,920	6,638
Prepaid listing expense	–	526	1,095	642
	–	8,181	11,015	7,280

24 TRADE AND OTHER PAYABLES

(a) The Group

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Authorisation fee to be refunded *(Note 21(a)(ii)(a))*	194,982	335,524	417,643	479,848
Staff salaries and welfare payables	213,300	227,635	223,501	187,992
Commission fee payables	21,455	34,816	46,514	48,424
Accrued taxes other than income tax	25,737	31,166	27,563	21,516
Listing expense payable	–	6,220	11,998	9,787
Employee stock options exercise fee payables	9,797	11,076	10,854	10,854
Trade payables due to third parties	1,090	1,297	1,262	1,022
Other payables and accruals	8,250	6,992	10,431	8,575
	474,611	654,726	749,766	768,018

As at 31 December 2022, 2023 and 2024 and 30 June 2025, all trade and other payables of the Group were non-interest bearing, and their carrying amounts, excluding the staff salaries and welfare payables and accrued taxes other than income tax which are not financial liabilities, approximated their fair values due to their short maturities.

Aging analysis of the trade and other payables based on recognition at the respective balance sheet dates were as follows:

	As at 31 December			As at 30 June
	2022	**2023**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Less than 1 year	472,997	653,354	748,383	766,918
Over 1 year	1,614	1,372	1,383	1,100
	474,611	654,726	749,766	768,018

(b) The Company

	As at 31 December			As at 30 June
	2022	**2023**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Listing expense payable to subsidiaries	–	8,181	11,015	7,280
Other payables to a subsidiary	–	–	–	227,746
Other payables	29	634	1,241	1,234
	29	8,815	12,256	236,260

Aging analysis of the trade and other payables based on recognition at the respective balance sheet dates were as follows:

	As at 31 December			As at 30 June
	2022	**2023**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Less than 1 year	29	8,815	12,256	236,260

25 FINANCIAL LIABILITIES TO INVESTORS

	As at 31 December			As at 30 June
	2022	**2023**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial liabilities to investors	1,200,717	–	–	–

Prior to the Group's Reorganisation, Shanghai Jushuitan had completed several rounds of financing including Series Angel, Series Pre-A, Series A, Series B (including Series B1, Series B2, Series B3) and Series C in the way of registered capital increase of Shanghai Jushuitan and capital transfer from founders to investors. The key terms of the preferred rights granted to the abovementioned investors are summarised as follows:

(i) Redemption right

Series B and Series C investors have a right to require the Company to redeem their investments if (a) the Company fails to consummate a qualified initial public offering ("Qualified IPO") by the fifth anniversary of the closing date of Series C; (b) the Company or the founder has severely violated the provisions of the transaction documents and has had a significant adverse impact on the Company's ability to continue to operate or Qualified IPO; (c) the information provided by the Company to the Series C Investors or the Series B Investors about the Group deviates materially from the actual situation or the Company conceals, misleads, misrepresents or defrauds in the process of information disclosure; (d) any act of appropriation of funds, transaction or guarantee between any Group Company and its Affiliates that has a material adverse effect on the operation of any Group Company and fails to be corrected within thirty days after investors' request for correction; (e) the accounting firm's failure to issue an unqualified audit report on the Company; (f) a material change in the Company's business (except as agreed by investors) or (g) any other Shareholder exercises its redemption right in accordance with the transaction documents.

The redemption amount is the higher of (i) equal original investment principal from the investors, plus a return at the simple annual rate of 10% of the original investment principal for a period of time commencing from the relevant payment date of investments to the date when such redemption amount is fully paid on the basis of a 360-day year and actual days elapsed, plus all dividends declared but unpaid or (ii) the amount of the net asset value of the Company.

(ii) Liquidation preferences

In the event of a deemed liquidation event (as defined in shareholders agreement), the distributable liquidation property (after satisfaction of all creditors' claims and claims that may be preferred by law and the total consideration received by the Company or the shareholders in a deemed liquidation event) shall be distributed in the amount equal to the higher of (1) the liquidation preference amount plus the accumulated dividends or declared but undistributed dividends (and retained earnings) on the equity held; or (2) the distributable liquidation property can be distributed according to the equity proportion at that time, and in the priority order of Series C, Series B3, Series B2, Series B1, Series A, Series Pre-A to Series Angel.

The liquidation preference amount of Series Angel and Series Pre-A is calculated as the 125% and 100% of the original investment principal from Series Angel and Series Pre-A investors, respectively. The liquidation preference amount of Series A, B and C is calculated as the 100% of the original investment principal plus a return at the simple annual rate of 10% of the original investment principal.

As part of the Reorganisation in 2023 (Note 1.2), the instruments have been exchanged to convertible redeemable preferred shares or warrants issued by the Company. Convertible redeemable preferred shares are redeemable upon occurrence of certain future events and also attached with a conversion option. Warrants can be exercised and settled with convertible redeemable preferred shares after completion of requisite regulatory formalities for outbound investments. Warrant holders have the same shareholder rights of the Company as other convertible redeemable preferred shareholders. Accordingly, the financial liabilities to investors were derecognised and the newly issued convertible redeemable preferred shares were recognised as financial instruments at FVPL.

The movements of financial liabilities to investors for the years ended 31 December 2022, 2023 and 2024 and the six months ended 30 June 2024 and 2025 were as follows:

	Financial liabilities to investors
	RMB'000
As at 1 January 2022	1,097,571
Charged to finance costs *(Note 11)*	103,146
As at 31 December 2022	1,200,717
As at 1 January 2023	1,200,717
Charged to finance costs *(Note 11)*	12,362
Transfer to conversion redeemable preferred shares *(Note 26)*	(1,213,079)
As at 31 December 2023 and 2024 and 30 June 2024 and 2025	–

26 CONVERTIBLE REDEEMABLE PREFERRED SHARES

As mentioned in Note 1.2, upon and from the issuance of the Warrants, warrant holders shall be deemed as the holders of such Preferred Shares assuming the Warrants have been exercised in full, and the Company shall procure that warrant holders have, any and all of the rights of such Preferred Shares. Therefore, Series Angel to Series C Preferred Shares shall include the Preferred Shares issuable pursuant to the Warrants (assuming full exercise of such Warrant into such Preferred Shares) and warrant holders shall be deemed to be in its capacity as a holder of such Preferred Shares.

On 21 February 2023, shareholders of Shanghai Jushuitan became nominee shareholders and the preferred rights held by Series Angel to Series C Investors in Shanghai Jushuitan were cancelled accordingly (together with the issuance of Series Angel to Series C Preferred Shares, as the "Share Exchange").

Upon the Share Exchange, Series Angel to Series C Investors gave up their investments of ordinary shares with preferred rights that they held in Shanghai Jushuitan, and in return, Series Angel to Series C Preferred Shareholders received Preferred Shares of the Company. The management assessed that the Share Exchange involves the de-recognition of ordinary shares with preferred rights of Shanghai Jushuitan, with carrying amounts of RMB1,213 million, by issuing Preferred Shares with fair value of RMB2,905 million. The total difference between the fair value of the Series Angel to Series C Preferred Shares and the carrying value of the ordinary shares with preferred rights of Shanghai Jushuitan held by Series Angel to Series C Investors, amounting to RMB1,691 million, was recorded into i) the consolidated statements of comprehensive loss (RMB nil), given the fair value allocated to the liability de-recognised is the same as its carrying value; and ii) the "other reserve" of consolidated balance sheets (RMB1,691 million), representing the difference between the remaining fair value allocated and the carrying value of the equity de-recognised.

The key terms of all series of Series Angel to Series C Preferred Shares effective and applicable upon their issuance are as follows:

Liquidation Preferences

In the event of any i) liquidation; ii) dissolution; iii) winding up of the Company; iv) any consolidation, amalgamation or merger of the Company with or into any other person or other corporate reorganisation, in which the members of the Company immediately prior to such consolidation, amalgamation, merger or reorganisation, own less than 50% of the Company's voting power or shares immediately after such consolidation, merger, amalgamation, or reorganisation, or any transaction or series of related transactions to which the Company is a party in which in excess of 50% of the Company's voting power or shares is transferred, but excluding any transaction effected solely for tax purposes or to change the Company's domicile; v) a sale, lease, exclusively license or other disposition of all or substantially all of the assets, intellectual properties or business of the Group Companies; vi) change of the actual controller of the Company, other than (a) a consolidation with a wholly-owned subsidiary of the Company; (b) a merger effected exclusively to change the domicile of the Company; and (c) an equity financing consummated solely for capital-raising purposes in which the Company is the surviving corporation and which is approved by the preferred majority and two-thirds of the Board members.

The liquidation preference amount shall be equal to any dividends declared and unpaid with respect to the Preferred Shares plus the liquidation preference amount. The liquidation preference amount of Series Angel and Series Pre-A is calculated as the 125% and 100% of the original investment principal from Series Angel and Series Pre-A investors, respectively. The liquidation preference amount of Series A, B and C is calculated as the 100% of the original investment principal plus a return at the simple annual rate of 10% of the original investment principal.

Conversion Rights

Each Preferred Share may, at the option of the Preferred Shareholders thereof, be converted at any time after the date of issuance of such Preferred Shares into fully-paid and non-assessable ordinary shares at an initial conversion ratio of 1:1 subject to i) adjustment for share splits and combinations; ii) adjustment for ordinary share dividends and distributions; iii) adjustments for reorganisations, mergers, consolidations, reclassifications, exchanges, substitutions; iv) adjustments to conversion price for dilutive issuance.

In addition, each Preferred Share shall automatically be converted, based on the then-effective conversion price, without any action being required by the holder of such Preferred Share and whether or not the certificates representing such Preferred Share surrendered to the Company or its transfer agent, into fully-paid and non-assessable ordinary shares upon the earlier of (a) the closing of an qualified IPO duly approved in accordance with the shareholders agreement and the memorandum and articles and (b) the date specified by written consent of all Series Angel to Series C Preferred Shareholders.

Redemption Rights of Series B and Series C Preferred Shares

Series B and Series C Preferred Shares shall be redeemable at the election of Series B and Series C Preferred Shareholders upon specific conditions as follows: (i) the Company's failure to consummate a Qualified IPO on or prior to 13 August 2025 (i.e. the fifth (5th) anniversary of the closing date of the series C financing of the Company); (ii) the Company or the founder has severely violated the provisions of the transaction documents or a breach of Laws to materially affect the Company's ability to continue to operate or Qualified IPO; (iii) the information provided by the Company to the Series C Investors or the Series B Investors about the Group deviates materially from the actual situation or the Company conceals, misleads, misrepresents or defrauds in the process of information disclosure; (iv) any act of appropriation of funds, transaction or guarantee between any Group Company and its Affiliates that has a material adverse effect on the operation of any Group Company and fails to be corrected within thirty days after investors' request for correction; (v) the accounting firm's failure to issue an unqualified audit report on the Company; (vi) a material change in the Company's business (except as agreed by investors) or (vii) any other Shareholder exercises its redemption right in accordance with the transaction documents.

Pursuant to the amendment to shareholders agreement as entered into with respective investors on 8 June 2023, which agreed that the redemption right shall be ceased immediately before submitting the application to the Hong Kong Stock Exchange for the initial public offering by the Company, provided such redemption right shall automatically be reinstated upon the occurrence of certain agreed uncontrollable events, all redemption liabilities were still being recognised and will be re-classified to equity upon the successful listing of the Company.

Pursuant to the updated shareholders agreement signed in May 2025, certain investors' rights to request the Company to settle the convertible redeemable preferred shares will be reinstated and become exercisable if the initial public offering, listing and trading of the Company's shares on a recognised stock exchange does not occur before 31 December 2025. The redemption price shall be paid within 12 months of the date of the redemption request.

Pursuant to the side letters signed in May 2025, certain investors have already undertaken that they will not exercise their redemption rights prior to 31 December 2026.

Dividends and voting rights

Each preferred shares shall have voting rights and dividend rights equivalent to ordinary shareholders into which such preferred shares (including warrants) could be convertible.

The movements of the convertible redeemable preferred shares are set out as below:

The Group and the Company

	RMB'000
At 21 February 2023	
Issuance of Series Angel Preferred Shares	421,768
Issuance of Series Pre-A Preferred Shares	116,333
Issuance of Series A Preferred Shares	441,974
Issuance of Series B1 Preferred Shares	357,802
Issuance of Series B2 Preferred Shares	370,377
Issuance of Series B3 Preferred Shares	476,845
Issuance of Series C Preferred Shares	719,430
Change in fair value	225,435
Change in fair value due to own credit risk	(2,063)
At 31 December 2023	3,127,901

	RMB'000
At 31 December 2023	3,127,901
Change in fair value	18,526
Change in fair value due to own credit risk	(2,516)
At 31 December 2024	3,143,911

	RMB'000
At 31 December 2024	3,143,911
Redemption of convertible redeemable preferred shares *(i)*	(543,292)
Loss on convertible redeemable preferred shares *(ii)*	72,512
Change in fair value due to own credit risk	2,141
At 30 June 2025	2,675,272

	RMB'000
At 31 December 2023	3,127,901
Change in fair value	14,301
Change in fair value due to own credit risk	1,636
At 30 June 2024 (Unaudited)	3,143,838

(i) On 19 May 2025, 235,627 series C convertible redeemable preferred shares have been redeemed by the Company from certain Series C preferred shareholders, at a consideration of approximately USD75.6 million (equivalent to RMB543 million) and the Company derecognized the carrying amount of relevant Series C convertible redeemable preferred shares accordingly.

(ii) The Company recognized loss on convertible redeemable preferred shares in total amount of RMB72,512,000 for the period ended 30 June 2025, which included the fair value change of convertible redeemable preferred shares and gain or loss from modification of terms of the redemption rights.

The Group applied the discount cash flow method to determine the underlying equity value of the Company and adopted option-pricing method and equity allocation model to determine the fair value of the convertible redeemable preferred shares. Significant unobservable inputs are set as below:

	As at 31 December 2023	As at 31 December 2024	As at 30 June 2025
Discount rate	16.00%	16.00%	16.00%
Risk free rate	4.50%	4.30%	4.00%
DloM	15.00%	15.00%	14.00%
Volatilities	48.50%	44.90%	54.20%

Key assumptions used in the valuation of the convertible redeemable preferred shares include discount rate and DloM. The Company performed sensitivity analysis on these key assumptions for the years ended 31 December 2023 and 2024 and the six months ended 30 June 2025. If the discount rate had decreased or increased by 1% with all other variables held constant, the convertible redeemable preferred shares would have been increased or decreased by approximately RMB26,398,000 and RMB23,836,000 and RMB22,255,000 as at 31 December 2023 and 2024 and at 30 June 2025. If the DloM had decreased or increased by 1% with all other variables held constant, the convertible redeemable preferred shares would have been increased or decreased by approximately RMB4,567,000 and RMB4,344,000 and RMB3,723,000 as at 31 December 2023 and 2024 and at 30 June 2025.

27 SHARE CAPITAL AND SHARE PREMIUM

As mentioned in Note 1.2, the Historical Financial Information has been prepared on a combined basis before the completion of the Reorganisation and on consolidated basis upon the completion of the Reorganisation.

	Number of ordinary shares	**Nominal value of shares**
		US$
Authorised:		
As at 31 December 2021 and 2022	500,000,000	50,000
Reclassification from ordinary shares to convertible redeemable preferred shares	(1,800,745)	(180)
As at 31 December 2023 and 2024 and 30 June 2024 (Unaudited)	498,199,255	49,820
As at 31 December 2024	498,199,255	49,820
Redemption and reclassification from convertible redeemable preferred shares to ordinary shares	235,627	23
As at 30 June 2025	498,434,882	49,843

	Number of ordinary shares	**Nominal value of share capital**	**Equivalent nominal value of share capital**	**Share premium**
		US$'000	*RMB'000*	*RMB'000*
Issued:				
As at 31 December 2021 and 2022	2,039,641	–	1	–
Reclassification to redeemable convertible preferred shares	(26,035)	–	–	–
Effect of the Reorganisation of the Group *(i)*	–	–	–	2,479,571
As at 31 December 2023, 2024 and 30 June 2024 and 2025	2,013,606	–	1	2,479,571

(i) Upon completion of the Reorganisation, the fair value of ordinary shares of Shanghai Jushuitan amounting to RMB2,479.6 million was transferred from other reserve to share premium accordingly (Note 34).

28 OTHER RESERVES

The following table shows a breakdown of the balance sheet line item "other reserves" and its movement during the respective years.

(a) The Group

	Combined capital (a)	Treasury shares (b)	Capital reserve	Share-based payment reserve	Foreign currency translation	Fair value changes on convertible redeemable preferred shares due to own credit risk	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January 2022	3,814	–	(66,336)	113,999	–	–	51,477
Foreign currency translation	–	–	–	–	93	–	93
Share-based payments for employees *(Note 29)*	–	–	–	24,561	–	–	24,561
As at 31 December 2022	3,814	–	(66,336)	138,560	93	–	76,131
As at 1 January 2023	3,814	–	(66,336)	138,560	93	–	76,131
Foreign currency translation	–	–	–	–	(3)	–	(3)
Effect of the Reorganisation *(a)*	(3,814)	–	(2,477,772)	–	–	–	(2,481,586)
Issuance of convertible redeemable preferred shares	–	–	(1,691,449)	–	–	2,063	(1,689,386)
Share-based payments for employees *(Note 29)*	–	–	–	21,272	–	–	21,272
As at 31 December 2023	–	–	(4,235,557)	159,832	90	2,063	(4,073,572)
As at 1 January 2024	–	–	(4,235,557)	159,832	90	2,063	(4,073,572)
Foreign currency translation	–	–	–	–	(102)	–	(102)
Fair value changes on convertible redeemable preferred shares	–	–	–	–	–	2,516	2,516
Share-based payments for employees *(Note 29)*	–	–	–	10,728	–	–	10,728
As at 31 December 2024	–	–	(4,235,557)	170,560	(12)	4,579	(4,060,430)
As at 1 January 2025	–	–	(4,235,557)	170,560	(12)	4,579	(4,060,430)
Foreign currency translation	–	–	–	–	(170)	–	(170)
Fair value change of convertible redeemable preferred shares	–	–	–	–	–	(2,141)	(2,141)
Share-based payments for employees *(Note 29)*	–	–	–	8,208	–	–	8,208
As at 30 June 2025	–	–	(4,235,557)	178,768	(182)	2,438	(4,054,533)

	Combined capital (a)	Treasury shares (b)	Capital reserve	Share-based payment reserve	Foreign currency translation	Fair value changes on convertible redeemable preferred shares due to own credit risk	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January 2024	–	–	(4,235,557)	159,832	90	2,063	(4,073,572)
Foreign currency translation	–	–	–	–	185	–	185
Fair value change of convertible redeemable preferred shares	–	–	–	–	–	(1,636)	(1,636)
Share-based payments for employees *(Note 29)*	–	–	–	11,133	–	–	11,133
As at 30 June 2024 (Unaudited)	–	–	(4,235,557)	170,965	275	427	(4,063,890)

(a) The Reorganisation has not been completed as at 31 December 2022. Combined capital as at 31 December 2022 represented the combined registered capital of the companies now comprising the Group after elimination of inter-company investment.

(b) The treasury shares represents the reserved 311,780 ordinary shares to be issued for the purpose of employee incentive after the Reorganisation and the monetary amount is less than RMB1,000.

(b) The Company

	Capital reserve	Share-based payment reserve	Fair value changes on convertible redeemable preferred shares due to own credit risk	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January 2023	–	–	–	–
Capital contribution from owners	1,445	–	–	1,445
Issuance of convertible redeemable preferred shares	–	–	2,063	2,063
Share-based payments for employees	–	91,610	–	91,610
As at 31 December 2023	1,445	91,610	2,063	95,118
As at 1 January 2024	1,445	91,610	2,063	95,118
Capital contribution from owners	–	–	–	–
Fair value changes on convertible redeemable preferred shares	–	–	2,516	2,516
Share-based payments for employees	–	10,728	–	10,728
As at 31 December 2024	1,445	102,338	4,579	108,362

	Capital reserve	Share-based payment reserve	Fair value changes on convertible redeemable preferred shares due to own credit risk	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January 2025	1,445	102,338	4,579	108,362
Fair value changes on convertible redeemable preferred shares due to own credit risk	–	–	(2,141)	(2,141)
Share-based payments for employees	–	8,208	–	8,208
As at 30 June 2025	1,445	110,546	2,438	114,429
As at 1 January 2024	1,445	91,610	2,063	95,118
Fair value changes on convertible redeemable preferred shares due to own credit risk	–	–	(1,636)	(1,636)
Share-based payments for employees	–	11,133	–	11,133
As at 30 June 2024 (Unaudited)	1,445	102,743	427	104,615

29 SHARE-BASED PAYMENTS

(a) Share-based compensation plans of the Company

In 2018, the board of directors approved the establishment of the share incentive scheme with the purpose of which is to provide incentive for certain senior management members and employees contributing to the Group through a limited liability partnership before the Reorganisation.

