四方精創
FORMS SYNTRON

Shenzhen Forms Syntron Information Co.,Ltd.
深圳四方精創資訊股份有限公司

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

Stock Code : 6700

GLOBAL OFFERING

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

CMBI 招銀国际

國信證券(香港)
GUOSEN SECURITIES (HK)

IMPORTANT

If you are in any doubt about any of the contents of this prospectus, you should obtain independent professional advice.

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深圳四方精創資訊股份有限公司

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

GLOBAL OFFERING

Number of Offer Shares under the Global Offering	**:**	**58,961,100 H Shares**
Number of Hong Kong Offer Shares	**:**	**5,896,200 H Shares (subject to reallocation)**
Number of International Offer Shares	**:**	**53,064,900 H Shares (subject to reallocation)**
Maximum Offer Price	**:**	**HK$16.00 per H Share, plus brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.00565% (payable in full on application in Hong Kong dollars and subject to refund)**
Nominal value	**:**	**RMB1.00 per H Share**
Stock code	**:**	**6700**

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

Joint Bookrunners

Joint Lead Managers

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 "Documents Delivered to the Registrar of Companies and Available on Display" in Appendix VIII to this prospectus, 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 of Hong Kong and the Registrar of Companies in Hong Kong take no responsibility as to the contents of this prospectus or any other documents referred to above.

The Offer Price is expected to be determined by agreement between the Joint Overall Coordinators (on behalf of the Hong Kong Underwriters) and our Company on or about Friday, September 18, 2026 and, in any event, not later than 12:00 noon on Friday, September 18, 2026. The Offer Price will be not more than HK$16.00 per Offer Share, unless otherwise announced. If, for any reason, the Offer Price is not agreed between our Company and the Joint Overall Coordinators (on behalf of the Hong Kong Underwriters) on or before 12:00 noon on Friday, September 18, 2026 (Hong Kong time), the Global Offering (including the Hong Kong Public Offering) will not proceed and will lapse.

The Joint Overall Coordinators (for themselves and on behalf of the Underwriters) may, where considered appropriate and with our consent, reduce the number of Hong Kong Offer Shares being offered under the Global Offering at any time prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. Further details are set forth in "Structure of the Global Offering" and "How to Apply for Hong Kong Offer Shares" in this prospectus.

The obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement are subject to termination by the Joint 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 — Grounds for Termination" for further details.

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 "Risk Factors." The obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement to subscribe for, and to procure subscribers for, the Hong Kong Offer Shares, are subject to termination by the Joint Overall Coordinators (on behalf of the Hong Kong Underwriters) if certain events occur prior to 8:00 a.m. on the Listing Date. Such grounds are set out in "Underwriting." It is important that you refer to that section for further details.

The Offer Shares have not been and will not be registered under the U.S. Securities Act or any state securities law in the United States and may not be offered, sold, pledged or transferred within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. The Offer Shares may be offered, sold or delivered outside the United States in offshore transactions in reliance on Regulation S.

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 websites of the Stock Exchange (**www.hkexnews.hk**) and our Company (**www.formssi.com**). If you require a printed copy of this prospectus, you may download and print from the website addresses above.

September 14, 2026

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 www.formssi.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:

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

(b) 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 the electronic version of this prospectus are identical to the printed 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 stated 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 must be for a minimum of 100 Hong Kong Offer Shares and in multiples of that number of Hong Kong Offer Shares as set out in the table below. No application for any other number of Hong Kong Offer Shares will be considered and such an application is liable to be rejected.

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.

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	1,616.13	2,000	32,322.72	30,000	484,840.80	400,000	6,464,544.00
200	3,232.27	3,000	48,484.08	40,000	646,454.40	500,000	8,080,680.00
300	4,848.41	4,000	64,645.45	50,000	808,068.00	600,000	9,696,816.00
400	6,464.54	5,000	80,806.80	60,000	969,681.60	700,000	11,312,952.00
500	8,080.68	6,000	96,968.15	70,000	1,131,295.20	800,000	12,929,088.00
600	9,696.81	7,000	113,129.52	80,000	1,292,908.80	900,000	14,545,224.00
700	11,312.95	8,000	129,290.88	90,000	1,454,522.40	1,000,000	16,161,360.00
800	12,929.09	9,000	145,452.25	100,000	1,616,136.00	1,500,000	24,242,040.00
900	14,545.22	10,000	161,613.60	200,000	3,232,272.00	2,000,000	32,322,720.00
1,000	16,161.35	20,000	323,227.20	300,000	4,848,408.00	2,948,100(1)	47,645,305.41

(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, collected by the Stock Exchange on behalf of the SFC; and in the case of the AFRC transaction levy, collected by the Stock Exchange on behalf of the AFRC).