On 7 September 2017, Jiaxing Partnership was established serving as the employee incentive platform, in which Mr. Luo Haidong was the general partner. In 2018, Mr. Luo Haidong and the other two founders of Shanghai Jushuitan transferred their in total of 4.83% share of Shanghai Jushuitan to Jiaxing Partnership. Jiaxing Partnership further subscribed aggregately 8.11% shares of Shanghai Jushuitan in 2018. 8.75 % and 2.54% of Shanghai Jushuitan's shares that were held by Jiaxing Partnership were granted to employees on 1 January 2018 and 31 March 2021, respectively, in exchange for their services to certain of the Group's subsidiaries which includes the grant of restricted stock units ("RSUs") and share options.

The options/RSUs shall vest under service condition and the Company's successful IPO. The granted options/RSUs have a contractual option term of ten years.

During the Reorganisation in 2023 as mentioned in Note 1.2, the above restricted share plans was replaced by the new restricted share plans, the vesting condition does not change, and no additional benefit to the employee upon modification and thus does not have any accounting impact. The RSUs granted to Mr. Wang Yu had their terms modified during the reorganization, removing the IPO condition and accelerating the expense recognition.

The movements in the number of share options outstanding and their related exercise prices are summarised as follows:

Share options

	Year ended 31 December						Six months ended 30 June			
	2022		2023		2024		2024		2025	
	Average exercise price Per share option	Number of Options (in thousands)	Average exercise price Per share option	Number of options (in thousands)	Average exercise price Per share option	Number of options (in thousands)	Average exercise price Per share option	Number of options (in thousands)	Average exercise price Per share option	Number of options (in thousands)
							(Unaudited)			
At the beginning of the year/period	173	185	173	181	173	180	173	180	174	182
Granted	–	–	–	–	259	14	259	14	259	14
Forfeited	170	(4)	259	(1)	259	(12)	259	(1)	259	(2)
At the end of the year/period	173	181	173	180	174	182	174	193	181	194

RSUs

		Outstanding RSUs (in thousands)				
		Year ended 31 December			Six months ended 30 June	
	Vest price (per share)	2022	2023	2024	2024	2025
					(Unaudited)	
At the beginning of the year/period	81	116	116	46	46	46
Vested		–	(70)	–	–	–
At the end of the year/period		116	46	46	46	46

Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the years/period as part of employee benefit expense were as follows:

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Share-based payments for employees *(Note 28)*	24,561	21,272	10,728	11,133	8,208

The share options outstanding as at 31 December 2022, 2023 and 2024 and 30 June 2024 and 2025 have the following vesting dates and exercise prices:

Grant date	Expiry date	Exercise price Per share	Outstanding options/RSUs (in thousands)				
			As at 31 December			As at 30 June	
			2022	2023	2024	2024	2025
						(Unaudited)	
1 January 2018	15 April 2034	81	87	87	87	87	87
31 March 2021	15 April 2034	259	94	93	81	92	79
1 January 2024	15 April 2034	259	–	–	14	14	14
20 May 2025	15 April 2034	259	–	–	–	–	14
Total			181	180	182	193	194

Weighted average remaining contractual life of options outstanding at end of period are listed as below.

Grant date	As at 31 December			As at 30 June	
	2022	2023	2024	2024	2025
				(Unaudited)	
1 January 2018	5.00	4.00	9.30	9.80	8.80
31 March 2021	8.25	7.25	9.30	9.80	8.80
1 January 2024	–	–	9.30	9.80	8.80
20 May 2025	–	–	–	–	8.80

(i) Fair value of options/RSUs granted

The fair value of each RSUs granted with service conditions is estimated based on the fair market value of the underlying ordinary shares of Shanghai Jushuitan on the date of grant.

The assessed fair value at grant date of options granted was RMB1,382 per option (issued on 1 January 2024) and RMB1,366 per option (issued on 20 May 2025), respectively. The fair value at grant date is independently determined using an adjusted form of the Binary Tree Model which includes a Binary Tree Model that takes into account the exercise price, the term of the option, the impact of dilution (where material), the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, the risk free interest rate for the term of the option and the correlations and volatilities of the peer group companies.

The significant input into the model was as follows:

Share options issued on 1 January 2024

	1 January 2024
	Equivalent to RMB
Spot share price	1,608
Exercise price	259
Expected volatility	49.50%
Maturity (years)	10.00
Risk-free interest rate	2.60%
Dividend yield	–

Share options issued on 20 May 2025

	20 May 2025
	Equivalent to RMB
Spot share price	1,896
Exercise price	259
Expected volatility	47.80%
Maturity (years)	8.90
Risk-free interest rate	1.70%
Dividend yield	–

30 CASH GENERATED FROM OPERATIONS

(a) Reconciliation of loss before income tax to net cash generated from operations

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Loss before income tax for the year	(507,079)	(490,023)	(79,641)	(60,203)	(40,303)
Adjustments for:					
– Depreciation of property, plant and equipment *(Note 15)*	6,340	5,407	3,530	1,824	1,585
– Amortisation of right-of-use assets *(Note 16)*	13,786	13,240	10,858	6,103	4,945
– Amortisation of intangible assets *(Note 17)*	1,882	1,897	1,918	958	949
– Gain on disposal of an associate *(Note 10)*	–	–	(3,345)	(3,345)	(3,778)
– Gain on disposal of property, plant and equipment *(Note 10)*	(241)	(660)	(1,019)	(1,009)	(17)
– Gain on disposal of time deposits *(Note 10)*	–	(167)	–	–	–
– Gain on early termination of right-of-use assets	–	(28)	–	–	–
– Provision for loss allowance of receivables *(Note 3.1)*	25	137	150	10	581
– Share of net loss/(gain) of investments accounted for using equity method *(Note 18)*	35,152	18,252	4,438	2,747	(585)
– Share-based payments for employees *(Note 29)*	24,561	21,272	10,728	11,133	8,208
– Finance costs *(Note 11)*	103,717	13,650	1,079	631	355
– Foreign exchange (gain)/loss *(Note 10)*	(529)	35	693	51	(329)
– Deemed disposal gain of equity method investment *(Note 10)*	(3,613)	–	–	–	–
– Dividends received from invested enterprises *(Note 9)*	(620)	(970)	–	–	–
– Interest income from loans to employees and related parties *(Note 9)*	(658)	(641)	(162)	(110)	(110)
– Interest received from time deposits *(Note 9)*	(4,044)	(3,208)	–	–	(1,002)
– Fair value change of unlisted equity investments *(Note 10)*	11,324	(1,758)	10,731	8,124	(1,985)
– Fair value change of wealth management products *(Note 10)*	11,160	(236)	(8,639)	(1,471)	(2,684)
– Loss on convertible redeemable preferred shares *(Note 26)*	–	225,435	18,526	14,301	72,512
– Impairment of goodwill	9,927	–	–	–	–
	208,169	291,657	49,486	39,947	78,645

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (*Unaudited*)	*RMB'000*
Changes in working capital:					
– Decrease/(increase) in trade and other receivables	51,217	(12,977)	(93,094)	(74,915)	(41,795)
– Increase in prepayments	(2,643)	(13,508)	(17,381)	(7,731)	3,978
– Decrease/(increase) in inventories	187	(118)	(58)	69	199
– Increase in contract acquisition cost	(50,197)	(61,324)	(23,724)	(8,719)	(12,473)
– Increase/(decrease) in trade and other payables	178,206	178,325	93,252	(44,887)	19,070
– Increase in contract liabilities	200,851	318,349	350,419	158,415	152,608
	377,621	408,747	309,414	22,232	121,587
Cash generated from operations	78,711	210,381	279,259	1,976	159,929

(b) Non-cash investing and financing activities

The major non-cash investing and financing transactions during the years ended 31 December 2022, 2023 and 2024 and the six months ended 30 June 2024 and 2025 mainly include (i) the additions of the right-of-use assets and lease liabilities described in Note 16, (ii) transfer financial liabilities to convertible redeemable preferred shares described in Note 26.

(c) Net debt reconciliation

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Cash and cash equivalents	426,659	897,327	1,085,276	730,831
Lease liabilities	(10,115)	(29,221)	(16,178)	(13,186)
Financial liabilities to investors	(1,200,717)	–	–	–
Convertible redeemable preferred shares	–	(3,127,901)	(3,143,911)	(2,675,272)
Net debt	(784,173)	(2,259,795)	(2,074,813)	(1,957,627)

	Cash and cash equivalents	Lease liabilities	Financial liabilities to investors	Convertible redeemable preferred shares	Bank borrowings	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Net debt as at 1 January 2022	534,593	(23,276)	(1,097,571)	–	–	(586,254)
Cash flows	(108,556)	14,753	–	–	–	(93,803)
Foreign exchange	622	–	–	–	–	622
Interest expenses	–	(571)	(103,146)	–	–	(103,717)
Other non-cash movements	–	(1,021)	–	–	–	(1,021)
Net debt as at 31 December 2022	426,659	(10,115)	(1,200,717)	–	–	(784,173)

	Cash and cash equivalents	Lease liabilities	Financial liabilities to investors	Convertible redeemable preferred shares	Bank borrowings	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Net debt as at 1 January 2023	426,659	(10,115)	(1,200,717)	–	–	(784,173)
Cash flows	470,700	11,969	–	–	257	482,926
Foreign exchange	(32)	–	–	–	–	(32)
Interest expenses	–	(1,031)	(12,362)	–	(257)	(13,650)
Other non-cash movements	–	(30,044)	1,213,079	(3,127,901)	–	(1,944,866)
Net debt as at 31 December 2023	897,327	(29,221)	–	(3,127,901)	–	(2,259,795)
Net debt as at 1 January 2024	897,327	(29,221)	–	(3,127,901)	–	(2,259,795)
Cash flows	188,743	12,184	–	–	–	200,927
Foreign exchange	(794)	–	–	–	–	(794)
Interest expenses	–	(1,079)	–	–	–	(1,079)
Other non-cash movements	–	1,938	–	(16,010)	–	(14,072)
Net debt as at 31 December 2024	1,085,276	(16,178)	–	(3,143,911)	–	(2,074,813)
Net debt as at 1 January 2025	1,085,276	(16,178)	–	(3,143,911)	–	(2,074,813)
Cash flows	(354,605)	3,841	–	543,292	–	192,528
Foreign exchange	160	–	–	–	–	160
Interest expenses	–	(355)	–	–	–	(355)
Other non-cash movements	–	(494)	–	(74,653)	–	(75,147)
Net debt as at 30 June 2025	730,831	(13,186)	–	(2,675,272)	–	(1,957,627)
Net debt as at 1 January 2024	897,327	(29,221)	–	(3,127,901)	–	(2,259,795)
Cash flows	10,211	7,144	–	–	–	17,355
Foreign exchange	134	–	–	–	–	134
Interest expenses	–	(631)	–	–	–	(631)
Other non-cash movements	–	(213)	–	(15,937)	–	(16,150)
Net debt as at 30 June 2024 (Unaudited)	907,672	(22,921)	–	(3,143,838)	–	(2,259,087)

31 COMMITMENTS

(a) Capital commitments

No capital expenditure contracted for at 31 December 2022, 2023, 2024 and 30 June 2025, but not yet incurred.

(b) Lease commitments

The Group leases certain offices under non-cancellable lease arrangements with lease terms less than 1 year, which can be exempted from IFRS 16. The Group's future aggregate minimum lease payments for such short term non-cancellable leases were as follows:

	As at 31 December			As at 30 June
	2022	**2023**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 1 year	243	1,458	1,159	864

32 CONTINGENCIES

The Group did not have any material contingent liabilities as at 31 December 2022, 2023, 2024 and 30 June 2025.

33 RELATED PARTY TRANSACTIONS

Related parties are those parties that have the ability to control, jointly control or exert significant influence over the other party in holding power over the investee; exposure or rights, to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect the amount of the investor's returns. Parties are also considered to be related if they are subject to common control or joint control. Related parties may be individuals or other entities.

(a) The directors of the Company are of the view that the following parties/companies were related parties that had transaction or balances with the Group during the year ended 31 December 2022, 2023, 2024 and the six months ended 2024 and 2025:

Name	**Relationships with the Group**
Mr. Luo Haidong 駱海東	Shareholder
Mr. Wang Yu 王瑜	Director
Mr. Cen Wenchu 岑文初	Non-controlling shareholder of subsidiary
Zhejiang Luodige Enterprise Management Consulting Co., Ltd.	Associate
Shenzhen Lingxing	Associate
Zhejiang Quality Control Technology Management Co., Ltd.	Associate
Wuxi Wuhe Cloud Network Technology Co., Ltd.	Associate
Shenzhen Zexi Network Technology Co., Ltd.**	Associate
Hangzhou Zhuidian Network Technology Co., Ltd.	Investment with significant influence
Dian Inc.	Investment with significant influence
Seller Motor Capital Holdings Limited	Investment with significant influence
Hangzhou Yike Information Technology Co., Ltd.*	Investment with significant influence
Hangzhou Youfan Information Technology Co., Ltd.	Investment with significant influence
Beijing Jishiyu Intelligent Technology Co., Ltd.	Investment with significant influence
Shanghai Mopu Network Technology Co., Ltd.	Investment with significant influence

* This investment was disposed in 2023.

** This investment was disposed in 2024.

(b) Transactions with related parties

Operating activities

	Year ended 31 December			Six months ended 30 June	
	2022	**2023**	**2024**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Revenue – Promotion service fees					
Hangzhou Youfan Information Technology Co., Ltd.	1,166	3,218	4,209	2,244	959
Dian Inc.	748	1,463	2,043	738	953
Zhejiang Quality Control Technology Management Co., Ltd.	482	369	528	222	216
Shenzhen Lingxing	356	339	480	141	205
Hangzhou Zhuidian Network Technology Co., Ltd.	1,522	500	279	145	146
Wuxi Wuhe Cloud Network Technology Co., Ltd	–	345	214	164	89
Beijing Jishiyu Intelligent Technology Co., Ltd.	41	41	16	4	3
Shenzhen Zexi Network Technology Co., Ltd.	383	271	40	40	–
Shanghai Mopu Network Technology Co., Ltd.	11	8	–	–	–
Hangzhou Yike Information Technology Co., Ltd.	5	3	–	–	–
Seller Motor Capital Holdings Limited	4	–	–	–	–
	4,718	6,557	7,809	3,698	2,571
Marketing expenses					
Zhejiang Luodige Enterprise Management Consulting Co., Ltd.	97	2	–	–	–

The prices for the above service fees were determined in accordance with the terms mutually agreed by the contract parties.

Non-operating activities

	Year ended 31 December			Six months ended 30 June	
	2022	**2023**	**2024**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Loans to related parties					
Mr. Luo Haidong *(i)*	11,000	–	–	–	–
Mr. Wang Yu	3,000	–	–	–	–
Mr. Cen Wenchu	1,500	–	–	–	–
Dian Inc.	–	1,000	–	–	–
	15,500	1,000	–	–	–
Repayment from related parties					
Mr. Cen Wenchu	–	–	1,578	1,578	–
Mr. Luo Haidong	–	17,123	–	–	–
Mr. Wang Yu	3,000	–	–	–	–
Dian Inc.	–	1,013	–	–	–
	3,000	18,136	1,578	1,578	–
Interest income					
Mr. Luo Haidong	428	317	–	–	–
Mr. Cen Wenchu	14	66	–	–	–
	442	383	–	–	–

(c) Year-end balances with related parties

(i) Trade balances with related parties

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables				
Zhejiang Quality Control Technology Management Co., Ltd.	210	113	156	81
Shenzhen Lingxing	60	101	156	117
Hangzhou Youfan Information Technology Co., Ltd.	442	1,918	1,131	538
Hangzhou Zhuidian Network Technology Co., Ltd.	367	81	65	71
Dian Inc.	605	1,857	2,736	3,282
Beijing Jishiyu Intelligent Technology Co., Ltd.	13	7	–	3
Shenzhen Zexi Network Technology Co., Ltd.	27	60	–	–
Wuxi Wuhe Cloud Network Technology Co., Ltd	–	58	–	–
	1,724	4,195	4,244	4,092

The above balances with related parties were mainly denominated in RMB. They were unsecure, trade in nature and non-interest bearing.

(ii) Non-trade balances with related parties

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Other receivables				
Mr. Luo Haidong *(i)*	16,805	–	–	–
Mr. Cen Wenchu *(i)*	1,514	1,578	–	–
	18,319	1,578	–	–

(i) Other receivables due from related parties represented unsecured loans, with an interest rate 4.35% and are generally repayable on demand. The loan to Mr. Luo Haidong was fully repaid in August 2023 and the loan to Mr. Cen Wenchu was fully repaid in January 2024.

(d) Key management compensation

Compensations for key management other than those for directors and as disclosed in Note 35 is set out below.

	Year ended 31 December			Six months ended 30 June	
	2022	**2023**	**2024**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Salaries and other short-term employee benefits	4,887	13,043	6,120	1,528	2,590
Share-based payments for employees	5,908	4,791	12,846	6,065	4,598
	10,795	17,834	18,966	7,593	7,188

34 INVESTMENT IN SUBSIDIARIES

The Company

	As at 31 December			As at 30 June
	2022	**2023**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Deemed investment arising from the Reorganisation *(i)*	–	5,034,100	5,034,100	5,034,100
Deemed investment arising from share-based payment *(ii)*	–	91,610	102,338	110,546
Investment in subsidiaries	–	5,125,710	5,136,438	5,144,646

(i) During the Reorganisation, to reflect the onshore shareholding structure of Shanghai Jushuitan, 1,701,826 ordinary shares of the Company with fair value of approximately RMB2,479,571,000 (Note 27) were allotted and issued to 4 offshore ordinary shareholders, 1,800,745 redeemable and convertible preferred shares of the Company with fair value of approximately RMB2,904,529,000, were issued to Series Angel to Series C investors (Note 26).

(ii) The Company granted share options directly to employees of its subsidiaries within the Group, and the Company did not charge subsidiaries for the transaction. In the consolidated financial statements, the transaction was treated as an equity-settled share-based payment. While in the separate financial statements of the Company, it was recorded as an increase in the investment in subsidiaries.

35 BENEFITS AND INTERESTS OF DIRECTORS

(a) Directors' emoluments

The remuneration of every director for the year ended 31 December 2022 is set out as below:

Name	Fees	Salaries	Housing allowance and contributions to a retirement benefit scheme	Share based payment	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive Directors					
– Mr. Luo Haidong	–	2,615	63	–	2,678
– Mr. Li Cansheng	–	1,304	63	–	1,367
– Mr. He Xingjian	–	2,477	63	–	2,540
– Mr. Wang Yu	–	2,405	63	18	2,486
Non-executive Directors					
– Mr. Wang Donghui	–	–	–	–	–
– Mr. Chen Hongliang	–	–	–	–	–
– Mr. Zhou Kui	–	–	–	–	–
	–	8,801	252	18	9,071

The remuneration of every director for the year ended 31 December 2023 is set out as below:

Name	Fees	Salaries	Housing allowance and contributions to a retirement benefit scheme	Share based payment	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive Directors					
– Mr. Luo Haidong	–	2,587	68	–	2,655
– Mr. Li Cansheng	–	3,271	61	–	3,332
– Mr. He Xingjian	–	3,336	68	–	3,404
– Mr. Wang Yu	–	4,405	46	27	4,478
Non-executive Directors					
– Mr. Wang Donghui	–	–	–	–	–
– Mr. Chen Hongliang	–	–	–	–	–
– Mr. Zhou Kui	–	–	–	–	–
	–	13,599	243	27	13,869

The remuneration of every director for the year ended 31 December 2024 is set out as below:

Name	Fees	Salaries	Housing allowance and contributions to a retirement benefit scheme	Share based payment	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive Directors					
– Mr. Luo Haidong	–	2,629	71	–	2,700
– Mr. Li Cansheng	–	2,572	–	–	2,572
– Mr. He Xingjian	–	3,347	12	–	3,359
– Mr. Wang Yu	–	4,026	–	–	4,026
Non-executive Directors					
– Mr. Wang Donghui	–	–	–	–	–
– Mr. Chen Hongliang	–	–	–	–	–
– Mr. Zhou Kui	–	–	–	–	–
	–	12,574	83	–	12,657

The remuneration of every director for the six months ended 30 June 2025 is set out as below:

Name	Fees	Salaries	Housing allowance and contributions to a retirement benefit scheme	Share based payment	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive Directors					
– Mr. Luo Haidong	–	1,172	35	–	1,207
– Mr. Li Cansheng	–	1,462	–	–	1,462
– Mr. He Xingjian	–	1,409	–	–	1,409
– Mr. Wang Yu	–	1,059	–	–	1,059
Non-executive Directors					
– Mr. Wang Donghui	–	–	–	–	–
– Mr. Chen Hongliang	–	–	–	–	–
– Mr. Zhou Kui	–	–	–	–	–
	–	5,102	35	–	5,137

The remuneration of every director for the six months ended 30 June 2024 is set out as below:

Name	Fees	Salaries	Housing allowance and contributions to a retirement benefit scheme	Share based payment	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive Directors					
– Mr. Luo Haidong	–	833	35	–	868
– Mr. Li Cansheng	–	397	–	–	397
– Mr. He Xingjian	–	845	12	–	857
– Mr. Wang Yu	–	1,419	–	–	1,419
Non-executive Directors					
– Mr. Wang Donghui	–	–	–	–	–
– Mr. Chen Hongliang	–	–	–	–	–
– Mr. Zhou Kui	–	–	–	–	–
	–	3,494	47	–	3,541

(b) Directors' retirement and termination benefits

No retirement or termination benefits have been paid to the Company's directors for the years ended 31 December 2022, 2023, 2024 and the six months ended 30 June 2024 and 2025.

(c) Consideration provided to third parties for making available directors' services

No consideration provided to third parties for making available directors' services subsisted at the end of the year or at any time for the years ended 31 December 2022, 2023, 2024 and the six months ended 30 June 2024 and 2025.

(d) Information about loans, quasi-loans and other dealings in favor of directors, controlled bodies corporate by and connected entities with such directors

The information about loans entered into by the company or subsidiary undertaking of the company, where applicable, in favour of directors is as follows:

Name of director	Total amount payable	Outstanding amounts at the beginning of the year	Outstanding amounts at the end of the year	Maximum outstandings during the year	Amounts fallen due but not been paid	Provisions for doubtful/bad debts made	Term	Interest rate	Security
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*			
At 31 December 2022									
Mr. Luo Haidong	16,805	5,377	16,805	16,805	–	–	On demand	4.35%	Nil
Mr. Wang Yu	–	–	–	3,000	–	–	On demand	–	Nil
At 31 December 2023									
Mr. Luo Haidong	–	16,805	–	17,099	–	–	On demand	4.35%	Nil

(e) Directors' material interests in transactions, arrangements or contract

No significant transactions, arrangements and contracts in relation to the Company's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted for the years ended 31 December 2022, 2023, 2024 and the six months ended 30 June 2024 and 2025.

36 EVENTS AFTER THE BALANCE SHEET DATE

There are no other material subsequent event undertaken by the Company or by the Group after 30 June 2025.

III SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company or any of the companies now comprising the Group in respect of any period subsequent to 30 June 2025. No dividend or distribution has been declared or made by the Company or any of the companies now comprising the Group in respect of any period subsequent to 30 June 2025.

The information set out in this Appendix does not form part of the Accountant's Report from PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, the reporting accountant of the Company, as set out in Appendix I to this Prospectus, and is included herein for illustrative purposes only.

The unaudited pro forma financial information should be read in conjunction with the section headed "Financial Information" in this Prospectus and the Accountant's Report set out in Appendix I to this Prospectus.

UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

The following unaudited pro forma statement of adjusted consolidated net tangible assets prepared in accordance with Rule 4.29 of the Listing Rules are set out below for the purpose of illustrating the effect of the Global Offering on the consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2025 as if the Global Offering had taken place on that date.

The unaudited pro forma statement of adjusted consolidated net tangible assets has been prepared for illustrative purposes only and because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2025 or at any future dates following the completion of the Global Offering. The unaudited pro forma statement of adjusted consolidated net tangible assets of the Group is based on the consolidated net tangible liabilities of the Group attributable to the owners of the Company as at 30 June 2025 as set out in the Accountant's Report of the Company, the text of which is set out in Appendix I to this prospectus, and adjusted as described below.

	Audited consolidated net tangible liabilities of the Group attributable to owners of the Company as at 30 June 2025	Estimated net proceeds from the Global Offering	Estimated impact on the conversion of convertible redeemable preferred shares into ordinary shares upon the completion of Global Offering	Unaudited pro forma adjusted consolidated net tangible assets attributable to owners of the Company as at 30 June 2025	Unaudited pro forma adjusted consolidated net tangible assets per Share	
	Note (1)	*Note (2)*	*Note (3)*		*Note (4)*	*Note (5)*
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB*	*HK$*
Based on the Offer Price of HK$30.60 per Share	(3,679,710)	1,809,211	2,675,272	804,773	1.89	2.07

Notes:

(1) The audited consolidated net tangible liabilities of the Group attributable to the owners of the Company as at 30 June 2025 is extracted from the Accountant's Report set out in Appendix I to this prospectus, which is based on the audited consolidated deficits in equity of the Group attributable to owners of the Company as at 30 June 2025 of RMB3,676,537,000 with an adjustment for intangible assets as at 30 June 2025 of RMB3,173,000.

(2) The estimated net proceeds from the Global Offering are based on the indicative Offer Price of HKD30.60 per share, after deduction of the underwriting fees and other related expenses paid/payable by the Company (excluding listing expenses which have been charged to the profit or loss during the Track Record Period) and takes no account of any Shares which may fall to be issued upon the exercise of the Offer Size Adjustment Option and the Over-allotment Option or any Shares which may be granted and issued or repurchased by the Company pursuant to the General Mandate and the Repurchase Mandate.

(3) Upon Listing and completion of the Global Offering, all the convertible redeemable preferred shares will be automatically converted into ordinary shares pursuant to the respective share subscription agreements. Accordingly, for the purpose of the unaudited pro forma net tangible assets, the unaudited pro forma adjusted net tangible assets attributable to owners of the Company will be increased by RMB2,675,272,000, being the carrying amount of the convertible redeemable preferred shares as at 30 June 2025.

(4) The unaudited pro forma net tangible assets per Share is arrived at after the adjustments referred to in the preceding paragraphs and on the basis that 426,038,600 Shares were in issue assuming that the Global Offering and the Capitalisation Issue have been completed on 30 June 2025 but takes no account of any Shares which may fall to be issued upon the exercise of the Offer Size Adjustment Option and the Over-allotment Option or any Shares which may be granted and issued or repurchased by the Company pursuant to the General Mandate and the Repurchase Mandate.

(5) For the purpose of preparing this unaudited pro forma statement of adjusted net tangible assets, the amounts stated in Renminbi are converted into Hong Kong dollars at the rate of HKD1.00 to RMB0.91298. No representation is made that Renminbi has been, could have been or may be converted to Hong Kong dollars, or vice versa, at that rate.

(6) Except as disclosed above, no adjustment has been made to reflect any trading results or other transactions of the Group entered into subsequent to 30 June 2025.

The following is the text of a report received from PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this prospectus.

pwc 羅兵咸永道

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

To the Directors of JST Group Corporation Limited

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of JST Group Corporation Limited (the "Company") and its subsidiaries (collectively the "Group") by the directors of the Company (the "Directors") for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group as at 30 June 2025 and related notes (the "Unaudited Pro Forma Financial Information") as set out on pages II-1 to II-2 of the Company's prospectus dated October 13, 2025, in connection with the proposed initial public offering of the shares of the Company (the "Prospectus"). The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described on pages II-1 to II-2 of the Prospectus.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the proposed initial public offering on the Group's financial position as at 30 June 2025 as if the proposed initial public offering had taken place at 30 June 2025. As part of this process, information about the Group's financial position has been extracted by the Directors from the Group's financial information for the period ended 30 June 2025, on which an accountant's report has been published.

Directors' Responsibility for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7, *Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars,* ("AG 7") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

PricewaterhouseCoopers, 22/F Prince's Building, Central, Hong Kong SAR, China
T: +852 2289 8888, F: +852 2810 9888, www.pwchk.com

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Hong Kong Standard on Quality Management (HKSQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, issued by the HKICPA, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountant's Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the HKICPA. This standard requires that the reporting accountant plans and performs procedures to obtain reasonable assurance about whether the Directors have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of unaudited pro forma financial information included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the proposed initial public offering at 30 June 2025 would have been as presented.

A reasonable assurance engagement to report on whether the unaudited pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgment, having regard to the reporting accountant's understanding of the nature of the company, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our work has not been carried out in accordance with auditing standards or other standards and practices generally accepted in the United States of America or auditing standards of the Public Company Accounting Oversight Board (United States) or standards and practices of any professional body in any other overseas jurisdiction and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion:

(a) the Unaudited Pro Forma Financial Information has been properly compiled by the Directors on the basis stated;

(b) such basis is consistent with the accounting policies of the Group; and

(c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong, October 13, 2025

Set out below is a summary of certain provisions of the constitution of the Company and certain aspects of the company laws of the Cayman Islands.

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 2 August 2021 under the Companies Act. The Company's constitutional documents consist of the Memorandum of Association and the Articles of Association.

1. MEMORANDUM OF ASSOCIATION

The Memorandum provides, *inter alia*, that the liability of the members of the Company is limited, that the objects for which the Company is established are unrestricted (and therefore include acting as an investment holding company) and that the Company shall have full power and authority to carry out any object not prohibited by the Companies Act or any other law of the Cayman Islands.

2. ARTICLES OF ASSOCIATION

The Articles were conditionally adopted on October 5, 2025, and will become effective on the Listing Date. A summary of certain provisions of the Articles is set out below.

2.1 Shares

(a) Classes of Shares

The share capital of the Company consists of a single class of ordinary shares.

(b) Variation of Rights of Existing Shares or Classes of Shares

If at any time the share capital of the Company is divided into different classes of Shares, all or any of the rights attached to any class of Shares for the time being issued (unless otherwise provided by the terms of issue of the Shares of that class) may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of at least three-fourths of the issued Shares of that class, or with the approval of a resolution passed by at least three-fourths of the votes cast by the holders of the Shares of that class present and voting in person (whether physically or by virtual attendance with the use of technology) or by proxy at a separate meeting of such holders. The provisions of the Articles relating to general meetings shall apply *mutatis mutandis* to every such separate meeting, except that the necessary quorum shall be two persons together holding (or, in the case of a member being a corporation, by its duly authorised representative), or representing by proxy, at least one-third of the issued Shares of that class. Every holder of Shares of the class shall be entitled on a poll to one vote for every such Share held by him, and any holder of Shares of the class present in person (whether physically or by virtual attendance with the use of technology), or by proxy may demand a poll.

For the purposes of a separate class meeting, the Board may treat two or more classes of Shares as forming one class of Shares if the Board considers that such classes of Shares would be affected in the same way by the proposals under consideration, but in any other case shall treat them as separate classes of Shares.

Any rights conferred upon the holders of Shares of any class shall not, unless otherwise expressly provided in the rights attaching to the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking *pari passu* therewith.

(c) Alteration of Capital

The Company may by ordinary resolution:

(i) increase its share capital by the creation of new Shares of such amount and with such rights, priorities and privileges attached to such Shares as it may determine;

(ii) consolidate and divide all or any of its share capital into Shares of a larger amount than its existing Shares. On any consolidation of fully paid Shares and division into Shares of a larger amount, the Board may settle any difficulty which may arise as it thinks expedient and, in particular (but without prejudice to the generality of the foregoing), may as between the holders of Shares to be consolidated determine which particular Shares are to be consolidated into a consolidated Share, and if it shall happen that any person shall become entitled to fractions of a consolidated Share or Shares, such fractions may be sold by some person appointed by the Board for that purpose and the person so appointed may transfer the Shares so sold to the purchaser(s) thereof and the validity of such transfer shall not be questioned, and the net proceeds of such sale (after deduction of the expenses of such sale) may either be distributed among the persons who would otherwise be entitled to a fraction or fractions of a consolidated Share or Shares rateably in accordance with their rights and interests or may be paid to the Company for the Company's benefit;

(iii) sub-divide its Shares or any of them into Shares of an amount smaller than that fixed by the Memorandum; and

(iv) cancel any Shares which, as at the date of passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the Shares so cancelled.

The Company may by special resolution reduce its share capital or any undistributable reserve, subject to the provisions of the Companies Act.

(d) Transfer of Shares

Subject to the terms of the Articles, any member of the Company may transfer all or any of his Shares by an instrument of transfer. If the Shares in question were issued in conjunction with rights, options, warrants or units issued pursuant to the Articles on terms that one cannot be transferred without the other, the Board shall refuse to register the transfer of any such Share without evidence satisfactory to it of the like transfer of such right, option, warrant or unit.

Subject to the Articles and the requirements of the Stock Exchange, all transfers of Shares shall be effected by an instrument of transfer in the usual or common form or in such other form as the Board may approve and may be under hand or, if the transferor or transferee is a recognised clearing house or its nominee(s), under hand or by machine imprinted signature, or by such other manner of execution as the Board may approve from time to time.

Execution of the instrument of transfer shall be by or on behalf of the transferor and the transferee, provided that the Board may dispense with the execution of the instrument of transfer by the transferor or transferee or accept mechanically executed transfers. The transferor shall be deemed to remain the holder of a Share until the name of the transferee is entered in the register of members of the Company in respect of that Share.

Subject to the provisions of the Companies Act, if the Board considers it necessary or appropriate, the Company may establish and maintain a branch register or registers of members at such location or locations within or outside the Cayman Islands as the Board thinks fit. The Board may, in its absolute discretion, at any time transfer any Share on the principal register to any branch register or any Share on any branch register to the principal register or any other branch register.

The Board may, in its absolute discretion, decline to register a transfer of any Share (not being a fully paid Share) to a person of whom it does not approve or on which the Company has a lien, or a transfer of any Share issued under any share option scheme upon which a restriction on transfer subsists or a transfer of any Share to more than four joint holders. It may also decline to recognise any instrument of transfer if the proposed transfer does not comply with the Articles or any requirements of the Listing Rules.

The Board may decline to recognise any instrument of transfer unless a certain fee, up to such maximum sum as the Stock Exchange may determine to be payable, is paid to the Company, the instrument of transfer is properly stamped (if applicable), is in respect of only one class of Share and is lodged at the relevant registration office or the place at which the principal register is located accompanied by the relevant share certificate(s) and such other evidence as the Board may reasonably require is provided to show the right of the transferor to make the transfer (and if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do).

The register of members may, subject to the Listing Rules and the relevant section of the Companies Ordinance, be closed at such time or for such period not exceeding in the whole 30 days in each year as the Board may determine (or such longer period as the members of the Company may by ordinary resolution determine, provided that such period shall not be extended beyond 60 days in any year).

Fully paid Shares shall be free from any restriction on transfer (except when permitted by the Stock Exchange) and shall also be free from all liens.

(e) Redemption of Shares

Subject to the provisions of the Companies Act, the Listing Rules and any rights conferred on the holders of any Shares or attaching to any class of Shares, the Company may issue Shares that are to be redeemed or are liable to be redeemed at the option of the members or the Company. The redemption of such Shares shall be effected in such manner and upon such other terms as the Company may by special resolution determine before the issue of such Shares.

(f) Power of the Company to Purchase its own Shares

Subject to the Companies Act, or any other law or so far as not prohibited by any law and subject to any rights conferred on the holders of any class of Shares, the Company shall have the power to purchase or otherwise acquire all or any of its own Shares (which includes redeemable Shares), provided that the manner and terms of purchase have first been authorised by ordinary resolution and that any such purchase shall only be made in accordance with the relevant code, rules or regulations issued from time to time by the Stock Exchange and/or the Securities and Futures Commission of Hong Kong from time to time in force.

(g) Power of any Subsidiary of the Company to own Shares in the Company

There are no provisions in the Articles relating to the ownership of Shares in the Company by a subsidiary.

(h) Calls on Shares and Forfeiture of Shares

Subject to the terms of allotment and issue of any Shares (if any), the Board may, from time to time, make such calls as it thinks fit upon the members in respect of any monies unpaid on the Shares held by them (whether in respect of par value or share premium). A member who is the subject of the call shall (subject to receiving at least 14 clear days' notice specifying the time or times for payment) pay to the Company at the time or times so specified the amount called on his Shares. A call may be made payable either in one sum or by instalments, and shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed. The joint holders of a Share shall be severally as well as jointly liable for the payment of all calls and instalments due in respect of such Share.

If a call remains unpaid after it has become due and payable, the member from whom the sum is due shall pay interest on the unpaid amount at such rate as the Board shall determine (together with any expenses incurred by the Company as a result of such non-payment) from the day it became due and payable until it is paid, but the Board may waive payment of such interest or expenses in whole or in part.

If a member fails to pay any call or instalment of a call after it has become due and payable, the Board may, for so long as any part of the call or instalment remains unpaid, give to such member not less than 14 clear days' notice requiring payment of the unpaid amount together with any interest which may have accrued and which may still accrue up to the date of payment (together with any expenses incurred by the Company as a result of such non-payment). The notice shall specify a further day on or before which the payment required by the notice is to be made. The notice shall also state that, in the event of non-payment at or before the appointed time, the Shares in respect of which the call was made will be liable to be forfeited.

If such notice is not complied with, any Share in respect of which the notice was given may, before the payment required by the notice has been made, be forfeited by a resolution of the Board. Such forfeiture shall include all dividends, other distributions and other monies payable in respect of the forfeited Share and not paid before the forfeiture.

A person whose Shares have been forfeited shall cease to be a member in respect of the forfeited Shares, shall surrender to the Company for cancellation the certificate(s) for the Shares forfeited and shall remain liable to pay to the Company all monies which, as at the date of forfeiture, were payable by him to the Company in respect of the Shares together with (if the Board shall in its discretion so require) interest thereon from the date of forfeiture until the date of payment as the Board may determine and any expenses incurred by the Company as a result of such non-payment.

2.2 Directors

(a) Appointment, Retirement and Removal

The Company may by ordinary resolution of the members elect any person to be a Director. The Board may also appoint any person to be a Director at any time, either to fill a casual vacancy or as an additional Director subject to any maximum number fixed by the members in general meeting or the Articles. Any Director so appointed shall hold office only until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election at such meeting. Any Director so appointed by the Board shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at an annual general meeting.

There is no shareholding qualification for Directors nor is there any specified age limit for Directors.

The members may by ordinary resolution remove any Director (including a managing or executive Director) before the expiration of his term of office, notwithstanding anything in the Articles or any agreement between the Company and such Director, and may by ordinary resolution elect another person in his stead. Nothing shall be taken as depriving a Director so removed of any compensation or damages payable to such Director in respect of the termination of his appointment as Director or of any other appointment or office as a result of the termination of his appointment as Director.

The office of a Director shall be vacated if:

(i) the Director gives notice in writing to the Company that he resigns from his office as Director;

(ii) the Director is absent, without being represented by proxy or an alternate Director appointed by him, for a continuous period of 12 months without special leave of absence from the Board, and the Board passes a resolution that he has by reason of such absence vacated his office;

(iii) the Director becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally;

(iv) the Director dies or an order is made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs and the Board resolves that his office be vacated;

(v) the Director is prohibited from being or ceases to be a Director by operation of law;

(vi) the Director has been required by the Stock Exchange to cease to be a Director or no longer qualifies to be a Director pursuant to the Listing Rules; or

(vii) the Director is removed from office by notice in writing served upon him signed by not less than three-fourths in number (or, if that is not a round number, the nearest lower round number) of the Directors (including himself) then in office.