If there is any change in the following expected timetable of the Hong Kong Public Offering, the Company will issue an announcement in Hong Kong to be published on the Company's website at ***www.formssi.com*** *and the website of the Stock Exchange at* ***www.hkexnews.hk****.*

Hong Kong Public Offering commences . . . . 9:00 a.m. on
Monday, September 14, 2026

Latest time for completing electronic
applications under the **White Form eIPO**
service through the designated website **www.eipo.com.hk**[2] . . . . 11:30 a.m. on
Thursday, September 17, 2026

Application lists open[3] . . . . 11:45 a.m. on
Thursday, September 17, 2026

Latest time for (a) completing payment of **White Form eIPO**
applications by effecting internet banking transfer(s) or PPS
payment transfer(s) and (b) submitting electronic application
instruction(s) through HKSCC's FINI system[4] . . . . 12:00 noon on
Thursday, September 17, 2026

If you are instructing your **broker** or **custodian** who is an HKSCC Participant to submit electronic application instruction(s) on your behalf through HKSCC's FINI system in accordance with your instruction to apply for the Hong Kong Offer Shares, you are advised to contact your **broker** or **custodian** for the earliest and latest time for giving such instructions, as this may vary by **broker** or **custodian**.

Application lists close[3] . . . . 12:00 noon on
Thursday, September 17, 2026

Expected Price Determination Date[5] . . . . no later than 12:00 noon on
Friday, September 18, 2026

Announcement of the final Offer Price, the level of indications of
interest in the International Offering, the level of applications in the
Hong Kong Public Offering and the basis of allocation of the Offer
Shares on the Company's website at **www.formssi.com**[6] and the
website of the Stock Exchange at **www.hkexnews.hk** . . . . no later than 11:00 p.m. on
Monday, September 21, 2026

The 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 the Company's website and the website of the Stock Exchange at **www.formssi.com**[6] and **www.hkexnews.hk**, respectively. . . . . no later than11:00 p.m. on Monday, September 21, 2026

- 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, September 21, 2026 to 12:00 midnight on Sunday, September 27, 2026

- from the allocation results telephone inquiry by calling +852 2862 8555 between 9:00 a.m. and 6:00 p.m. on. . . . . Tuesday, September 22, 2026, Wednesday, September 23, 2026, Thursday, September 24, 2026 and Friday, September 25, 2026

H Share certificates in respect of wholly or partially successful applications to be dispatched or deposited into CCASS on or before[7][9] . . . . Monday, September 21, 2026

White Form e-Refund payment instructions/refund checks in respect of wholly or partially successful applications if the final Offer Price is less than the maximum Offer Price per Offer Share initially paid on application (if applicable), or wholly or partially unsuccessful applications to be dispatched/collected on or before[8][9] . . . . Tuesday, September 22, 2026

Dealings in the H Shares on the Stock Exchange expected to commence at . . . . 9:00 a.m. on Tuesday, September 22, 2026

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(1) All dates and times refer to Hong Kong local dates and time, except as otherwise stated.

(2) You will not be permitted to submit your application 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 from the designated website prior to 11:30 a.m., you will be permitted to continue the application process (by completing payment of application monies) until 12:00 noon on the last day for submitting applications, when the application lists close.

(3) If there is/are a tropical cyclone warning signal number 8 or above, a "black" rainstorm warning and/or Extreme Conditions in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Thursday, September 17, 2026, the application lists will not open or close on that day. See "How to Apply for Hong Kong Offer Shares — E. Severe Weather Arrangements".

(4) Applicants who apply for Hong Kong Offer Shares through **HKSCC EIPO** channel should refer to the section headed "How to Apply for Hong Kong Offer Shares — A. Application for Hong Kong Offer Shares — 2. Application Channels".