At each annual general meeting, one-third of the Directors for the time being shall retire from office by rotation. If the number of Directors is not a multiple of three, then the number nearest to but not less than one-third shall be the number of retiring Directors, provided that every Director shall be subject to retirement by rotation at least once every three years. The Directors to retire at each annual general meeting shall be those who have been in office longest since their last re-election or appointment and, as between persons who became or were last re-elected Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot.

(b) Power to Allot and Issue Shares and other Securities

Subject to the provisions of the Companies Act, the Memorandum and Articles and, where applicable, the Listing Rules, and without prejudice to any rights or restrictions for the time being attached to any Shares, the Board may allot, issue, grant options over or otherwise dispose of Shares with or without preferred, deferred or other rights or restrictions, whether with regard to dividend, voting, return of capital or otherwise, to such persons, at such times, for such consideration and on such terms and conditions as it in its absolute discretion thinks fit, provided that no Shares shall be issued at a discount to their par value.

The Company may issue rights, options, warrants or convertible securities or securities of a similar nature conferring the right upon the holders thereof to subscribe for, purchase or receive any class of Shares or other securities in the Company on such terms as the Board may from time to time determine.

Neither the Company nor the Board shall be obliged, when making or granting any allotment of, offer of, option over or disposal of Shares, to make, or make available, any such allotment, offer, option or Shares to members or others whose registered addresses are in any particular territory or territories where, in the absence of a registration statement or other special formalities, this is or may, in the opinion of the Board, be unlawful or impracticable. However, no member affected as a result of the foregoing shall be, or be deemed to be, a separate class of members for any purpose whatsoever.

(c) Power to Dispose of the Assets of the Company or any of its Subsidiaries

Subject to the provisions of the Companies Act and the Memorandum and Articles, the Board may exercise all powers and do all acts and things which may be exercised or done by the Company to dispose of the assets of the Company or any of its subsidiaries. No alteration to the Memorandum or Articles shall invalidate any prior act of the Board which would have been valid if such alteration or direction had not been made or given.

(d) Borrowing Powers

The Board may exercise all the powers of the Company to raise or borrow money, secure the payment of any sum or sums of money for the purposes of the Company, mortgage or charge all or any part of its undertaking, property and uncalled capital of the Company, and, subject to the Companies Act, issue debentures, debenture stock, bonds and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

(e) Remuneration

A Director shall be entitled to receive such sums as shall from time to time be determined by the Board or the Company in general meetings. The Directors shall also be entitled to be repaid all expenses reasonably incurred by them in connection with attendance at meetings of the Board or committees of the Board, or general meetings of the Company or separate meetings of the holders of any class of Shares or debentures of the Company, or otherwise in connection with the business of the Company and the discharge of their duties as Directors, and/or to receive fixed allowances in respect thereof as may be determined by the Board.

The Board or the Company in general meetings may also approve additional remuneration to any Director for any services which in the opinion of the Board or the Company in general meetings go beyond such Director's ordinary routine work as a Director.

(f) Compensation or Payments for Loss of Office

There are no provisions in the Articles relating to compensation or payment for loss of office.

(g) Loans to Directors

There are no provisions in the Articles relating to making of loans to Directors.

(h) Disclosure of Interest in Contracts with the Company or any of its Subsidiaries

With the exception of the office of auditor of the Company, a Director may hold any other office or place of profit with the Company in conjunction with his office of Director for such period and upon such terms as the Board may determine, and may be paid such extra remuneration for that other office or place of profit, in whatever form, in addition to any remuneration provided for by or pursuant to the Articles. A Director may be or become a director, officer or member of any other company in which the Company may be interested, and shall not be liable to account to the Company or the members for any remuneration or other benefits received by him as a director, officer or member of such other company.

No person shall be disqualified from the office of Director or alternate Director or prevented by such office from contracting with the Company, nor shall any such contract or any other contract or transaction entered into by or on behalf of the Company in which any Director or alternate Director is in any way interested be or be liable to be avoided, nor shall any Director or alternate Director so contracting or being so interested be liable to account to the Company for any profit realised by or arising in connection with any such contract or transaction by reason of such Director or alternate Director holding such office or of the fiduciary relationship established by it, provided that the nature of interest of any Director or alternate Director in any such contract or transaction shall be disclosed by such Director or alternate Director at or prior to the consideration and vote thereon.

A Director shall not vote on (or be counted in the quorum in relation to) any resolution of the Board in respect of any contract or arrangement or other proposal in which he or any of his close associate(s) has a material interest, and if he shall do so his vote shall not be counted and he shall not be counted in the quorum for such resolution. This prohibition shall not apply to any of the following matters:

(i) the giving of any security or indemnity to the Director or his close associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries;

(ii) the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his close associate(s) has/have himself/themselves assumed responsibility in whole or in part whether alone or jointly under a guarantee or indemnity or by the giving of security;

(iii) any proposal concerning an offer of Shares, debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase, where the Director or his close associate(s) is/are or is/are to be interested as a participant in the underwriting or sub- underwriting of the offer;

(iv) any proposal or arrangement concerning the benefit of employees of the Company or any of its subsidiaries, including the adoption, modification or operation of (A) any employees' share scheme or any share incentive or share option scheme under which the Director or his close associate(s) may benefit or (B) any pension fund or retirement, death or disability benefits scheme which relates to the Director, his close associates and employees of the Company or any of its subsidiaries and does not provide in respect of any Director or his close associate(s) any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and

(v) any contract or arrangement in which the Director or his close associate(s) is/are interested in the same manner as other holders of Shares, debentures or other securities of the Company by virtue only of his/their interest in those Shares, debentures or other securities.

2.3 Proceedings of the Board

The Board may meet anywhere in the world for the despatch of business and may adjourn and otherwise regulate its meetings as it thinks fit. Unless otherwise determined, two Directors shall be a quorum. Questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall have a second or casting vote.

2.4 Alterations to the Constitutional Documents and the Company's Name

The Memorandum and Articles may only be altered or amended, and the name of the Company may only be changed, by special resolution of the Company.

2.5 Meetings of Members

(a) Special and Ordinary resolutions

A special resolution must be passed by a majority of not less than two-thirds (other than in relation to any resolution approving changes to the Company's constitutional documents or a voluntary winding up of the Company, in which case a special resolution must be passed by a majority of not less than three-fourths) of the voting rights held by such members as, being entitled so to do, vote in person (whether physically or by virtual attendance with the use of technology), or by proxy or, in the case of any members which is a corporation, by its duly authorised representative(s) or by proxy, at a general meeting of which notice specifying the intention to propose the resolution as a special resolution has been duly given. A special resolution may also be approved in writing by all the members entitled to vote at a general meeting in one or more instruments each signed by one or more of such members.

An ordinary resolution, in contrast, is a resolution passed by a simple majority of the voting rights held by such members as, being entitled to do so, vote in person (whether physically or by virtual attendance with the use of technology), or by proxy or, in the case of any member which is a corporation, by its duly authorised representative(s) or by proxy, at a general meeting. An ordinary resolution may also be approved in writing by all the members entitled to vote at a general meeting in one or more instruments each signed by one or more of such members.

The provisions of special resolutions and ordinary resolutions shall apply *mutatis mutandis* to any resolutions passed by the holders of any class of shares.

(b) Voting Rights and Right to Demand a Poll

Subject to any rights, restrictions or privileges as to voting for the time being attached to any class or classes of Shares, at any general meeting: (a) on a poll every member present in person (whether physically or by virtual attendance with the use of technology), or, in the case of a member being a corporation, by its duly authorised representative or by proxy shall have one vote for every Share and (b) on a show of hands every member who is present in person (whether physically or by virtual attendance with the use of technology), or, in the case of a member being a corporation, by its duly authorised representative or by proxy shall have one vote. For the avoidance of doubt, votes may be cast by members by electronic means, if such means are provided.

In the case of joint holders, the vote of the senior holder who tenders a vote, whether in person or by proxy shall be accepted to the exclusion of the votes of the other join holders, and seniority shall be determined by the order in which the names of the holders stand in the register of members of the Company.

No person shall be counted in a quorum or be entitled to vote at any general meeting unless he is registered as a member on the record date for such meeting, nor unless all calls or other monies then payable by him in respect of the relevant Shares have been paid.

At any general meeting a resolution put to the vote of the meeting shall be decided by way of poll save that the chairman of the meeting may, pursuant to the Listing Rules, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands (whether physically or by virtual attendance with the use of technology).

Any corporation or other non-natural person which is a member of the Company may in accordance with its constitutional documents, or in the absence of such provision by resolution of its directors or other governing body or by power of attorney, authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members, and the person so authorised shall be entitled to exercise the same powers as the corporation or other non-natural person could exercise as if it were a natural person member of the Company.

If a recognised clearing house or its nominee(s) is a member of the Company, it may appoint proxies or authorise such person or persons as it thinks fit to act as its representative(s), who enjoy rights equivalent to the rights of other members, at any meeting of the Company (including but not limited to general meetings and creditors meetings) or at any meeting of any class of members of the Company, provided that if more than one person is so authorised, the authorisation shall specify the number and class of Shares in respect of which each such person is so authorised. A person so authorised shall be entitled to exercise the same rights and powers on behalf of the recognised clearing house or its nominee(s) as if such person were a natural person member of the Company, including the right to speak and vote individually on a show of hands or on a poll (whether physically or by virtual attendance with the use of technology).

All members of the Company (including a member which is a recognised clearing house (or its nominee(s))) shall have the right to (i) speak at a general meeting and (ii) and vote at a general meeting (whether physically or by virtual attendance with the use of technology), except where a member is required by the Listing Rules to abstain from voting to approve the matter under consideration. Where any member is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.

(c) Annual General Meetings and Extraordinary General Meetings

The Company must hold a general meeting as its annual general meeting in each financial year. Such meeting shall be specified as such in the notices calling it, and must be held within six months after the end of the Company's financial year. A meeting of the members or any class thereof may be held by telephone, tele-conferencing or other electronic means, provided that all participants are able to communicate contemporaneously with one another, and participation in a meeting in such manner shall constitute presence at such meetings.

The Board may convene an extraordinary general meeting whenever it thinks fit. In addition, one or more members holding, as at the date of deposit of the requisition, in aggregate not less than one-tenth of the voting rights (on a one vote per Share basis) in the share capital of the Company may make a requisition to convene an extraordinary general meeting and/or add resolutions to the agenda of a meeting. Such requisition, which must state the objects and the resolutions to be added to the agenda of the meeting and must be signed by the requisitionists, shall be deposited at the principal place of business of the Company in Hong Kong or, in the event the Company ceases to have such a principal place of business, the registered office of the Company. If the Board does not within 21 days from the date of deposit of such requisition duly proceed to convene a general meeting to be held within the following 21 days, the requisitionists or any of them representing more than one-half of the total voting rights of all the requisitionists may themselves convene a general meeting, but any such meeting so convened shall be held no later than the day falling three months after the expiration of the said 21-day period. A general meeting convened by requisitionists shall be convened in the same manner as nearly as possible as that in which general meetings are to be convened by the Board, and all reasonable expenses incurred by the requisitionists shall be reimbursed to the requisitionists by the Company.

(d) Notices of Meetings and Business to be Conducted

An annual general meeting of the Company shall be called by at least 21 days' notice in writing, and any other general meeting of the Company shall be called by at least 14 days' notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and must specify the date, time, place and agenda of the meeting, the particulars of the resolution(s) to be considered at the meeting and the general nature of the business to be considered at the meeting and details for members to attend the meeting virtually with the use of technology (if applicable).

Except where otherwise expressly stated, any notice or document (including a share certificate) to be given or issued under the Articles shall be in writing, and may be served by the Company on any member personally, by post to such member's registered address, (to the extent permitted by the Listing Rules and all applicable laws and regulations) by electronic means or (in the case of a notice) by advertisement published in the manner prescribed under the Listing Rules.

Notwithstanding that a meeting of the Company is called by shorter notice than as specified above, if permitted by the Listing Rules, such meeting may be deemed to have been duly called if it is so agreed:

(i) in the case of an annual general meeting, by all members of the Company entitled to attend and vote thereat; and

(ii) in the case of an extraordinary general meeting, by a majority in number of the members having a right to attend and vote at the meeting holding not less than 95% of the total voting rights held by such members.

If, after the notice of a general meeting has been sent but before the meeting is held, or after the adjournment of a general meeting but before the adjourned meeting is held (whether or not notice of the adjourned meeting is required), the Board in its absolute discretion consider that it is impractical or unreasonable for any reason to hold a general meeting on the date or at the time and place specified in the notice calling such meeting, it may change or postpone the meeting to another date, time and place.

The Board also has the power to provide in every notice calling a general meeting that in the event of a gale warning, a black rainstorm warning or extreme conditions is/are in force at any time on the day of the general meeting (unless such warning is cancelled at least a minimum period of time prior to the general meeting as the Board may specify in the relevant notice), the meeting shall be postponed without further notice to be reconvened on a later date.

Where a general meeting is postponed:

(A) the Company shall endeavour to cause a notice of such postponement, which shall set out the reason for the postponement in accordance with the Listing Rules, to be placed on the Company's website and published on the Stock Exchange's website as soon as practicable, provided that failure to place or publish such notice shall not affect the automatic postponement of a general meeting due to a gale warning, a black rainstorm warning or extreme conditions being in force on the day of the general meeting;

(B) the Board shall determine the date, time, place and details for members to attend virtually with the use of technology for the reconvened meeting and at least seven clear days' notice shall be given for the reconvened meeting. Such notice shall specify the date, time and place at which the postponed meeting will be reconvened, details for members to attend such postponed meeting virtually with the use of technology (if applicable) and the date and time by which proxies shall be submitted in order to be valid at such reconvened meeting (provided that any proxy submitted for the original meeting shall continue to be valid for the reconvened meeting unless revoked or replaced by a new proxy); and

(C) only the business set out in the notice of the original meeting shall be considered at the reconvened meeting, and notice given for the reconvened meeting does not need to specify the business to be considered at the reconvened meeting, nor shall any accompanying documents be required to be recirculated. Where any new business is to be considered at such reconvened meeting, the Company shall give a fresh notice for such reconvened meeting in accordance with the Articles.

(e) Quorum for Meetings and Separate Class Meetings

No business shall be considered at any general meeting unless a quorum is present when the meeting proceeds to business, and continues to be present until the conclusion of the meeting.

The quorum for a general meeting shall be two members present in person (whether physically or by virtual attendance with the use of technology), or in the case of a member being a corporation, by its duly authorised representative or by proxy and entitled to vote. In respect of a separate class meeting (other than an adjourned meeting) convened to approve the variation of class rights, the necessary quorum shall be two persons holding or representing by proxy not less than one-third of the issued Shares of that class.

(f) Proxies

Any member of the Company (including a member which is a recognised clearing house (or its nominee(s))) entitled to attend and vote at a meeting of the Company is entitled to appoint another person (being a natural person) as his proxy to attend and vote in his place. A member who is the holder of two or more Shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a member of the Company and shall be entitled to exercise the same powers on behalf of a member who is a natural person and for whom he acts as proxy as such member could exercise. In addition, a proxy shall be entitled to exercise the same powers on behalf of a member which is a corporation and for which he acts as proxy as such member could exercise as if it were a natural person member present in person (whether physically or by virtual attendance with the use of technology) at any general meeting. On a poll or on a show of hands, votes may be given either personally (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy.

The instrument appointing a proxy shall be in writing and executed under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation or other non-natural person, either under its seal or under the hand of a duly authorised representative. The appointor should be allowed to send the instrument appointing a proxy by electronic means.

The Board shall, in the notice convening any meeting or adjourned meeting, or in an instrument of proxy sent out by the Company, specify the manner by which the instrument appointing a proxy shall be sent by electronic means (if such means are provided) or deposited and the place and time (being no later than the time appointed for the commencement of the meeting or adjourned meeting to which the instrument of proxy relates) at which such instrument shall be deposited.

Every instrument of proxy, whether for a specified meeting or otherwise, shall be in such form that complies with the Listing Rules as the Board may from time to time approve. Any form issued to a member for appointing a proxy to attend and vote at a general meeting at which any business is to be considered shall be such as to enable the member, according to his intentions, to instruct the proxy to vote in favour of or against (or, in default of instructions, to exercise the discretion of the proxy in respect of) each resolution dealing with any such business.

2.6 Accounts and Audit

The Board shall cause to be kept such books of account as are necessary to give a true and fair view of the state of the Company's affairs and to explain its transactions in accordance with the Companies Act.

The books of accounts of the Company shall be kept at the principal place of business of the Company in Hong Kong or, subject to the provisions of the Companies Act, at such other place or places as the Board thinks fit and shall always be open to inspection by any Director. No member (not being a Director) or other person shall have any right to inspect any account, book or document of the Company except as conferred by the Companies Act or ordered by a court of competent jurisdiction or as authorised by the Board or the Company in general meeting.

The Board shall cause to be prepared and laid before the Company at every annual general meeting a profit and loss account for the period since the preceding account, together with a balance sheet as at the date to which the profit and loss account is made up, a Directors' report with respect to the profit or loss of the Company for the period covered by the profit and loss account and the state of the Company's affairs as at the end of such period, an auditors' report on such accounts and such other reports and accounts as may be required by law and the Listing Rules.

The members shall at each annual general meeting appoint auditor(s) to hold office by ordinary resolution of the members until the conclusion of the next annual general meeting on such terms and with such duties as may be agreed with the Board. The auditors' remuneration shall be fixed by the members at the annual general meeting at which they are appointed by ordinary resolution of the members or in any other manner as specified in such ordinary resolution. The members may, at any general meeting convened and held in accordance with the Articles, remove the auditors by ordinary resolution at any time before the expiration of the term of office and shall, by ordinary resolution, at that meeting appoint new auditors in their place for the remainder of the term.

The accounts of the Company shall be prepared and audited based on the generally accepted accounting principles of Hong Kong, the International Accounting Standards or such other standards as may be permitted by the Stock Exchange.

2.7 Dividends and other Methods of Distribution

Subject to the Companies Act and the Articles, the Company may by ordinary resolution resolve to declare dividends and other distributions on Shares in issue in any currency and authorise payment of the dividends or distributions out of the funds of the Company lawfully available therefor, provided that (i) no dividends shall exceed the amount recommended by the Board, and (ii) no dividends or distributions shall be paid except out of the realised or unrealised profits of the Company, out of the share premium account or as otherwise permitted by law.

The Board may from time to time pay to the members of the Company such interim dividends as appear to the Board to be justified by the financial conditions and the profits of the Company. In addition, the Board may from time to time declare and pay special dividends on Shares of such amounts and on such dates as it thinks fit.

Except as otherwise provided by the rights attached to any Shares, all dividends and other distributions shall be paid according to the amounts paid up on the Shares that a member holds during the period in respect of which the dividends and distributions are paid. No amount paid up on a Share in advance of calls shall for this purpose be treated as paid up on the Share.

The Board may deduct from any dividends or other distributions payable to any member of the Company all sums of money (if any) then payable by him to the Company on account of calls or otherwise. The Board may retain any dividends or distributions payable on or in respect of a Share upon which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

No dividends or other distributions payable by the Company on or in respect of any Share shall carry interest against the Company.

Where the Board or the Company in general meeting has resolved that a dividend should be paid or declared, the Board may further resolve:

(a) that such dividend be satisfied in whole or in part in the form of an allotment of Shares credited as fully paid on the basis that the Shares so allotted shall be of the same class as the class already held by the allottee, provided that the members entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment; or

(b) that the members entitled to such dividend will be entitled to elect to receive an allotment of Shares credited as fully paid in lieu of the whole or such part of the dividend as the Board may think fit on the basis that the Shares so allotted shall be of the same class as the class already held by the allottee.

Upon the recommendation of the Board, the Company may by ordinary resolution resolve in respect of any one particular dividend of the Company determine that notwithstanding the foregoing, a dividend may be satisfied wholly in the form of an allotment of Shares credited as fully paid without offering any right to members to elect to receive such dividend in cash in lieu of such allotment.

Any dividends, distributions or other monies payable in cash in respect of Shares may be paid by wire transfer to the holder of such Shares or by cheque or warrant sent by post to the registered address of such holder, or in the case of joint holders, to the registered address of the holder who is first named on the register of members of the Company, or to such person and to such address as the holder or joint holders may in writing direct. Any one of two or more joint holders may give effectual receipts for any dividends, distributions or other monies payable in respect of the Shares held by them as joint holders.

Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared, the Board may further resolve that such dividend be satisfied in whole or in part by the distribution of specific assets of any kind.

Any dividends or other distributions which remain unclaimed for six years from the date on which such dividends or distributions become payable shall be forfeited and shall revert to the Company.

2.8 Inspection of Corporate Records

For so long as any part of the share capital of the Company is listed on the Stock Exchange, any member may inspect any register of members of the Company maintained in Hong Kong (except when the register of members is closed in accordance with the Companies Ordinance) without charge and require the provision to him of copies or extracts of such register in all respects as if the Company were incorporated under and were subject to the Companies Ordinance.

2.9 Rights of Minorities in relation to Fraud or Oppression

There are no provisions in the Articles concerning the rights of minority members in relation to fraud or oppression. However, certain remedies may be available to members of the Company under the Cayman Islands laws, as summarised in paragraph 3.6 below.

2.10 Procedures on Liquidation

Subject to the Companies Act, the members of the Company may by special resolution resolve to wind up the Company voluntarily or by the court.

Subject to any rights, privileges or restrictions as to the distribution of available surplus assets on liquidation for the time being attached to any class or classes of Shares:

(a) if the assets available for distribution among the members of the Company are more than sufficient to repay the whole of the Company's paid up capital at the commencement of the winding up, the surplus shall be distributed *pari passu* among such members in proportion to the amount paid up on the Shares held by them at the commencement of the winding up; and

(b) if the assets available for distribution among the members of the Company are insufficient to repay the whole of the Company's paid up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up, or ought to be paid up, on the Shares held by them at the commencement of the winding up.

If the Company is wound up (whether the liquidation is voluntary or compelled by the court), the liquidator may, with the approval of a special resolution and any other approval required by the Companies Act, divide among the members in kind the whole or any part of the assets of the Company, whether the assets consist of property of one kind or different kinds, and the liquidator may, for such purpose, set such value as he deems fair upon any one or more class or classes of property to be so divided and may determine how such division shall be carried out as between the members or different classes of members and the members within each class. The liquidator may, with the like approval, vest any part of the assets in trustees upon such trusts for the benefit of the members as the liquidator thinks fit, provided that no member shall be compelled to accept any shares or other property upon which there is a liability.

3. COMPANY LAWS OF THE CAYMAN ISLANDS

The Company was incorporated in the Cayman Islands as an exempted company on 2 August 2021 subject to the Companies Act. Certain provisions of the company laws of the Cayman Islands are set out below but this section does not purport to contain all applicable qualifications and exceptions or to be a complete review of all matters of the company laws of the Cayman Islands, which may differ from equivalent provisions in jurisdictions with which interested parties may be more familiar.

3.1 Company Operations

An exempted company such as the Company must conduct its operations mainly outside the Cayman Islands. An exempted company is also required to file an annual return each year with the Registrar of Companies of the Cayman Islands and pay a fee which is based on the amount of its authorised share capital.

3.2 Share Capital

Under the Companies Act, a Cayman Islands company may issue ordinary, preference or redeemable shares or any combination thereof. Where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount or value of the premium on those shares shall be transferred to an account, to be called the share premium account. At the option of a company, these provisions may not apply to premium on shares of that company allotted pursuant to any arrangements in consideration of the acquisition or cancellation of shares in any other company and issued at a premium. The share premium account may be applied by the company subject to the provisions, if any, of its memorandum and articles of association, in such manner as the company may from time to time determine including, but without limitation, the following:

(a) paying distributions or dividends to members;

(b) paying up unissued shares of the company to be issued to members as fully paid bonus shares;

(c) any manner provided in section 37 of the Companies Act;

(d) writing-off the preliminary expenses of the company; and

(e) writing-off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the company.

Notwithstanding the foregoing, no distribution or dividend may be paid to members out of the share premium account unless, immediately following the date on which the distribution or dividend is proposed to be paid, the company will be able to pay its debts as they fall due in the ordinary course of business.

Subject to confirmation by the court, a company limited by shares or a company limited by guarantee and having a share capital may, if authorised to do so by its articles of association, by special resolution reduce its share capital in any way.

3.3 Financial Assistance to Purchase Shares of a Company or its Holding Company

There are no statutory prohibitions in the Cayman Islands on the granting of financial assistance by a company to another person for the purchase of, or subscription for, its own, its holding company's or a subsidiary's shares. Therefore, a company may provide financial assistance provided the directors of the company, when proposing to grant such financial assistance, discharge their duties of care and act in good faith, for a proper purpose and in the interests of the company. Such assistance should be on an arm's-length basis.

3.4 Purchase of Shares and Warrants by a Company and its Subsidiaries

A company limited by shares or a company limited by guarantee and having a share capital may, if so authorised by its articles of association, issue shares which are to be redeemed or are liable to be redeemed at the option of the company or a member and, for the avoidance of doubt, it shall be lawful for the rights attaching to any shares to be varied, subject to the provisions of the company's articles of association, so as to provide that such shares are to be or are liable to be so redeemed. In addition, such a company may, if authorised to do so by its articles of association, purchase its own shares, including any redeemable shares; an ordinary resolution of the company approving the manner and terms of the purchase will be required if the articles of association do not authorise the manner and terms of such purchase. A company may not redeem or purchase its shares unless they are fully paid. Furthermore, a company may not redeem or purchase any of its shares if, as a result of the redemption or purchase, there would no longer be any issued shares of the company other than shares held as treasury shares. In addition, a payment out of capital by a company for the redemption or purchase of its own shares is not lawful unless, immediately following the date on which the payment is proposed to be made, the company shall be able to pay its debts as they fall due in the ordinary course of business.

Shares that have been purchased or redeemed by a company or surrendered to the company shall not be treated as cancelled but shall be classified as treasury shares if held in compliance with the requirements of section 37A(1) of the Companies Act. Any such shares shall continue to be classified as treasury shares until such shares are either cancelled or transferred pursuant to the Companies Act.

A Cayman Islands company may be able to purchase its own warrants subject to and in accordance with the terms and conditions of the relevant warrant instrument or certificate. Thus there is no requirement under the Cayman Islands laws that a company's memorandum or articles of association contain a specific provision enabling such purchases. The directors of a company may under the general power contained in its memorandum of association be able to buy, sell and deal in personal property of all kinds.

A subsidiary may hold shares in its holding company and, in certain circumstances, may acquire such shares.

3.5 Dividends and Distributions

Subject to a solvency test, as prescribed in the Companies Act, and the provisions, if any, of the company's memorandum and articles of association, a company may pay dividends and distributions out of its share premium account. In addition, based upon English case law which is likely to be persuasive in the Cayman Islands, dividends may be paid out of profits.

For so long as a company holds treasury shares, no dividend may be declared or paid, and no other distribution (whether in cash or otherwise) of the company's assets (including any distribution of assets to members on a winding up) may be made, in respect of a treasury share.

3.6 Protection of Minorities and Shareholders' Suits

It can be expected that the Cayman Islands courts will ordinarily follow English case law precedents (particularly the rule in the case of *Foss vs. Harbottle* and the exceptions to that rule) which permit a minority member to commence a representative action against or derivative actions in the name of the company to challenge acts which are ultra vires, illegal, fraudulent (and performed by those in control of the Company) against the minority, or represent an irregularity in the passing of a resolution which requires a qualified (or special) majority which has not been obtained.

Where a company (not being a bank) is one which has a share capital divided into shares, the court may, on the application of members holding not less than one-fifth of the shares of the company in issue, appoint an inspector to examine the affairs of the company and, at the direction of the court, to report on such affairs. In addition, any member of a company may petition the court, which may make a winding up order if the court is of the opinion that it is just and equitable that the company should be wound up.

In general, claims against a company by its members must be based on the general laws of contract or tort applicable in the Cayman Islands or be based on potential violation of their individual rights as members as established by a company's memorandum and articles of association.

3.7 Disposal of Assets

There are no specific restrictions on the power of directors to dispose of assets of a company, however, the directors are expected to exercise certain duties of care, diligence and skill to the standard that a reasonably prudent person would exercise in comparable circumstances, in addition to fiduciary duties to act in good faith, for proper purpose and in the best interests of the company under English common law (which the Cayman Islands courts will ordinarily follow).

3.8 Accounting and Auditing Requirements

A company must cause proper records of accounts to be kept with respect to: (i) all sums of money received and expended by it; (ii) all sales and purchases of goods by it; and (iii) its assets and liabilities.

Proper books of account shall not be deemed to be kept if there are not kept such books as are necessary to give a true and fair view of the state of the company's affairs and to explain its transactions.

If a company keeps its books of account at any place other than at its registered office or any other place within the Cayman Islands, it shall, upon service of an order or notice by the Tax Information Authority pursuant to the Tax Information Authority Act (2021 Revision) of the Cayman Islands, make available, in electronic form or any other medium, at its registered office copies of its books of account, or any part or parts thereof, as are specified in such order or notice.

3.9 Exchange Control

There are no exchange control regulations or currency restrictions in effect in the Cayman Islands.

3.10 Taxation

The Cayman Islands currently levy no taxes on individuals or corporations based upon profits, income, gains or appreciations and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to the Company levied by the Government of the Cayman Islands save for certain stamp duties which may be applicable, from time to time, on certain instruments.

3.11 Stamp Duty on Transfers

No stamp duty is payable in the Cayman Islands on transfers of shares of Cayman Islands companies save for those which hold interests in land in the Cayman Islands.

3.12 Loans to Directors

There is no express provision prohibiting the making of loans by a company to any of its directors. However, the company's articles of association may provide for the prohibition of such loans under specific circumstances.

3.13 Inspection of Corporate Records

The members of a company have no general right to inspect or obtain copies of the register of members or corporate records of the company. They will, however, have such rights as may be set out in the company's articles of association.

3.14 Register of Members

A Cayman Islands exempted company may maintain its principal register of members and any branch registers in any country or territory, whether within or outside the Cayman Islands, as the company may determine from time to time. There is no requirement for an exempted company to make any returns of members to the Registrar of Companies in the Cayman Islands. The names and addresses of the members are, accordingly, not a matter of public record and are not available for public inspection. However, an exempted company shall make available at its registered office, in electronic form or any other medium, such register of members, including any branch register of member, as may be required of it upon service of an order or notice by the Tax Information Authority pursuant to the Tax Information Authority Act (2021 Revision) of the Cayman Islands.

3.15 Register of Directors and Officers

Pursuant to the Companies Act, the Company is required to maintain at its registered office a register of directors, alternate directors and officers. The Registrar of Companies shall make available the list of the names of the current directors of the Company (and, where applicable, the current alternate directors of the Company) for inspection by any person upon payment of a fee by such person. A copy of the register of directors and officers must be filed with the Registrar of Companies in the Cayman Islands, and any change must be notified to the Registrar of Companies within 30 days of any change in such directors or officers, including a change of the name of such directors or officers.

3.16 Winding up

A Cayman Islands company may be wound up by: (i) an order of the court; (ii) voluntarily by its members; or (iii) under the supervision of the court.

The court has authority to order winding up in a number of specified circumstances including where, in the opinion of the court, it is just and equitable that such company be so wound up.

A voluntary winding up of a company (other than a limited duration company, for which specific rules apply) occurs where the company resolves by special resolution that it be wound up voluntarily or where the company in general meeting resolves that it be wound up voluntarily because it is unable to pay its debt as they fall due. In the case of a voluntary winding up, the company is obliged to cease to carry on its business from the commencement of its winding up except so far as it may be beneficial for its winding up. Upon appointment of a voluntary liquidator, all the powers of the directors cease, except so far as the company in general meeting or the liquidator sanctions their continuance.

In the case of a members' voluntary winding up of a company, one or more liquidators are appointed for the purpose of winding up the affairs of the company and distributing its assets.

As soon as the affairs of a company are fully wound up, the liquidator must make a report and an account of the winding up, showing how the winding up has been conducted and the property of the company disposed of, and call a general meeting of the company for the purposes of laying before it the account and giving an explanation of that account.

When a resolution has been passed by a company to wind up voluntarily, the liquidator or any contributory or creditor may apply to the court for an order for the continuation of the winding up under the supervision of the court, on the grounds that: (i) the company is or is likely to become insolvent; or (ii) the supervision of the court will facilitate a more effective, economic or expeditious liquidation of the company in the interests of the contributories and creditors. A supervision order takes effect for all purposes as if it was an order that the company be wound up by the court except that a commenced voluntary winding up and the prior actions of the voluntary liquidator shall be valid and binding upon the company and its official liquidator.

For the purpose of conducting the proceedings in winding up a company and assisting the court, one or more persons may be appointed to be called an official liquidator(s). The court may appoint to such office such person or persons, either provisionally or otherwise, as it thinks fit, and if more than one person is appointed to such office, the court shall declare whether any act required or authorised to be done by the official liquidator is to be done by all or any one or more of such persons. The court may also determine whether any and what security is to be given by an official liquidator on his appointment; if no official liquidator is appointed, or during any vacancy in such office, all the property of the company shall be in the custody of the court.

3.17 Mergers and Consolidations

The Companies Act permits mergers and consolidations between Cayman Islands companies and between Cayman Islands companies and non-Cayman Islands companies. For these purposes, (a) "merger" means the merging of two or more constituent companies and the vesting of their undertaking, property and liabilities in one of such companies as the surviving company, and (b) "consolidation" means the combination of two or more constituent companies into a consolidated company and the vesting of the undertaking, property and liabilities of such companies to the consolidated company. In order to effect such a merger or consolidation, the directors of each constituent company must approve a written plan of merger or consolidation, which must then be authorised by (a) a special resolution of each constituent company and (b) such other authorisation, if any, as may be specified in such constituent company's articles of association. The written plan of merger or consolidation must be filed with the Registrar of Companies of the Cayman Islands together with a declaration as to the solvency of the consolidated or surviving company, a list of the assets and liabilities of each constituent company and an undertaking that a copy of the certificate of merger or consolidation will be given to the members and creditors of each constituent company and that notification of the merger or consolidation will be published in the Cayman Islands Gazette. Dissenting members have the right to be paid the fair value of their shares (which, if not agreed between the parties, will be determined by the Cayman Islands court) if they follow the required procedures, subject to certain exceptions. Court approval is not required for a merger or consolidation which is effected in compliance with these statutory procedures.

3.18 Mergers and Consolidations involving a Foreign Company

Where the merger or consolidation involves a foreign company, the procedure is similar, save that with respect to the foreign company, the directors of the Cayman Islands exempted company are required to make a declaration to the effect that, having made due enquiry, they are of the opinion that the requirements set out below have been met: (i) that the merger or consolidation is permitted or not prohibited by the constitutional documents of the foreign company and by the laws of the jurisdiction in which the foreign company is incorporated, and that those laws and any requirements of those constitutional documents have been or will be complied with; (ii) that no petition or other similar proceeding has been filed and remains outstanding or order made or resolution adopted to wind up or liquidate the foreign company in any jurisdictions; (iii) that no receiver, trustee, administrator or other similar person has been appointed in any jurisdiction and is acting in respect of the foreign company, its affairs or its property or any part thereof; and (iv) that no scheme, order, compromise or other similar arrangement has been entered into or made in any jurisdiction whereby the rights of creditors of the foreign company are and continue to be suspended or restricted.

Where the surviving company is the Cayman Islands exempted company, the directors of the Cayman Islands exempted company are further required to make a declaration to the effect that, having made due enquiry, they are of the opinion that the requirements set out below have been met: (i) that the foreign company is able to pay its debts as they fall due and that the merger or consolidated is bona fide and not intended to defraud unsecured creditors of the foreign company; (ii) that in respect of the transfer of any security interest granted by the foreign company to the surviving or consolidated company (a) consent or approval to the transfer has been obtained, released or waived; (b) the transfer is permitted by and has been approved in accordance with the constitutional documents of the foreign company; and (c) the laws of the jurisdiction of the foreign company with respect to the transfer have been or will be complied with; (iii) that the foreign company will, upon the merger or consolidation becoming effective, cease to be incorporated, registered or exist under the laws of the relevant foreign jurisdiction; and (iv) that there is no other reason why it would be against the public interest to permit the merger or consolidation.

3.19 Reconstructions and Amalgamations

Reconstructions and amalgamations may be approved by (i) 75% in value of the members or class of members or (ii) a majority in number representing 75% in value of the creditors or class of creditors, in each case depending on the circumstances, as are present at a meeting called for such purpose and thereafter sanctioned by the Grand Court of the Cayman Islands. Whilst a dissenting member has the right to express to the court his view that the transaction for which approval is being sought would not provide the members with a fair value for their shares, it can be expected that the court would approve the transaction if it is satisfied that (i) the company is not proposing to act illegally or beyond the scope of our corporate authority and the statutory provisions as to majority vote have been complied with, (ii) the members have been fairly represented at the meeting in question, (iii) the transaction is such as a businessman would reasonable approve and (iv) the transaction is not one that would more properly be sanctioned under some other provisions of the Companies Act or that would amount to a "fraud on the minority".

If the transaction is approved, no dissenting member would have any rights comparable to the appraisal rights (namely the right to receive payment in cash for the judicially determined value of his shares), which may be available to dissenting members of corporations in other jurisdictions.

3.20 Takeovers

Where an offer is made by a company for the shares of another company and, within four months of the offer, the holders of not less than 90% of the shares which are the subject of the offer accept, the offeror may, at any time within two months after the expiration of that four-month period, by notice require the dissenting members to transfer their shares on the terms of the offer. A dissenting member may apply to the Cayman Islands courts within one month of the notice objecting to the transfer. The burden is on the dissenting member to show that the court should exercise its discretion, which it will be unlikely to do unless there is evidence of fraud or bad faith or collusion as between the offeror and the holders of the shares who have accepted the offer as a means of unfairly forcing out minority members.

3.21 Indemnification

The Cayman Islands laws do not limit the extent to which a company's articles of association may provide for indemnification of officers and directors, save to the extent any such provision may be held by the court to be contrary to public policy, for example, where a provision purports to provide indemnification against the consequences of committing a crime.

3.22 Economic Substance

The Cayman Islands enacted the International Tax Co-operation (Economic Substance) Act (2024 Revision) together with the Guidance Notes published by the Cayman Islands Tax Information Authority from time to time. If a company is considered to be a "relevant entity" and is conducting one or more of the nine "relevant activities", then such company will be required to comply with the economic substance requirements in relation to the relevant activity from 1 July 2019. Any company, whether a relevant entity or not, is required to file an annual report with the Registrar of Companies of the Cayman Islands confirming whether or not it is carrying on any relevant activities.

4. GENERAL

Harney Westwood & Riegels, the Company's legal adviser on Cayman Islands laws, has sent to the Company a letter of advice summarising the aspects of the Companies Act set out in section 3 above. This letter, together with copies of the Companies Act, the Memorandum and the Articles, is on display on the websites of the Stock Exchange and the Company as referred to in the paragraph headed "Documents on display" in Appendix V. Any person wishing to have a detailed summary of the Companies Act or advice on the differences between it and the laws of any jurisdiction with which he is more familiar is recommended to seek independent legal advice.

A. FURTHER INFORMATION ABOUT OUR GROUP

1. Incorporation of Our Company

Our Company was incorporated in the Cayman Islands under the Companies Act as an exempted company with limited liability on August 2, 2021. Our registered office is at Palm Grove Unit 4, 265 Smith Road, George Town, P.O. Box 52A Edgewater Way, #1653, Grand Cayman KY1-9006, Cayman Islands. Accordingly, our Company's corporate structure and Articles of Association are subject to the relevant laws of the Cayman Islands. A summary of our Articles of Association is set out in the section headed "Summary of the Constitution of our Company" in Appendix III.