(5) The Price Determination Date is expected to be on or before Friday, September 18, 2026. If, for any reason, we do not agree with the Joint Overall Coordinators (on behalf of the Underwriters) on the pricing of the Offer Shares by 12:00 noon on Friday, September 18, 2026, the Global Offering will not proceed and will lapse.

(6) None of the websites set out in this section or any of the information contained on the websites forms part of this prospectus.

(7) No temporary document of title will be issued in respect of the Offer Shares. H Share certificates will only become valid evidence of title at 8:00 a.m. on the Listing Date provided that the Global Offering has become unconditional in all respects and neither of the Underwriting Agreements has been terminated in accordance with their respective terms at or before that time. Investors who trade H Shares on the basis of publicly available allocation details or prior to the receipt of H Share certificates or the H Share certificates becoming valid evidence of title do so entirely at their own risk.

(8) **White Form** e-Refund payment instructions/refund checks will be issued in respect of wholly or partially successful applications if the final Offer Price is less than the maximum Offer Price per Offer Share initially paid on application (if applicable), or wholly or partially unsuccessful applications pursuant to the Hong Kong Public Offering. Part of the applicant's Hong Kong identity card number or passport number, or, if the application is made by joint applicants, part of the Hong Kong identity card number or passport number of the first-named applicant, provided by the applicant(s) may be printed on the refund check, if any. Such data would also be transferred to a third party for refund purposes. Banks may require verification of an applicant's Hong Kong identity card number or passport number before encashment of the refund check. Inaccurate completion of an applicant's Hong Kong identity card number or passport number may invalidate or delay encashment of the refund check.

(9) Applicants who have applied for Hong Kong Offer Shares through **HKSCC EIPO** channel should refer to the section headed "How to Apply for Hong Kong Offer Shares — D. Despatch/Collection of H Share Certificates and Refund of Application Monies" of this prospectus for details.

Applicants who have applied through the **White Form eIPO** service and paid their applications monies through single bank accounts may have refund monies (if any) dispatched to the bank account in the form of **White Form** e-Refund payment instructions. Applicants who have applied through the **White Form eIPO** service and paid their application monies through multiple bank accounts may have refund monies (if any) dispatched to the address as specified in their application instructions in the form of refund check(s) by ordinary post at their own risk.

Further information is set out in sections headed "How to Apply for Hong Kong Offer Shares — D. Despatch/Collection of H Share Certificates and Refund of Application Monies" of this prospectus.

The above expected timetable is a summary only. You should read carefully the sections headed "Underwriting", "Structure of the Global Offering" and "How to Apply for Hong Kong Offer Shares" of this prospectus for details relating to the structure of the Global Offering, procedures on the applications for Hong Kong Offer Shares and the expected timetable, including conditions, effect of bad weather and the dispatch of refund cheques and Share certificates.

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, we will publish 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 the Hong Kong Offer Shares and does not constitute an offer to sell or a solicitation of an offer to subscribe for or buy any security other than the Hong Kong Offer Shares. This prospectus may not be used for the purpose of making, 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 Hong Kong Offer Shares or the distribution of this prospectus in any jurisdiction other than Hong Kong. The distribution of this prospectus for the purpose of a public offering and the offering and sale of the Hong Kong 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. The Hong Kong Public Offering is made solely on the basis of the information contained and the representations made in this prospectus. We have not authorized anyone to provide you with information that is different from what is contained in this prospectus. Any information or representations not included in this prospectus must not be relied on by you as having been authorized by us, the Joint Sponsors, the Joint Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, the Capital Market Intermediaries, any of our or their respective directors, officers, employees, agents, or representatives, or any other person or party involved in the Global Offering. Information contained on our website (**www.formssi.com**) does not form part of this prospectus.*

CONTENTS

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. Moreover, there are risks associated with any investment. Some of the particular risks of investing in the Offer Shares are set out in "Risk Factors." You should read the entire prospectus carefully before you decide to invest in the Offer Shares. Various expressions used in this section are defined in "Definitions" and "Glossary of Technical Terms."

OVERVIEW

We are an established fintech service provider in the banking industry based in the Greater Bay Area, delivering fintech software development services, consulting services, and system integration services to banks, regulatory authorities and other financial institutions across Chinese Mainland and Hong Kong to support their continuous digital transformation.

Our comprehensive service offerings comprise three principal segments:

(i) **Fintech Software Development Services**: The fintech software we develop refers to software systems specifically designed for financial institutions to meet regulatory requirements and support operational demands across their business activities. Our fintech software development services are driven by several key factors: (i) ongoing transformation of the financial services industry; (ii) evolving regulatory requirements; (iii) rising expectations for customer experience; and (iv) adoption of emerging technologies.

- ***Banking technology services***: We provide integrated software systems and services for banks covering (a) banking product portfolio for personal finance, corporate finance and core banking, (b) digital banking channel solutions enabling omni-channel experience across online, mobile and branch touchpoints, and (c) banking operations and data services that apply analytics to enhance process efficiency, risk management and decision-making.

- ***Financial infrastructure and fintech innovation services***: We build foundational platforms for our customers to modernize payment, clearing and settlement for a digital and tokenized financial system, including (a) financial infrastructure services that support payment and settlement systems for regulatory authorities and financial infrastructure operators, and (b) fintech innovation services that design and deploy new digital financial systems using blockchain and AI for financial institutions and regulatory authorities.

(ii) **Consulting Services**: We provide advice on fintech strategy, architecture and implementation to banks, regulatory authorities, and financial infrastructure operators. Our standalone deliverables include solution blueprints, feasibility studies, and proofs-of-concept. These deliverables enable customers to advance their technology initiatives independently, without requiring subsequent software development services from us.

(iii) **System Integration Services**: We deliver end-to-end implementation for financial institutions and other companies, including procurement management, hardware acquisition, third-party software licensing, installation, integration and testing.

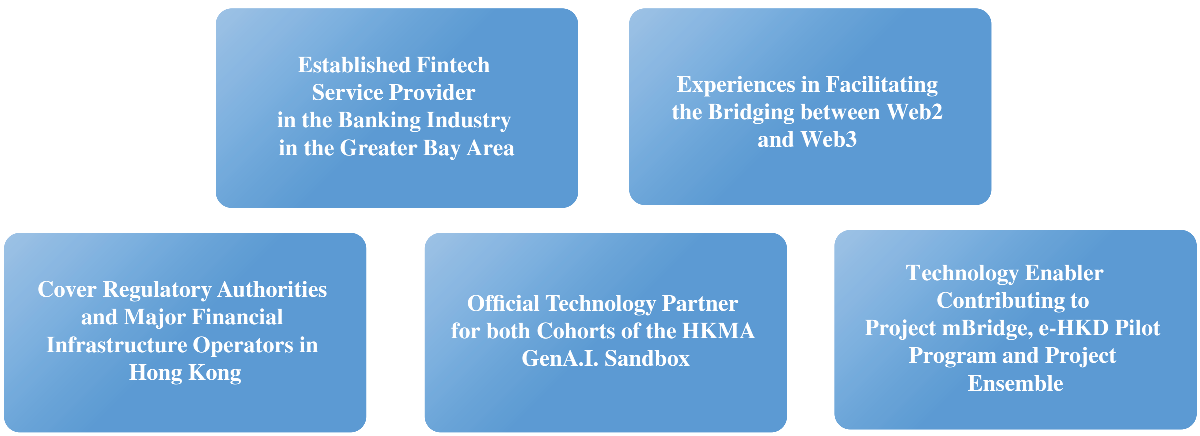
According to CIC, it is not uncommon to consider the three as different business segments in our industry, given that the value they provide to customers are different. The commercial and strategic rationale to offer consulting services and system integration services as a standalone service lies in the different deliverables and value propositions of each business line, which aligns with the industry practice, according to CIC. Our fintech software development services provide complete software solutions, where the value lies in the combination of solution design and the functional software we deliver. Moreover, consulting services often serve as initial projects. They enable clients to better define needs, evaluate technology options, validate the proposed solution architecture, and confirm the implementation approach prior to the full-scale system development, according to CIC. Our consulting services provide standalone deliverables of advice, which represent the value of our advisory and design expertise. Our system integration services provide a fully integrated operational environment through the procurement and integration of hardware and third-party software. As system integration is a flexible, on-demand service that customers typically require only in specific circumstances, maintaining it as a standalone offering allows us to respond to customer needs with flexibility and to ensure that integration work is undertaken only where it delivers clear, incremental value to the customer.