Our principal place of business in Hong Kong is Room 1917, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong. We have been registered as a non-Hong Kong company under Part 16 of the Companies Ordinance with the Registrar of Companies in Hong Kong on June 16, 2023. Ms. Chan Sau Ling (陳秀玲) at Room 1917, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong has been appointed as the authorized representative of our Company for the acceptance of service of process in Hong Kong.

Our Company's headquarters are located at 6/F, Building T4, Hongqiaohui, No. 990 Shenchang Road, Shanghai, PRC.

2. Changes in the Share Capital of Our Company

Save as disclosed in the section headed "History, Reorganization and Corporate Structure" of this Prospectus, there has been no alteration in the share capital of our Company during the two years immediately preceding the date of this Prospectus.

3. Changes in the Share Capital of Our Subsidiaries and Operating Entities

Our subsidiaries during the Track Record Period are referred to in the Accountant's Report set out in Appendix I to this Prospectus.

On October 25, 2024, the registered capital of Shanghai Jushuitan was increased from RMB3,814,351 to RMB606,481,809.

On February 12, 2025, the registered capital of Shanghai Jushuitan was decreased from RMB606,481,809 to RMB10,736,712.

Save as disclosed above, there have been no alterations in the share or registered capital of our subsidiaries and operating entities within the two years immediately preceding the date of this Prospectus.

4. Resolutions of our Shareholders

Written resolutions of our Shareholders were passed on October 5, 2025, pursuant to which, among others:

(a) the Memorandum and Articles of Association were approved and adopted conditional upon Listing;

(b) conditional upon all the conditions set out in "Structure of the Global Offering – Conditions of the Global Offering" being fulfilled:

(i) all Preferred Shares will be converted into Shares on a one-to-one basis by way of re-designation and re-classification;

(ii) the authorised share capital of the Company be increased from US$50,000 divided into 500,000,000 Shares of US$0.0001 par value each to US$100,000 divided into 1,000,000,000 Shares of US$0.0001 par value each;

(iii) the Capitalization Issue, the Global Offering, the Offer Size Adjustment Option and the Over-allotment Option were approved and the Board (or any committee thereof established by the Board pursuant to the Articles of Association) was authorized to make or effect such modifications as it thinks fit;

(iv) the Board (or any committee thereof established by the Board pursuant to the Articles of Association) was authorized to allot, issue and approve the transfer of such number of Shares in connection with the Global Offering; and

(v) the Board (or any committee thereof established by the Board pursuant to the Articles of Association) was authorized to agree to the price per Offer Share with the Joint Bookrunners.

(c) a general unconditional mandate was given to our Directors to exercise all the powers of our Company to allot, issue and deal with Shares (including the sale and/or transfer of treasury shares), and to make or grant offers or agreements or options (including any warrants, bonds, notes and debentures conferring any rights to subscribe for or otherwise receive Shares) which might require Shares to be allotted, issued, transferred or dealt with, otherwise than pursuant to the Capitalization Issue and the Global Offering or pursuant to a right issue or pursuant to the exercise of any subscription rights attaching to any warrants or any option scheme or similar arrangement which may be allotted and issued by our Company from time to time on a specific authority granted by the Shareholders in general meeting or, pursuant to the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Articles of Association, Shares not exceed 20% of the number of the Shares in issue (excluding treasury shares) immediately following completion of the Capitalization Issue and the Global Offering, such mandate to remain in effect until the conclusion of the next annual general meeting of our Company, or the expiration of the period within which the next annual general meeting of our Company is required to be held by the Articles of Association or any applicable laws, or until revoked or varied by an ordinary resolution of Shareholders in general meeting, whichever is the earliest;

(d) a general unconditional mandate was given to the Directors authorizing them to exercise all the powers of our Company to repurchase our own Shares on the Stock Exchange or on any other approved stock exchange on which the securities of our Company may be listed and which is recognized by the SFC and the Stock Exchange for this purpose, such number of Shares will represent up to 10% of the number of the Shares in issue (excluding treasury shares) immediately following the completion of the Capitalization Issue and the Global Offering, such mandate to remain in effect until the conclusion of the next annual general meeting of our Company, or the expiration of the period within which the next annual general meeting of our Company is required to be held by the Articles of Association or any applicable laws, or until revoked or varied by an ordinary resolution of Shareholders in general meeting, whichever occurs first; and

(e) the general mandate mentioned in paragraph (d) above be extended by the addition to the number of the Shares which may be allotted, or agreed conditionally or unconditionally to be allotted and issued by our Directors pursuant to such general mandate of an amount representing the number of Shares repurchased by our Company pursuant to the mandate to repurchase shares referred to in paragraph (e) above.

5. Reorganization

The companies comprising our Group underwent the Reorganization in preparation for the listing of our Shares on the Stock Exchange. See the section headed "History, Reorganization and Corporate Structure – Reorganization" in this Prospectus for information relating to the Reorganization.

6. Repurchases of Our Own Securities

(a) Provisions of the Listing Rules

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their own securities on the Stock Exchange subject to certain restrictions, the more important of which are summarized below:

(i) Shareholders' approval

All proposed repurchases of Shares (which must be fully paid up) by a company with a primary listing on the Stock Exchange must be approved in advance by an ordinary resolution of the Shareholders in general meeting, either by way of general mandate or by specific approval of a particular transaction.

Pursuant to a written Shareholder's resolution of our Company dated October 5, 2025, a general unconditional mandate (the "**Repurchase Mandate**") was given to the Directors authorizing any repurchase by our Company of Shares on the Stock Exchange or on any other stock exchange on which the securities may be listed and which is recognized by the SFC and the Stock Exchange for this purpose, of not more than 10% of the number of Shares in issue (excluding treasury shares) immediately following the completion of the Capitalization Issue and the Global Offering but excluding any Shares which may be issued pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option until the conclusion of our next annual general meeting, or the date by which our next annual general meeting is required by the Articles of Association or any applicable law to be held, or the passing of an ordinary resolution by the Shareholders revoking or varying the authority given to the Directors, whichever occurs first.

(ii) Source of funds

Repurchases must be funded out of funds legally available for the purpose in accordance with our Articles of Association and the applicable laws of Hong Kong. A listed company may not repurchase its own 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.

(iii) Trading restrictions

The total number of Shares which our Company may repurchase is up to 10% of the total number of our Shares in issue (excluding treasury shares) immediately after the completion of the Capitalization Issue and the Global Offering (but not taking into account any Shares which may be issued pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option). Our Company may not issue or announce a proposed issue of Shares or a sale or transfer of any treasury shares for a period of 30 days immediately following a repurchase of Shares without the prior approval of the Stock Exchange. Our Company is also prohibited from repurchasing Shares on the Stock Exchange if the repurchase would result in the number of listed Shares which are in the hands of the public falling below the relevant prescribed minimum percentage as required by the Stock Exchange. Our Company is required to procure that the broker appointed by our Company to effect a repurchase of Shares discloses to the Stock Exchange such information with respect to the repurchase as the Stock Exchange may require. As required by the prevailing requirements of the Listing Rules, an issuer shall not purchase its shares on the Stock Exchange if the purchase price is higher by 5% or more than the average closing market price for the five preceding trading days on which its shares were traded on the Stock Exchange.

(iv) Status of repurchased Shares

All repurchased Shares (whether effected on the Stock Exchange or otherwise) will be automatically delisted and the certificates for those Shares must be cancelled and destroyed unless such repurchased Shares are to be held by our Company as treasury shares as approved by the Directors. Under the laws of the Cayman Islands, unless the Directors of the Company resolve to hold the Shares repurchased by the Company as treasury shares prior to the purchase, Shares repurchased by the Company shall be treated as cancelled and the amount of the Company's issued share capital shall be diminished by the nominal value of those Shares. However, the repurchase of Shares will not be taken as reducing the amount of the authorised share capital under Cayman law.

In the future, the Company will publish announcements (including, with limitation, any relevant next day disclosure return) which shall identify, amongst others, the number of repurchased Shares that are to be held in treasury or cancelled upon settlement of such repurchase, and where applicable, the reasons for any deviation from the intention statement previously disclosed. The listing of all Shares which are held as treasury shares shall be retained. The Company shall ensure that treasury shares are appropriately identified and segregated.

For any treasury shares of the Company deposited with CCASS pending resale on the Stock Exchange, the Company will ensure that it does not exercise any shareholders' rights or receive any entitlements which would otherwise be suspended under the relevant laws if those Shares were registered in the Company's own name as treasury shares by, upon approval by the Board, implementing the below measures, which include but are not limited to:

(i) procuring its broker not to give any instructions to HKSCC to vote at general meetings for the treasury shares deposited with CCASS; and

(ii) in the case of dividends or distributions (if any and where applicable), withdrawing the treasury shares from CCASS, and either re-registering them in their own name as treasury shares or cancel them, in each case before the relevant record date for the dividends or distributions.

(v) Suspension of repurchase

Pursuant to the Listing Rules, our Company may not make any repurchases of Shares after inside information has come to its knowledge until the information is made publicly available. In particular, under the requirements of the Listing Rules in force as of the date hereof, 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 our 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 our Company to publish an announcement of our Company's 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), and in each case ending on the date of the results announcement, our Company may not repurchase Shares on the Stock Exchange unless the circumstances are exceptional.

(vi) Procedural and reporting requirements

As required by the Listing Rules, repurchases of Shares on the Stock Exchange or otherwise must be reported to the Stock Exchange not later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the Stock Exchange business day following any day on which our Company may make a purchase of Shares. The report must state the total number of Shares purchased the previous day, the purchase price per Share or the highest and lowest prices paid for such purchases, and whether the purchased Shares are cancelled following the settlement of any such purchase or held as treasury shares, and where applicable, the reasons for any deviation from the intention statement previously disclosed by the Company. In addition, our Company's annual report is required to disclose details regarding repurchases of Shares made during the year, including a monthly analysis of the number of shares repurchased, the purchase price per Share or the highest and lowest price paid for all such purchases, where relevant, and the aggregate prices paid.

(vii) Connected parties

A company is prohibited from knowingly repurchasing securities on the Stock Exchange from a core connected person (as defined in the Listing Rules) and a core connected person shall not knowingly sell its securities to the company on the Stock Exchange.

(b) Reasons for repurchases

The Directors believe that it is in the best interests of our Company and Shareholders for the Directors to have general authority from the Shareholders to enable the Directors to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made where the Directors believe that such repurchases will benefit our Company and our Shareholders.

(c) Funding of repurchases

In repurchasing securities, our Company may only apply funds legally available for such purpose in accordance with the Articles of Association, the Listing Rules and the applicable laws and regulations of Hong Kong.

On the basis of the current financial position as disclosed in this Prospectus and taking into account the current working capital position, the Directors consider that, if the Repurchase Mandate were to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of our Company as compared with the position disclosed in this Prospectus. The Directors, however, do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of our Company which in the opinion of the Directors are from time to time appropriate for our Company.

The exercise in full of the Repurchase Mandate, on the basis of 426,038,600 Shares in issue immediately following the completion of the Capitalization Issue and the Global Offering (but not taking into account any Shares which may be issued pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option), could accordingly result in 42,603,860 Shares being repurchased by our Company during the period prior to the earliest occurrence of (1) the conclusion of the next annual general meeting of our Company; (2) the expiration of the period within which the next annual general meeting of our Company is required by the Articles of Association or any applicable laws of Hong Kong to be held; or (3) the revocation or variation of the repurchase mandate by an ordinary resolution of the Shareholders in general meeting (the "**Relevant Period**").

(d) General

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their close associates currently intends to sell any Shares to our Company.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws and regulations of Hong Kong. Our Company have not repurchased any Shares since our incorporation.

If, as a result of any repurchase of Shares, a Shareholder's proportionate interest in the voting rights of our Company is increased, such increase will be treated as an acquisition for the purposes of the Hong Kong Code on Takeovers and Mergers (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, the Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the Repurchase Mandate. Any repurchase of Shares which results in the number of Shares held by the public being reduced to less than 25% of our Shares then in issue or such other minimum percentage prescribed by the Stock Exchange could only be implemented with the approval of the Stock Exchange to waive the Listing Rules requirements regarding the public shareholding referred to above. It is believed that a waiver of this provision would not normally be given other than in exceptional circumstances.

No core connected person has notified our Company that he or she has a present intention to sell Shares to our Company, or has undertaken not to do so, if the Repurchase Mandate is exercised.

B. FURTHER INFORMATION ABOUT OUR BUSINESS

1. Summary of Material Contracts

We have entered into the following contracts (not being contracts entered into in the ordinary course of business) within the two years preceding the date of this Prospectus that are or may be material:

(a) the cornerstone investment agreement dated October 10, 2025 entered into among the Company, Blue Lake Capital Opportunity Fund I, L.P., China International Capital Corporation Hong Kong Securities Limited, J.P. Morgan Securities (Far East) Limited and J.P. Morgan Securities (Asia Pacific) Limited, pursuant to which Blue Lake Capital Opportunity Fund I, L.P. agreed to subscribe for Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$10,000,000;

(b) the cornerstone investment agreement dated October 10, 2025 entered into among the Company, China Universal Asset Management Co., Ltd, China International Capital Corporation Hong Kong Securities Limited, J.P. Morgan Securities (Far East) Limited and J.P. Morgan Securities (Asia Pacific) Limited, pursuant to which China Universal Asset Management Co., Ltd agreed to subscribe for Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$3,000,000;

(c) the cornerstone investment agreement dated October 10, 2025 entered into among the Company, China Universal Asset Management (Hong Kong) Company Limited, China International Capital Corporation Hong Kong Securities Limited, J.P. Morgan Securities (Far East) Limited and J.P. Morgan Securities (Asia Pacific) Limited, pursuant to which China Universal Asset Management (Hong Kong) Company Limited agreed to subscribe for Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$7,000,000;

(d) the cornerstone investment agreement dated October 10, 2025 entered into among the Company, Dymon Asia Multi-Strategy Investment Master Fund, China International Capital Corporation Hong Kong Securities Limited, J.P. Morgan Securities (Far East) Limited and J.P. Morgan Securities (Asia Pacific) Limited, pursuant to which Dymon Asia Multi-Strategy Investment Master Fund agreed to subscribe for Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$10,000,000;

(e) the cornerstone investment agreement dated October 10, 2025 entered into among the Company, Fourier Global Master Fund, China International Capital Corporation Hong Kong Securities Limited, J.P. Morgan Securities (Far East) Limited and J.P. Morgan Securities (Asia Pacific) Limited, pursuant to which Fourier Global Master Fund agreed to subscribe for Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$10,000,000;

(f) the cornerstone investment agreement dated October 10, 2025 entered into among the Company, GRANITE ASIA VIII INVESTMENTS PTE. LTD., China International Capital Corporation Hong Kong Securities Limited, J.P. Morgan Securities (Far East) Limited and J.P. Morgan Securities (Asia Pacific) Limited, pursuant to which GRANITE ASIA VIII INVESTMENTS PTE. LTD. agreed to subscribe for Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$10,000,000;

(g) the cornerstone investment agreement dated October 10, 2025 entered into among the Company, Greenwoods Asset Management Hong Kong Limited, China International Capital Corporation Hong Kong Securities Limited, J.P. Morgan Securities (Far East) Limited and J.P. Morgan Securities (Asia Pacific) Limited, pursuant to which Greenwoods Asset Management Hong Kong Limited agreed to subscribe for Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$10,000,000;

(h) the cornerstone investment agreement dated October 10, 2025 entered into among the Company, GTCS Holdings Limited, China International Capital Corporation Hong Kong Securities Limited, J.P. Morgan Securities (Far East) Limited and J.P. Morgan Securities (Asia Pacific) Limited, pursuant to which GTCS Holdings Limited agreed to subscribe for Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$10,000,000;

(i) the cornerstone investment agreement dated October 10, 2025 entered into among the Company, HSG Growth VI Holdco F, Ltd., China International Capital Corporation Hong Kong Securities Limited, J.P. Morgan Securities (Far East) Limited and J.P. Morgan Securities (Asia Pacific) Limited, pursuant to which HSG Growth VI Holdco F, Ltd. agreed to subscribe for Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$10,000,000;

(j) the cornerstone investment agreement dated October 10, 2025 entered into among the Company, Jain Global Master Fund Ltd (acting through investment manager Jain Global LLC), China International Capital Corporation Hong Kong Securities Limited, J.P. Morgan Securities (Far East) Limited and J.P. Morgan Securities (Asia Pacific) Limited, pursuant to which Jain Global Master Fund Ltd agreed to subscribe for Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$10,000,000;

(k) the cornerstone investment agreement dated October 10, 2025 entered into among the Company, Perseverance Asset Management International (Singapore) Pte. Ltd. (acting in its capacity as an investment advisor or investment manager and on behalf of certain investment funds and separated managed accounts), China International Capital Corporation Hong Kong Securities Limited, J.P. Morgan Securities (Far East) Limited and J.P. Morgan Securities (Asia Pacific) Limited, pursuant to which Perseverance Asset Management International (Singapore) Pte. Ltd. (acting in its capacity as an investment advisor or investment manager and on behalf of certain investment funds and separated managed accounts) agreed to subscribe for Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$10,000,000;

(l) the cornerstone investment agreement dated October 10, 2025 entered into among the Company, Stoneylake Global Alpha Fund, China International Capital Corporation Hong Kong Securities Limited, J.P. Morgan Securities (Far East) Limited and J.P. Morgan Securities (Asia Pacific) Limited, pursuant to which Stoneylake Global Alpha Fund agreed to subscribe for Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$10,000,000;

(m) the cornerstone investment agreement dated October 10, 2025 entered into among the Company, WT Asset Management Limited, China International Capital Corporation Hong Kong Securities Limited, J.P. Morgan Securities (Far East) Limited and J.P. Morgan Securities (Asia Pacific) Limited, pursuant to which WT Asset Management Limited agreed to subscribe for Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$10,000,000;

(n) the cornerstone investment agreement dated October 10, 2025 entered into among the Company, 3W Fund Management Limited, China International Capital Corporation Hong Kong Securities Limited, J.P. Morgan Securities (Far East) Limited and J.P. Morgan Securities (Asia Pacific) Limited, pursuant to which 3W Fund Management Limited agreed to subscribe for Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$10,000,000; and

(o) the Hong Kong Underwriting Agreement.

2. Intellectual Property Rights of our Group

(a) Trademarks

As of the Latest Practicable Date, our Group had registered in the PRC the following trademarks which we consider to be material to our Group's business:

No.	Trademark
1.	聚水潭

(b) Patents

As of the Latest Practicable Date, our Group had registered in the PRC the following patents which we consider to be material to our Group's business:

No.	Patent Registered	Granting Country of Organization	Patent Number	Date of Authorization Proclamation
1.	A smart decisioning method and system for streamlining the shipment process for full container picking (一種用於精簡發貨流程的整箱揀貨智能決策方法和系統)	PRC	ZL202010910947.1	June 8, 2021
2.	An order grouping method and system for increasing the loading capacity of single batch orders (一種用於提高單批次訂單裝載量的訂單組團方法和系統)	PRC	ZL202010921340.3	September 14, 2021
3.	A three-dimensional space order consumables recommendation method and system (一種三維空間訂單耗材推薦方法和系統)	PRC	ZL202110806971.5	October 14, 2022

(c) Domain Names

As of the Latest Practicable Date, our Group had registered in the PRC the following domain names which we consider to be material to our Group's business:

No.	Domain Name	Registered Owner
1.	jushuitan.com	Shanghai Jushuitan
2.	erp321.com	Shanghai Jushuitan

(d) Copyrights

As of the Latest Practicable Date, the key copyrights in relation to the business of our Group as a whole were:

No.	Copyright Name	Place of Registration	Registration Number
1.	Jushuitan e-commerce WMS software [abbreviation: Jushuitan WMS] V1.0 (聚水潭電商WMS軟體[簡稱:聚水潭WMS] V1.0)	the PRC	2019SR0337024
2.	Jushuitan e-commerce WMS software [abbreviation: Jushuitan WMS] V2.0 (聚水潭電商庫存管理軟體[簡稱:聚水潭WMS] V2.0)	the PRC	2020SR1170780

Save as disclosed above, as of the Latest Practicable Date, there were no other trademarks, service marks, patents, intellectual property rights, or individual property rights which are or may be considered material in relation to our business.