Our three business lines benefit from knowledge-based and operational synergies. Our fintech software development services provide the industry know-how and technical expertise that make our consulting deliverables grounded in practical feasibility. This expertise also enhances our system integration services, enabling robust implementation of hardware and software within customers' IT environments. Conversely, our consulting services provide us with insights into emerging market demands and technological constraints, which in turn refine our service portfolio to better address industry pain points. Finally, our system integration services bridge the gap between software development and infrastructure deployment, reducing implementation risk and accelerating time-to-market. It is important to note that these synergies are derived from shared domain expertise and customers' demand for efficiency, rather than from bundled sales or cross-selling arrangements. As such, CIC is of the view, and the Joint Sponsors concur, that our three business lines synergise with each other.

Our innovation is driven by two proprietary technology platforms: FINNOSafe, which automates the full lifecycle compliance of tokenized assets by embedding regulatory rules into smart contracts, and FINNOSmart, an enterprise-grade generative AI platform ensuring data sovereignty. As an AI adopter, we co-developed a Banking Copilot with Microsoft in 2023, which evolved into intelligent agents to combat fraud and ensure compliance. As of the Latest Practicable Date, our technical depth is validated by seven granted patents, 358 software copyrights, and various certifications including Capability Maturity Model Integration Level 5 (能力成熟度模型五級) ("**CMMI Maturity Level 5**") and ISO/IEC 27001: 2022 Information Security Management Systems (信息安全管理體系 — ISO/IEC 27001:2022) ("**ISO27001**"). Supported by an integrated Shenzhen-Hong Kong taskforce, over 90% of our workforce are technical professionals as of March 31, 2026.

During the Track Record Period, we have demonstrated a strategic focus on enhancing profitability, as reflected in our financial performance. Our total revenue was RMB730.4 million, RMB740.4 million, RMB631.1 million, RMB131.6 million and RMB156.3 million in 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, respectively, while our profit for the year/periods was RMB47.4 million, RMB67.4 million, RMB74.3 million, RMB12.9 million and RMB10.6 million in 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, respectively. Our revenue decreased by 14.8% from RMB740.4 million in 2024 to RMB631.1 million in 2025. As a result, our gross profit decreased by 2.6% from RMB245.0 million in 2024 to RMB238.5 million in 2025. However, our gross profit margin increased from 33.1% in 2024 to 37.8% in 2025. This was the result of a deliberate strategic shift that commenced in the fourth quarter of 2024. The shift focused on optimizing profitability by prioritizing core, high-margin business activities while systematically reducing our engagement in non-core business lines. We define our core, high-margin businesses as fintech services with high entry barriers, primarily financial infrastructure and fintech innovation services for large commercial banks, regulatory authorities, and major financial infrastructure operators. Conversely, our non-core businesses refer to lower-value services, including commoditized software development services. In the three months ended March 31, 2026, our total revenue increased by 18.8% to RMB156.3 million from RMB131.6 million in the same period of 2025, primarily driven by the continued expansion of our overseas business and the completion of certain projects during the period. However, our gross profit margin decreased from 41.3% to 30.3%, primarily due to the concurrent completion of certain loss-making projects in the Chinese Mainland, the accumulated costs of which were recognized as cost of sales upon delivery. We believe this to be a timing-related fluctuation associated with the tail end of our proactive efforts to wind down such lower-margin engagements.

Set forth below are some of our key highlights:



(1) Source: Annual reports, Expert Interviews, CIC

Our Historical Development

Since our establishment in 2003, our principal business has been fintech software development services. Our early operations focused on banking technology services. We subsequently expanded into financial infrastructure and fintech innovation services. In our early years, we operated in both the Chinese Mainland and overseas markets, with a larger proportion of our revenue generated from the Chinese Mainland. Over time, we expanded our overseas presence, and in 2018, revenue from overseas customers exceeded 50% of our total revenue for the first time.

Market Development and Opportunities

According to CIC, the fintech software development services market in Chinese Mainland and Hong Kong has experienced rapid growth, expanding from RMB118.3 billion in 2021 to RMB151.8 billion in 2025, representing a CAGR of 6.4%. Driven by the ongoing digital transformation of financial institutions and the accelerated deployment of new technologies, this market is projected to reach RMB310.5 billion in 2030, with an accelerated CAGR of 15.4% from 2025 to 2030. The banking industry accounts for approximately 68% of the market. Measured by revenue, the market size reached RMB87.5 billion in 2025 and is expected to reach RMB186.5 billion in 2030, representing a CAGR of 16.3% from 2025 to 2030, where banking industry accounts for 60%–70% of the market. Within the fintech software development services in the banking industry in Chinese Mainland and Hong Kong, we obtain the market share of 1.1% in terms of revenues in 2025, ranking 17th.

While Chinese Mainland dominates the overall market, Hong Kong's fintech software development services market is entering a phase of rapid growth and has reached a significant inflection point in 2024, transitioning from steady development to rapid expansion. The market size reached RMB10.6 billion in 2025 and is projected to expand to RMB44.0 billion by 2030, representing a CAGR of 32.9% from 2025 to 2030. Hong Kong's market share is projected to increase from 7.0% in

2025 to 14.2% by 2030, reflecting the acceleration of digital finance development in the region. This acceleration is driven by Hong Kong's strategic positioning as a leading hub for regulated Fintech innovation and its role as a bridge between Chinese Mainland, Southeast Asia, and the global market.

Hong Kong is playing a leading role in the next generation of digital finance transformation driven by Web3 and AI. On one hand, leveraging its position as an international financial gateway, Hong Kong is developing replicable models for digital finance implementation through regulatory sandboxes, central bank digital currency initiatives, and compliant asset tokenization projects. On the other hand, drawing on its deep integration with Chinese Mainland, Hong Kong has established a comprehensive digital finance ecosystem and is positioning itself as a central hub to actively extend its influence to Southeast Asia and other Belt and Road economies. Through these efforts, Hong Kong is driving the adoption of digital finance infrastructure, technology standards, and governance practices. By facilitating regulatory alignment and fostering collaborative innovation, Hong Kong is not only connecting various stakeholders but also enabling regional partners to participate, co-create, and share in digital finance development. In doing so, Hong Kong is reinforcing its role as a pioneer in the digital finance corridor, fostering ecosystem growth and positioning itself as a key hub for collaboration between Chinese Mainland, Southeast Asia, the Middle East, other Belt and Road countries, and the global market.

The fintech software development services market is driven by several key factors:

- **Bridging Legacy and Digital Systems**: Financial institutions in Chinese Mainland and Hong Kong are undergoing a structural transition from traditional to digital finance, requiring both compatibility with existing core banking systems and support for emerging digital finance architectures.

- **Technology Innovations**: Advances in blockchain, artificial intelligence, and other emerging technologies are driving deeper integration with financial systems, improving service quality and expanding capabilities.

- **Government Policies**: Clear government and regulatory policies continue to accelerate the development of digital finance.

OUR STRENGTHS

We believe we have the following competitive advantages that differentiate us from our competitors:

- Established Fintech Service Provider in the Banking Industry;
- Comprehensive Industry Know-How and Regulatory Compliance Expertise;
- Accumulated Customer Base Spanning Regulatory Authorities and Banking Institutions;
- Solid R&D Capabilities and Recognized Technology Leadership; and
- An Experienced and Stable Management Team Rooted in the Greater Bay Area with Cross-Border Industry Capabilities.

OUR STRATEGIES

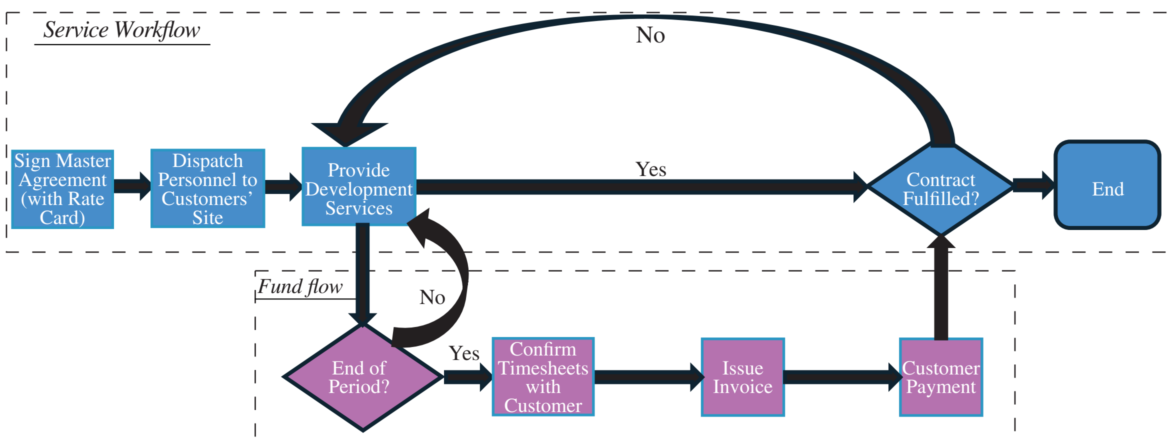
We intend to pursue the following strategies:

- Expand Market Reach and Optimize Revenue Quality;
- Strengthen Regulatory Collaboration on Financial Infrastructure;
- Scale Compliant Web3 and Tokenization Solutions;
- Growth Driven by AI; and
- Cultivate a Multidisciplinary Talent Pool.

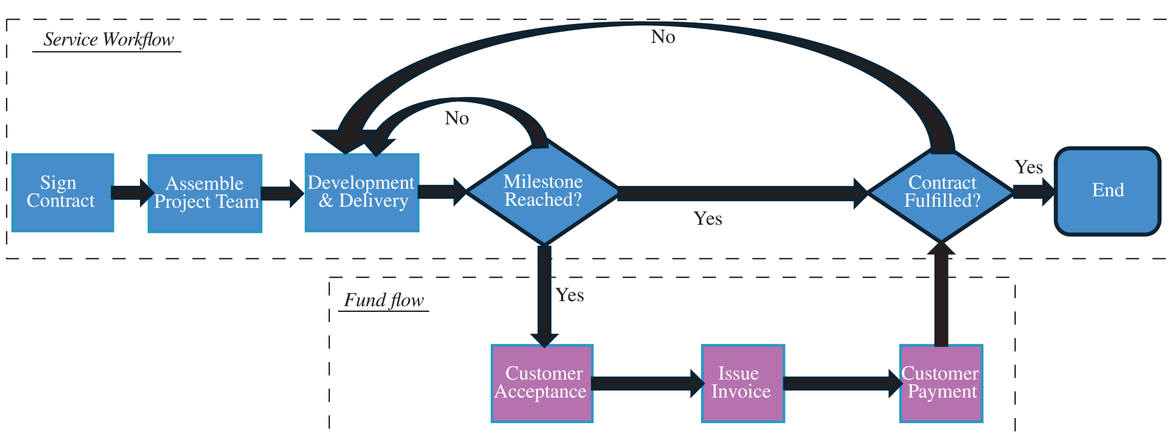
REVENUE MODEL

We generate revenue primarily from the provision of fintech software development services. To accommodate the diverse needs of our customers, we offer our fintech software development services mainly through two revenue models;

- **Time-and-Material Model**: We use a time-and-material model for certain types of software development services. We charge the customer for each task based on actual time spent and the pre-agreed rate card per individual customer. The pricing of the rate card depends on mutual negotiation with the customer. We typically bill our customers on a monthly basis supported by timesheets. Revenue derived from time-and-material model is recognized monthly based on the usage on our records, which are further adjusted by the usage agreed by customers. Only a small amount of such adjustment affects the revenue in later years. As of July 31, 2026, the revenue adjustments attributable to the years ended December 31, 2023, 2024 and 2025 and the three months ended March 31, 2026 amounted to approximately RMB0.1 million, nil, RMB0.1 million and RMB0.2 million, respectively. The credit term is typically less than two months. The chart below shows the typical service workflow and fund flow under time-and-material model:



- **Project-Based Model**: Our project-based model encompasses software development with agreed scopes and deliverables as compared to tasks under time-and-material model. Under this model, our pricing is determined through the assessment of the project's scope, technical complexity, risk profile, scale, competitive landscape, and its strategic importance to us. The price is specified in the project contract. The credit term is typically less than two months. The chart below shows the typical service workflow and fund flow under project-based model:



PRICING STRATEGY

We apply a consistent pricing strategy for our fintech software development services and consulting services due to their similar cost structures, which are primarily composed of labor costs. We deliver our services under the two business lines through a combination of the time-and-material model and the project-based model, with pricing determined based on a comprehensive assessment of estimated costs, potential project delivery risks, the competitive landscape and the strategic value of the engagement.