C. FURTHER INFORMATION ABOUT OUR DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

1. Disclosure of Interests

(a) Interests and short positions of our Directors in the share capital of our Company and its associated corporations following completion of the Capitalization Issue and the Global Offering

Immediately following completion of the Capitalization Issue and the Global Offering (without taking into account the Shares to be allotted and issued upon the exercise of the Offer Size Adjustment Option and the Over-allotment Option), the interests and/or short positions (as applicable) of our Directors or chief executives of our Company in the Shares, underlying

Shares and debentures of our Company or its associated corporations (within the meaning of Part XV of the SFO) which will be required to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or which will be required under Section 352 of the SFO to be entered in the register referred to in that section, or which will be required to be notified to our Company and the Stock Exchange under the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules ("**Model Code**") once the Shares are listed, will be as follows:

(i) Interest in the Shares

			As of the Latest Practicable Date		Upon the completion of the Capitalization Issue and the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised)	
Name	**Position**	**Nature of interest**	**Number of Shares held**	**Approximate percentage of shareholding interest**	**Number of Shares held**	**Approximate percentage of shareholding interest**
Mr. Luo[1]	Chairman of the Board, executive Director and CEO	Interest in a controlled corporation; interest held through voting powers entrusted by other persons	1,677,462	46.87%	167,746,200	39.37%
Mr. He[2]	Executive Director and chief product officer	Interest in a controlled corporation	485,806	13.57%	48,580,600	11.40%
Mr. Li[3]	Executive Director and chief security officer	Interest in a controlled corporation	231,205	6.46%	23,120,500	5.43%
Mr. Wang[4]	Executive Director and chief marketing officer	Interest in a controlled corporation	144,246	4.03%	14,424,600	3.39%

Notes:

(1) Under the SFO, Mr. Luo is deemed to be interested in Shares held by Black Tea Limited, which is controlled by him as it is wholly-owned by HD Luo Limited, which is in turn wholly-owned by Mr. Luo. Mr. Luo is also deemed to be interested in the Shares held by Popogo Limited, Taurus Lee Limited and Nico and Winco Limited under the SFO, as pursuant to the Voting Proxy Agreement dated September 13, 2021, Mr. Luo, HD Luo Limited and Black Tea Limited are entitled to exercise the rights of the Shares of Popogo Limited, Taurus Lee Limited and Nico and Winco Limited. See the section headed "Relationship With Our Controlling Shareholders" in this Prospectus for details.

(2) Under the SFO, Mr. He is deemed to be interested in the Shares held by Popogo Limited, which is wholly-owned by XJ He Limited, which is in turn wholly-owned by Mr. He.

(3) Under the SFO, Mr. Li is deemed to be interested in the Shares held by Taurus Lee Limited, which is wholly-owned by Golden Bull Lee Limited, which is in turn wholly-owned by Mr. Li.

(4) Under the SFO, Mr. Wang Yu is deemed to be interested in the Shares held by Nico and Winco Limited, which is wholly owned by Y Wang Limited, which is in turn wholly owned by Mr. Wang Yu.

(ii) Interests in associated corporations

Our Directors are not interested in the Shares of any associated corporation of our Company.

(b) Interests and short positions of the Substantial Shareholders in the Shares and underlying shares of our Company

Save as disclosed in the section headed "Substantial Shareholders", our Directors or chief executives are not aware of any other person, not being a Director or chief executive of our Company, who has any interests or short positions in the Shares and underlying Shares of our Company which, once the Shares are listed, would fall to be disclosed to our Company 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.

(c) Interests of the substantial shareholder of any member of our Group (other than our Company)

As of the Latest Practicable Date, our Directors are not aware of any persons (not being Directors or chief executives of our Company) who would, immediately following the completion of the Capitalization Issue and the Global Offering (without taking into account the exercise of the Offer Size Adjustment Option and the Over-allotment Option) be directly or indirectly interested in 10% or more of the issued voting shares of any member of our Group (other than our Company).

2. Particulars of Service Contracts

(a) Executive Directors

Each of the executive Directors has entered into a service contract with our Company under which they agreed to act as executive Directors for an initial term of three years commencing from the Listing Date, which may be terminated by not less than three months' notice in writing served by either the executive Director or our Company.

The appointments of the executive Directors are subject to the provisions of retirement and rotation of Directors under the Articles of Association.

(b) Independent Non-executive Directors

Each of the independent non-executive Directors has signed an appointment letter with our Company for a term of three years with effect from the Listing Date. Under their respective appointment letters, each of the independent non-executive Directors is entitled to a fixed Director's fee. The appointments are subject to the provisions of retirement and rotation of Directors under the Articles of Association.

(c) Others

(i) Save as disclosed above, none of the Directors has entered into any service contract with any member of our Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation other than statutory compensation).

(ii) For the years ended December 31, 2022, 2023 and 2024 and the six months ended June 30, 2025, the aggregate of the remuneration (including salaries, allowances and benefits in kind, bonuses, retirement scheme contributions, discretionary bonuses and share based payments) for the Directors was approximately RMB9.1 million, RMB13.9 million, RMB12.7 million and RMB5.1 million, respectively. Details of the Directors' remuneration are also set out in note 36 of the Accountant's Report set out in Appendix I. Save as disclosed in this Prospectus, no other emoluments have been paid or are payable in respect of the years ended December 31, 2022, 2023 and 2024, and the six months ended June 30, 2025 by our Company to the Directors.

(iii) Under the arrangements currently in force, the aggregate of the remuneration and benefits in kind payable to the Directors for the year ending December 31, 2025 is estimated to be approximately RMB13.0 million.

(iv) None of the Directors or any past Directors of any members of our Group has been paid any sum of money for the three years ended December 31, 2022, 2023 and 2024, and the six months ended June 30, 2025 (i) as an inducement to join or upon joining our Company or (ii) for loss of office as a Director of any member of our Group or of any other office in connection with the management of the affairs of any member of our Group.

(v) There has been no arrangement under which a Director has waived or agreed to waive any remuneration or benefits in kind for the three years ended December 31, 2022, 2023 and 2024, and the six months ended June 30, 2025.

(vi) None of the Directors has been or is interested in the promotion of, or in the property proposed to be acquired by, our Company, and no sum has been paid or agreed to be paid to any of them in cash or shares or otherwise by any person either to induce him to become, or to qualify him as, a Director, or otherwise for services rendered by him in connection with the promotion or formation of our Company.

3. Fees or commissions received

Save as disclosed in this Prospectus, none of the Directors or any of the persons whose names are listed under the section headed "– Other Information – Qualifications and Consents of Experts" below had received any commissions, discounts, agency fee, brokerages or other special terms in connection with the issue or sale of any capital of any member of our Group within the two years immediately preceding the date of this Prospectus.

4. Miscellaneous

Save as disclosed in this Prospectus:

(a) none of the Directors or chief executive of our Company has any interest or short positions in the Shares, underlying Shares or debentures of our Company or any associated corporation (within the meaning of Part XV of the SFO) which will have to be notified to us and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he is taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered into the register referred to in that section, or which will be required to be notified to us and the Stock Exchange pursuant to the Model Code, in each case once our Shares are listed on the Stock Exchange;

(b) none of our Directors nor any of the parties listed in the section headed "– Other Information – Qualifications and Consents of Experts" below 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 Prospectus 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;

(c) none of our Directors nor any of the parties listed in the section headed "– Other Information – Qualifications and Consents of Experts" below is materially interested in any contract or arrangement subsisting at the date of this Prospectus which is significant in relation to the business of our Group taken as a whole;

(d) other than pursuant to the Underwriting Agreements, none of the parties listed in the section headed "– Other Information – Qualifications and Consents of Experts" below:

   (i) is interested legally or beneficially in any of our Shares or any shares of any of our subsidiaries; or

   (ii) has any right or option (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe securities in any member of our Group.

(e) none of our Directors or their respective close associates (as defined under the Listing Rules) or any of our Shareholders (who to the knowledge of our Directors owns more than 5% of our number of issued shares) has any interest in our five largest suppliers or our five large customers.

D. PRE-IPO SHARE OPTION SCHEME

The following is a summary of the principal terms of the Pre-IPO Share Option Scheme, which was approved and adopted by way of the decision of the chairman of the Board (the "**Chairman**") on April 15, 2024 (the "**Adoption Date**"), as authorized by a resolution of the shareholders of the Company dated June 8, 2023. The terms of the Pre-IPO Share Option Scheme are not subject to the provisions of Chapter 17 of the Listing Rules as the Pre-IPO Share Option Scheme does not involve any grant of Share Options by our Company to subscribe for new Shares after Listing.

1. Summary of Terms

(a) Purpose

The purpose of the Pre-IPO Share Option Scheme is to improve the Company's incentive mechanism, further enhance the motivation and creativity of employees, promote the continuous growth of the Company's performance, bring value-added benefits to employees while enhancing the value of the Company, and realize the joint development of the employees and the Company.

(b) Eligible participants

Share Options may be granted to employees, officers, consultants and partners who the Chairman considers, in his sole discretion, has contributed or will contribute to the Group, or any entities controlled by any abovementioned persons, or any trusts with any abovementioned persons or their relatives as beneficiaries ("**Participant(s)**").

(c) Duration and termination

The Pre-IPO Share Option Scheme shall be valid and effective from the Adoption Date until immediately prior to the earlier of (i) the Listing Date; (ii) ten years after the Adoption Date; or (iii) any decision of the Chairman to terminate the Pre-IPO Share Option Scheme.

(d) Administration

Pursuant to the shareholders' resolutions dated June 8, 2023, the Shareholders of our Company authorized the Chairman to establish and administer the Pre-IPO Share Option Scheme, in order to streamline its administration process. The Chairman will make all determinations in relation to the Pre-IPO Share Option Scheme, and his decisions with respect to any matter arising under the Pre-IPO Share Option Scheme shall be final and binding on all parties.

The Chairman shall have the right (i) to interpret and construe the provisions of the Pre-IPO Share Option Scheme; (ii) to determine the persons who will be awarded Share Options under the Pre-IPO Share Option Scheme, and the number of Share Options awarded thereto; (iii) to make such appropriate and equitable adjustments to the terms of Share Options granted under the Pre-IPO Share Option Scheme as it deems necessary; and (iv) to make such other decisions or determinations as it shall deem appropriate in the administration of the Pre-IPO Share Option Scheme.

The Chairman may delegate his authority to any officer of the Company or any third party duly appointed thereby, including without limitation third party service providers and professional trustees (the "**Authorized Administrators**"), on such terms and subject to such conditions as the Chairman may think fit and the Chairman may at any time remove any Authorized Administrator so appointed, or may annul or vary any such delegation.

(e) Offer and grant of Share Options

On and subject to the terms of the Pre-IPO Share Option Scheme, the Chairman (or any person authorized by the Chairman from time to time) shall be entitled to make an offer to any Participant, as the Chairman may in his absolute discretion select, to take up Share Options in respect of such number of Shares as the Chairman may determine at an exercise price. Share Options may be granted on such terms and conditions in relation to their exercise or otherwise as the Chairman (or any person authorized by the Chairman from time to time) may determine. None of the Grantees were required to pay any consideration for the grant of the Share Options.

An offer of the grant of a Share Option ("**Offer**") shall be made to a Participant in such form as the Chairman (or any person authorized by the Chairman from time to time) may from time to time determine, requiring the Participant to undertake to hold the Share Options on the terms to be granted and to be bound by the provisions of the Pre-IPO Share Option Scheme. An Offer shall be deemed to have been accepted by the Participant to whom it is made with effect from three business days of the Offer, unless any written document is received from a Participant to decline the Offer within such period.

Subject to the Pre-IPO Share Option Scheme, the Share Options to be granted shall become exercisable after vesting in accordance with the vesting schedule as set out in a decision of the Chairman or his authorized person(s), but the Share Options shall not entitle the Grantee to subscribe for the Shares if not permitted by any applicable laws or regulations.

(f) Exercise price

The exercise price of the Share Options shall be determined by the Chairman (or any person authorized by the Chairman) and specified in a decision of the Chairman or his authorized person(s).

(g) Exercise of Share Options

A Share Option shall be personal to the Participant who accepts an Offer in accordance with the terms of the Pre-IPO Share Option Scheme, or (where the context so permits) any person who is entitled to any Share Option in consequence of the death of the original grantee ("**Grantee**") and shall not be assignable or transferable. No Grantee shall in any way sell, transfer, charge, mortgage, encumber or otherwise dispose of or create any interest (legal or beneficial) in favor of any third party over or in relation to any Share Option or enter into any agreement so to do, except for (i) the transmission of a Share Option on the death of the Grantee to his personal representatives(s) according to the terms of the Pre-IPO Share Option Scheme, (ii) the transfer of any Share Option to any trustee, acting in its capacity as such trustee, of any trust of which the Grantee or his/her relatives is a beneficiary or (iii) any entities controlled by the Grantee.

Immediately upon the expiry of three days from the date on which any Share Option becomes exercisable, a Grantee shall be deemed to have exercised his Share Option in whole unless he has given a non-exercise notice, stating that the Share Option is thereby not exercised in whole or in part and specifying the number of Shares which are not to be subscribed. Any whole or part of a Share Option which is the subject of a non-exercise notice shall lapse automatically and the relevant Grantee shall cease to hold such Share Option.

Upon the deemed exercise of a Share Option, the ESOP Trustee shall hold the Shares underlying such a Share Option on behalf of the Grantee until the Grantee gives an instruction to dispose of the Shares or requests that the relevant Shares be transferred by the ESOP Trustee to the Grantee's personal securities account. Where the relevant Shares are transferred by the ESOP Trustee to the Grantee, within five days after receipt of remittance and, if appropriate, the ESOP Trustee shall transfer, and shall instruct the Hong Kong Share Registrar to make entries in the register of members of the Company to record and give effect to the transfer of, the relevant Shares to the Grantee (or his personal representatives) credited as fully paid and issue to the Grantee (or his personal representatives) a share certificate in respect of the Shares so allotted.

The Shares to be allotted and issued or otherwise transferred to the Grantee upon the exercise of a Share Option will be subject to the provisions of the articles of association of the Company for the time being in force and will rank *pari passu* with the fully paid Shares in issue as from the date of entering of entries in the register of members of the Company and in particular will entitle the holders to participate in all dividends or other distributions paid or made on or after the date of exercise of the Share Option other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor is before the date of exercise of the Share Option subject to the Pre-IPO Share Option Scheme.

A Participant shall not have any interest or rights – including the right to receive dividends or other distributions – in respect of a Share Option until such Share Option has been exercised. Dividends declared and paid in respect of underlying Shares of a Share Option that have been issued and are held by the ESOP Trustee will be retained by the ESOP Trustee before such Share Option has been exercised for the life of the ESOP Trust, which shall be an unlimited period unless otherwise specified by the Board. Such dividends so retained by the ESOP Trustee shall be applied towards the payment of the fees, costs and expenses in connection with the adoption, administration and/or termination of the Pre-IPO Share Option Scheme in accordance with the terms thereof, and the remainder, if any, shall be remitted to the Company as the settlor of the ESOP Trust upon the expiry of trust period.

(h) Lapse of Share Options and repurchase right

A Share Option shall lapse automatically to the extent not already vested in accordance with the Pre-IPO Share Option Scheme.

Prior to the Listing, any Share Option vested but not already exercised or any Shares which have been issued or transferred to the relevant Grantee upon his exercise of vested options may be repurchased by the Company upon certain specified events, including but not limited to a Grantee's termination of employment, death, loss of labor capacity, and legal or rule violations.

Upon or after Listing, any Share Option vested but not already exercised may be repurchased by the Company, but any Shares which have been issued or transferred to the relevant Grantee shall remain valid even after certain specified events, including but not limited to a Grantee's termination of employment, death, loss of labor capacity, and legal or rule violations.

After Listing, in the case of Share Options which have lapsed or expired, the Shares underlying such Share Options shall continue to be held by the trustee in accordance with the Pre-IPO Share Option Scheme and the trust deed.

(i) Maximum number of Shares subject to Share Options

The total number of Shares which may be issued upon the exercise of all Share Options to be granted under the Pre-IPO Share Option Scheme shall not exceed in aggregate 311,780 Shares (which shall be proportionally adjusted to reflect any share dividends, share splits, or similar transactions that may be conducted by the Company).

The Shares underlying the Share Options which may be granted under the Pre-IPO Share Option Scheme shall be issued by the Company to, and held by, the ESOP Trustee.

As of the date of this Prospectus, the Company has granted all Share Options pursuant to the Pre-IPO Share Option Scheme representing a total of 311,780 underlying Shares. No further Share Option will be granted by the Company under the Pre-IPO Share Option Scheme after the Listing, and any unused scheme limit of the Pre-IPO Share Option Scheme will not be utilized after the Listing.

(j) Reorganization of capital structure

In the event of any alteration in the capital structure of the Company by way of capitalization of profits or reserves, rights issue, sub-division or consolidation of Shares or reduction of share capital of the Company, but excluding any alteration in the capital structure of the Company as a result of an issue of Shares or other securities of the Group as consideration in a transaction to which the Company is a party, the Chairman shall determine what adjustment is required to be made to (i) the number of Shares subject to any unexercised Share Option; and/or (ii) the exercise price of the Share Options.

(k) Alteration

Subject to any change to the authority of the Chairman in relation to any alteration to the terms of the Pre-IPO Share Option Scheme having to be approved by shareholders of the Company in general meeting, the Chairman may amend any of the provisions of the Pre-IPO Share Option Scheme at any time.

2. Outstanding Share Options

We have applied for, and have been granted (i) a waiver from the Stock Exchange from strict compliance with the disclosure requirements under Rule 17.02(1)(b) of, and paragraph 27 of Appendix D1A to, the Listing Rules; and (ii) a certificate of exemption from the SFC exempting our Company from strict compliance with the disclosure requirements under paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance in connection with information about the Share Options granted under the Pre-IPO Share Option Scheme. For further details, see "Waivers and Exemption – Waiver and Exemption in Relation to the Pre-IPO Share Option Scheme".

As of the date of this Prospectus, the Grantees of outstanding Share Options under the Pre-IPO Share Option Scheme include 2 members of senior management and 281 other Grantees. Details of the outstanding Share Options granted under the Pre-IPO Share Option Scheme as of the Latest Practicable Date are set out below:

Name/ number of Grantee(s)	Position held at our Company	Address	Grant date[1]	Exercise price[6]	Vesting schedule[7]	Number of Shares underlying the Share Options as adjusted immediately after the Capitalization Issue	Approximate shareholding percentage immediately following completion of the Global Offering
				(RMB)			
Senior management							
Mr. Cen Wenchu (岑文初)	Chief technology officer	No. 44 Anle Road, Xihu District, Hangzhou, PRC	March 31, 2021 January 1, 2024	8.00 8.00	4 years[8] 4 years[2]	1,546,970 1,856,363	0.36% 0.44%
Mr. Liu Luyao (劉路遙)	Chief financial officer	6/F, Building T4, Hongqiaohui, No. 990, Shenchang Road, Shanghai, PRC	March 31, 2021	8.00	4 years[8]	1,141,663	0.27%
Other Grantees of the Pre-IPO Share Option Scheme (partners)							
Zhu Lifeng (朱立峰)	Employee of agent	No. 13, Tonghai Village, Qiuji Town, Suining County, Jiangsu, PRC	March 31, 2021	8.00	4 years[8]	92,818	0.022%
Wang Zhenxiang (王振響)	Employee of agent	No. 1, Dakenglu, Shuangyang Village, Jiandou Town, Anxi County, Fujian, PRC	March 31, 2021	8.00	4 years[8]	77,348	0.018%
Liu Feng (劉峰)	Employee of agent	No. 182, Group 12, Heibu Village, Ahu Town, Xinyi, Jiangsu, PRC	March 31, 2021	8.00	4 years[8]	12,376	0.003%
Bu Ronghua (卜榮華)	Contracted employee	No. 11-1, Baiwuwan Village Group, Gaoqiao Village, Xielingang Town, Heshan District, Yiyang, Hunan, PRC	March 31, 2021	8.00	4 years[8]	9,282	0.002%
Lin Ning (林寧)	Contracted employee	Group 6, Damu Village, Tingxian Town, Linli County, Hunan, PRC	March 31, 2021	8.00	4 years[8]	6,188	0.001%
Wang Jiebo (王傑波)	Employee of agent	No. 347, Houlun, Hubian Village, Dongling Town, Huian County, Fujian, PRC	March 31, 2021	8.00	4 years[8]	4,641	0.001%

Name/ number of Grantee(s)	Position held at our Company	Address	Grant date[(1)]	Exercise price[(6)]	Vesting schedule[(7)]	Number of Shares underlying the Share Options as adjusted immediately after the Capitalization Issue	Approximate shareholding percentage immediately following completion of the Global Offering
				(RMB)			
Deng Si (鄧思)	Contracted employee	No. 10, Ganzi Group, Xinhua Village, Maotian Town, Xiangxiang, Hunan, PRC	March 31, 2021	8.00	4 years[(8)]	3,094	0.001%
Han Ju (韓炬)	Contracted employee	Chengnan Group, Wentang Community, Wangcheng Subdistrict, Linli County, Hunan, PRC	March 31, 2021	8.00	4 years[(8)]	3,094	0.001%
Fang Litong (房立統)	Employee of agent	No. 6-2, Huaxin West Fourth Alley, Huafang Village, Huafang Management Area, Donglong Town, Huilai County, Guangdong, PRC	March 31, 2021	8.00	4 years[(8)]	3,094	0.001%
Huang Jun (黃俊)	Employee of agent	Group 7, Ala Village, Alaying Town, Fenghuang County, Hunan, PRC	March 31, 2021	8.00	4 years[(8)]	3,094	0.001%
Wang Binbin (王彬彬)	Employee of agent	No. 93, Yuzhuang, Wangqiao Village, Zhengwu Town, Yingdong District, Fuyang, Anhui, PRC	March 31, 2021	8.00	4 years[(8)]	3,094	0.001%
Hong Yan (洪豔)	Employee of agent	Room 405, Building 9, Yuantaiyuan, No. 105 Xiangyuan Road, Fengze District, Quanzhou, Fujian, PRC	March 31, 2021	8.00	4 years[(8)]	2,475	0.001%
Wang Jinshi (王金石)	Employee of agent	No. 7, Dakenglu, Shuangyang Village, Jiandou Town, Anxi County, Fujian, PRC	March 31, 2021	8.00	4 years[(8)]	2,475	0.001%
Zhu Lijiu (朱立久)	Employee of agent	No. 36, Tonghai Village, Qiuji Town, Suining County, Jiangsu, PRC	March 31, 2021	8.00	4 years[(8)]	1,547	Negligible

Name/ number of Grantee(s)	Position held at our Company	Address	Grant date[(1)]	Exercise price[(6)]	Vesting schedule[(7)]	Number of Shares underlying the Share Options as adjusted immediately after the Capitalization Issue	Approximate shareholding percentage immediately following completion of the Global Offering
				(RMB)			
Zhang Zhiheng (張志恒)	Employee of agent	No. 28, Huangshang Lane, District 2, Hongqi Village, Xianhua Subdistrict, Pujiang County, Zhejiang, PRC	March 31, 2021	8.00	4 years[(8)]	1,547	Negligible
Xie Yuanhui (謝元輝)	Employee of agent	No. 2, Huashentang, Gaolai Village, Songkou Town, Qingliu County, Fujian, PRC	March 31, 2021	8.00	4 years[(8)]	1,547	Negligible
Chen Qiangping (陳強平)	Employee of agent	No. 176, Huashan, Juren Village, Zhangchuan Town, Huian County, Fujian, PRC	March 31, 2021	8.00	4 years[(8)]	1,547	Negligible
Other Grantees of the Pre-IPO Share Option Scheme with outstanding Share Options to acquire an aggregate of 900,000 or more Shares[(5)]							
Ji Chundong (計春棟)	Senior technical specialist	No. 201 Huamei Road, Minhang District, Shanghai, PRC	January 1, 2018 January 1, 2018	0.00 2.50	N/A[(3)] 4 years[(4)]	1,800,000 464,091	0.42% 0.11%
Yu Kangda (於康達)	Vice president of sales	Room 201, Unit 3, Building 134, Bailujun South, Liangzhu Cultural Village, Liangzhu Street, Yuhang District, Hangzhou, PRC	January 1, 2018	2.50	4 years[(4)]	1,856,363	0.44%
Cao Zhanghua (曹張華)	Researcher	No. 1 Beiyaoqiao, Sanxing Village, Fengqiao Town, Nanhu District, Jiaxing City, Zhejiang, PRC	January 1, 2018 January 1, 2018	0.00 2.50	N/A[(3)] 4 years[(4)]	1,440,000 154,697	0.34% 0.04%
Zhou Changjun (周長軍)	Assistant to the CEO	Room 101, No. 3, Lane 180, Yuyao Road, Jing'an District, Shanghai, PRC	January 1, 2018	2.50	4 years[(4)]	1,392,273	0.33%

Name/ number of Grantee(s)	Position held at our Company	Address	Grant date[1]	Exercise price[6]	Vesting schedule[7]	Number of Shares underlying the Share Options as adjusted immediately after the Capitalization Issue	Approximate shareholding percentage immediately following completion of the Global Offering
				(RMB)			
Zhang Xuli (張徐麗)	Director of human resources and administration	Room 2202, Building 143, Weilan Hai'an, Jiaxing City, Zhejiang, PRC	January 1, 2018	0.00	N/A[3]	540,000	0.13%
			January 1, 2018	2.50	4 years[4]	556,909	0.13%
Qiao Jianhua (喬建華)	Advanced technical specialist	Qiaowan Group 12, Qiaowan Village, Wangzhuang Town, Xinye County, Henan, PRC	January 1, 2018	0.00	N/A[3]	720,000	0.17%
			January 1, 2018	2.50	4 years[4]	247,515	0.06%
Wang Limin (王利民)	Advanced technical specialist	No. 56, Xiabeigang, Minhe Village, Wangjiangjing Town, Xiuzhou District, Jiaxing City, Zhejiang, PRC	January 1, 2018	0.00	N/A[3]	720,000	0.17%
			January 1, 2018	2.50	4 years[4]	247,515	0.06%
Ma Jie (馬潔)	Advanced technical specialist	No. 75, Majiachang, Jianshan Village, Huangwan Town, Haining City, Zhejiang, PRC	January 1, 2018	0.00	N/A[3]	720,000	0.17%
			January 1, 2018	2.50	4 years[4]	247,515	0.06%
Other Grantees of the Pre-IPO Share Option Scheme (employees)							
218 other Grantees with outstanding Share Options to acquire 1 to 99,999 Shares[5]			January 1, 2018	2.50	4 years[4]	1,271,609	0.30%
			March 31, 2021	8.00	4 years[8]	2,578,179	0.61%
31 other Grantees with outstanding Share Options to acquire between 100,000 to 499,999 Shares[5]			January 1, 2018	0.00	N/A[3]	450,000	0.11%
			January 1, 2018	2.50	4 years[4]	3,960,242	0.93%
			March 31, 2021	8.00	4 years[8]	2,057,469	0.48%
			January 1, 2024	8.00	4 years[2]	549,456	0.13%

Name/ number of Grantee(s)	Position held at our Company	Address	Grant date[1]	Exercise price[6]	Vesting schedule[7]	Number of Shares underlying the Share Options as adjusted immediately after the Capitalization Issue	Approximate shareholding percentage immediately following completion of the Global Offering
				(RMB)			
7 other Grantees with outstanding Share Options to acquire between 500,000 to 899,999 Shares[5]			January 1, 2018	0.00	N/A[3]	810,000	0.19%
			January 1, 2018	2.50	4 years[4]	2,939,242	0.69%
			March 31, 2021	8.00	4 years[8]	309,394	0.07%
			January 1, 2024	8.00	4 years[2]	371,273	0.09%
Total						31,178,000	7.32%

Notes:

(1) Equity interests issuable in the form of share awards had been granted under the Previous Employee Incentive Plans, which were terminated on June 8, 2023, before the Pre-IPO Share Option Scheme, with Share Options granted in a manner corresponding to the Previous Employee Incentive Plans, was adopted on the Adoption Date. See "History, Reorganization and Corporate Structure – Issue of Shares for Employee Incentive" in this Prospectus for details.

(2) The vesting schedule for these grants is four years with 50% of the Share Options to be vested at the second anniversary of the grant date and 25% to be vested every year thereafter.

(3) These grants were fully vested as of the Adoption Date.

(4) The vesting schedule for these grants is four years with 25% of the Share Options to be vested at the first anniversary of the grant date and 25% of the Share Options to be vested every year thereafter. All of the Share Options were fully vested as of the Latest Practicable Date.

(5) Such number of Shares as adjusted immediately after the Capitalization Issue.

(6) This column represents the exercise price of each Share Option granted. Based on the relevant grant letters, 32.3213 Share Options correspond to 1 Share (or 100 Shares as adjusted immediately after the Capitalization Issue) - i.e. each Share Option corresponds to approximately 3.09 Shares as adjusted immediately after the Capitalization Issue. The Share Options were granted at nil consideration.

(7) The Share Options may only be exercised after the Listing, and unless otherwise notified by the relevant grantee of his/her decision not to exercise his/her Share Options within three days of the end of the relevant vesting schedule, Share Options with respect to that vesting schedule will be deemed to have been exercised.

(8) The vesting schedule for these grants is four years with 50% of the Share Options to be vested at the second anniversary of the grant date and 25% to be vested every year thereafter. All of the Share Options were fully vested as of the Latest Practicable Date.

All of the Shares underlying the Pre-IPO Share Option Scheme which are unexercised have been allotted and issued and are held by the ESOP Trust by the ESOP Trustee on trust prior to the Global Offering. Accordingly, if all of the outstanding Share Options granted under the Pre-IPO Share Option Scheme are exercised, there will not be any dilution effect on the shareholdings of our Shareholders nor any impact on the earnings per share arising from the exercise of the outstanding Share Options.

In respect of the Shares held by the ESOP Trustee underlying the Pre-IPO Share Option Scheme, the ESOP Trustee shall abstain from voting on matters that require shareholders' approval under the Listing Rules, in accordance with the requirements under Rule 17.05A of the Listing Rules.

The Shares held by the ESOP Trustee pursuant to the Pre-IPO Share Option Scheme (i) will count towards the public float for the purpose of Rule 8.08 of the Listing Rules as it is not a core connected person of the Company; and (ii) will not count towards free float as such Shares shall be subject to a contractual lock-up period as further described under the section headed "Underwriting".

E. OTHER INFORMATION

1. Litigation

As of the Latest Practicable Date, we are not aware of any other litigation or arbitration proceedings of material importance pending or threatened against us or any of our Directors that could have a material adverse effect on our financial condition or results of operations.

2. Application for Listing

The Joint Sponsors have made an application on behalf of our Company to the Listing Committee for the listing of, and permission to deal in, the Shares in issue and to be issued (i) pursuant to the Capitalization Issue and the Global Offering (including all additional Shares which may be issued pursuant to the Offer Size Adjustment Option and the exercise of the Over-allotment Option), and (ii) under the Pre-IPO Share Option Scheme, as mentioned in this Prospectus. All necessary arrangements have been made to enable such Shares into CCASS.

3. No Material Adverse Change

The Directors confirm that there has been no material change in the financial or trading position or prospects of our Group since June 30, 2025 (being the date to which the latest audited consolidated financial statements of our Group were prepared) and up to the date of this Prospectus.

4. Agency Fees and Commissions Received

The Underwriters will receive an underwriting commission as referred to in the section headed "Underwriting – Underwriting Arrangements and Expenses".

5. The Joint Sponsors and Joint Sponsors' Fees

The Joint Sponsors both satisfy the independence criteria applicable to sponsors set out in Rule 3A.07 of the Listing Rules.

China International Capital Corporation Hong Kong Securities Limited ("**CICC**"), one of the Joint Sponsors, is a wholly-owned subsidiary of China International Capital Corporation (International) Limited (中國國際金融(國際)有限公司), which is in turn a wholly-owned subsidiary of China International Capital Corporation Limited ("**CICC Limited**").

CICC Capital Management Co., Ltd., a wholly-owned subsidiary of CICC Limited, is the general partner of CICC Gongying Fund. As at the Latest Practicable Date, CICC Limited is deemed to hold 2.63% of the equity interest of our Company through CICC Gongying Fund. CICC Gongying Fund will hold approximately 2.21% of the equity interest of the Company immediately upon completion of the Capitalization Issue and the Global Offering, assuming the Offer Size Adjustment Option and the Over-allotment Option is not exercised. Therefore, as at the Latest Practicable Date and upon the completion of the Capitalization Issue and the Global Offering, the sponsor group and any director or close associate of a director of the sponsor collectively holds or will hold, directly or indirectly, no more than 5% of the number of issued shares of our Company.

The fees payable by our Company to each of the Joint Sponsors to act as sponsor to our Company in connection with the Global Offering are US$500,000.

6. Preliminary Expenses

We have not incurred any material preliminary expenses.

7. Promoter

Our Company has no promoter for the purpose of the Listing Rules. Save as disclosed in this Prospectus, within the two years immediately preceding the date of this Prospectus, no cash, securities or other benefit has been paid, allotted or given nor are any proposed to be paid, allotted or given to any promoters in connection with the Global Offering and the related transactions described in this Prospectus.

8. Taxation of Holders of Shares

(a) Hong Kong

The sale, purchase and transfer of Shares registered with our Company's 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 or, if higher, the fair value of the Shares being sold or transferred. Profits from dealings in the Shares arising in or derived from Hong Kong may also be subject to Hong Kong profits tax.

(b) Cayman Islands

Under the present Cayman Islands law, there is no stamp duty payable in the Cayman Islands on transfer of Shares.

(c) Consultation with professional advisers

Intending holders of the Shares are recommended to consult their professional advisers if they are in doubt as to the taxation implications of holding or disposing of or dealing in the Shares. It is emphasized that none of our Company, our Directors or the other parties involved in the Global Offering can accept responsibility for any tax effect on, or liabilities of, holders of Shares resulting from their holding or disposal of or dealing in Shares or exercise of any rights attaching to them.

9. Qualifications and Consents of Experts

The following are the qualifications of the experts who have given opinion or advice which are contained in this Prospectus:

Name	Qualification
China International Capital Corporation Hong Kong Securities Limited	Licensed corporation under the SFO for type 1 (dealing in securities), type 2 (dealing in futures contracts), type 4 (advising on securities), type 5 (advising on futures contracts) and type 6 (advising on corporate finance) of the regulated activities as defined under the SFO
J.P. Morgan Securities (Far East) Limited	Licensed corporation under the SFO for type 1 (dealing in securities), type 4 (advising on securities) and type 6 (advising on corporate finance) of the regulated activities as defined under the SFO
Commerce & Finance Law Offices	Company's PRC Legal Advisor as to PRC Law
Harney Westwood & Riegels	Company's Cayman Islands legal advisers
PricewaterhouseCoopers	Certified Public Accountants under Professional Accountants Ordinance (Chapter 50 of the Laws of Hong Kong) and Registered Public Interest Entity Auditor under Financial Reporting Council Ordinance (Chapter 588 of the Laws of Hong Kong)
China Insights Industry Consultancy Limited	Independent industry consultants

Each of the experts named above has given and has not withdrawn its respective written consent to the issue of this Prospectus with the inclusion of its report and/or letter and/or opinion and/or the references to its name included in this Prospectus in the form and context in which it is respectively included.

10. Binding Effect

This Prospectus shall have the effect, if an application is made in pursuance of this Prospectus, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance insofar as applicable.

11. Bilingual Prospectus

The English and Chinese language versions of this Prospectus are being published separately in reliance upon the exemption provided by section 4 of the Companies (Exemption Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong). In case of any discrepancies between the English language version and Chinese language version of this Prospectus, the English language version shall prevail.

F. MISCELLANEOUS

(a) Save as disclosed in this Prospectus, within the two years immediately preceding the date of this Prospectus:

(i) no share or loan capital of our Company or any of our subsidiaries has been issued or agreed to be issued or is proposed to be fully or partly paid either for cash or a consideration other than cash;

(ii) no share or loan capital of our Company or any of our subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;

(iii) no founders or management or deferred shares of our Company or any of our subsidiaries have been issued or agreed to be issued;

(iv) no commissions, discounts, brokerages or other special terms have been granted or agreed to be granted in connection with the issue or sale of any share or loan capital of our Company or any of our subsidiaries; and

(v) no commission has been paid or is payable for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription of any share in our Company or any of our subsidiaries.

(b) Save as disclosed in this Prospectus, our Group had not issued any debentures nor did it have any outstanding debentures nor any convertible debt securities.

(c) Our Directors confirm that:

(i) there has been no material adverse change in the financial or trading position or prospects of our Group since June 30, 2025 (being the date to which the latest audited consolidated financial statements of our Group were prepared);

(ii) there is no arrangement under which future dividends are waived or agreed to be waived; and

(iii) there has not been any interruption in the business of our Group which may have or has had a significant effect on the financial position of our Group in the 12 months preceding the date of this Prospectus.

(d) The principal register of members of our Company will be maintained in the Cayman Islands by our Principal Share Registrar. Unless the Directors otherwise agree, all transfer and other documents of title of Shares must be lodged for registration with and registered by our Hong Kong Share Registrar.

(e) All necessary arrangements have been made to enable our Shares to be admitted into CCASS for clearing and settlement.

(f) No company within our Group is presently listed on any stock exchange or traded on any trading system.

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

The documents attached to the copy of this Prospectus delivered to the Registrar of Companies in Hong Kong for registration were, among other documents:

(a) the written consents referred to in the section headed "Statutory and General Information – Other Information – Qualifications and Consents of Experts" in Appendix IV to this Prospectus; and

(b) a copy of each material contracts referred to in the section headed "Statutory and General Information – Further Information about our Business – Summary of Material Contracts" in Appendix IV to this Prospectus.

DOCUMENTS AVAILABLE ON DISPLAY

Copies of the following documents will be available on display on the Company's website (**jushuitan.com**) and the Stock Exchange's website (**www.hkexnews.hk**) up to and including the date which is 14 days from the date of this Prospectus:

(a) the Memorandum and the Articles of Association;

(b) the audited consolidated financial statements of our Company for the three financial years ended December 31, 2022, 2023 and 2024, and the six months ended June 30, 2025;

(c) the Accountant's Report of our Group from PricewaterhouseCoopers, the text of which is set out in Appendix I to this Prospectus;

(d) the report from PricewaterhouseCoopers in relation to the unaudited pro forma financial information of our Group, the text of which is set forth in Appendix II to this Prospectus;

(e) the legal opinions issued by Commerce & Finance Law Offices, our PRC Legal Advisor on PRC law, in respect of certain general corporate matters of our Group and the property interests of our Group in the PRC;

(f) the letter of advice prepared by Harney Westwood & Riegel, our legal adviser on Cayman Islands law, summarizing certain aspects of the Cayman Islands companies law referred to in Appendix III to this Prospectus;

(g) the industry report issued by China Insights Industry Consultancy Limited referred to in the section headed "Industry Overview" of this Prospectus;

(h) the Cayman Companies Act;

(i) the written consents referred to in the section headed "Statutory and General Information – Other Information – Qualifications and Consents of Expert" in Appendix IV to this Prospectus;

(j) the material contracts referred to in the section headed "Statutory and General Information – Further Information about our Business – Summary of Material Contracts" in Appendix IV to this Prospectus;

(k) the service contracts and the letters of appointment with our Directors referred to in the section headed "Statutory and General Information – Further Information about our Directors and Substantial Shareholders – Director's service contracts and letters of appointment" in Appendix IV to this Prospectus; and

(l) the terms of the Pre-IPO Share Option Scheme.

DOCUMENT AVAILABLE FOR INSPECTION

A copy of a list of grantees under the Pre-IPO Share Option Scheme, containing all details as required under the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance, will be available for inspection at the office of Davis Polk & Wardwell, Hong Kong Solicitors, at 10/F, The Hong Kong Club Building, 3A Chater Road, Central, Hong Kong, during normal business hours up to and including the date which is 14 days from the date of this Prospectus.

聚水潭