Our pricing strategy for system integration services differs from our other business lines due to its distinct cost structure, which is primarily composed of procurement costs for third-party hardware, software and services. We typically deliver our system integration services under the project-based model, entering into a fixed-price contract with our customer. Pricing is determined on a case-by-case basis through a comprehensive assessment of factors.

MARKETING AND SALES

We generally acquire customers through two channels: (i) competitive bidding, where we participate in public tenders by submitting proposals and providing solution demonstrations when required; and (ii) direct engagement, where we approach potential customers through referrals, channel marketing, and other business development activities. We do not engage third parties in our sales process.

CUSTOMERS AND SUPPLIERS

Our customers primarily comprise financial institutions, as well as non-banking financial institutions. We also serve other enterprises, including technology service providers and financial technology solution firms. In each year and period during the Track Record Period, our revenue generated from our five largest customers accounted for 90.1%, 93.7%, 89.1% and 86.5% of our total revenue in 2023, 2024, 2025 and the three months ended March 31, 2026, respectively, while our revenue generated from the largest customer accounted for 41.1%, 42.4%, 52.7% and 51.8% of our total revenue, respectively, for the same periods. We expect our customer concentration to remain at a broadly similar level in 2026, with a modest decline. We believe our customer concentration risk is manageable because: (i) we have long-term relationships with our major customers, who demonstrate strong operational stability and credit profiles that help mitigate counterparty risks; (ii) our services are critical to their operational continuity, supporting a stable service relationship with a low risk of customer attrition; (iii) we have long-term agreements with some major customers; and (iv) we manage our relationships with each branch and subsidiary of our major customers independently, such that the termination of any single entity is unlikely to affect our cooperation with the customer group as a whole. For risks related to the concentration of customers, see "Risk Factors — Risks Related to Our Business and Industry — We have a high level of customer concentration, with a significant portion of our revenue derived from a limited number of customers. The loss of, or a significant reduction in business from, any of these customers could have a material and adverse effect on our business and results of operations."

Our suppliers primarily comprise technology service providers, including companies specializing in software development, cloud computing, and IT consulting. In each year and period during the Track Record Period, our purchases from our five largest suppliers accounted for 83.1%, 82.6%, 84.0% and 100.0% of our total purchases in 2023, 2024, 2025 and the three months ended March 31, 2026, respectively, while our purchase from the largest supplier accounted for 39.6%, 44.8%, 57.9% and

49.4% of our total purchases, respectively, for the same periods. Due to our business nature, our purchases from suppliers were a relatively small portion of our cost of sales. In 2023, 2024, 2025 and the three months ended March 31, 2026, such purchase costs accounted for less than 5% of our cost of sales.

SUMMARY OF KEY FINANCIAL INFORMATION

The following tables set forth a summary of our consolidated financial information for the Track Record Period, extracted from the Accountant's Report set out in Appendix I. The summary of consolidated financial data set forth below should be read together with, and is qualified in its entirety by reference to, the consolidated financial statements in this prospectus, including the related notes. Our consolidated financial information has been prepared in accordance with IFRSs.

Summary Consolidated Statements of Profit or Loss

The following table sets forth a summary of our consolidated statements of profit or loss for the years/periods indicated:

	Year ended December 31,						Three Months ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentage)									
							(unaudited)			
Revenue	730,434	100.0	740,376	100.0	631,068	100.0	131,574	100.0	156,332	100.0
Cost of sales	(509,580)	(69.8)	(495,411)	(66.9)	(392,573)	(62.2)	(77,231)	(58.7)	(108,936)	(69.7)
Gross profit	**220,854**	**30.2**	**244,965**	**33.1**	**238,495**	**37.8**	**54,343**	**41.3**	**47,396**	**30.3**
Other income, gains and losses, net	19,094	2.6	26,997	3.6	17,083	2.7	1,063	0.8	(4,137)	(2.6)
Selling and distribution expenses	(21,317)	(2.9)	(22,480)	(3.0)	(19,323)	(3.1)	(3,323)	(2.5)	(3,759)	(2.4)
Administrative expenses	(105,823)	(14.5)	(96,552)	(13.0)	(83,584)	(13.2)	(17,387)	(13.2)	(17,190)	(11.0)
Research and development expenses	(62,740)	(8.6)	(70,101)	(9.5)	(59,923)	(9.5)	(17,318)	(13.2)	(15,165)	(9.7)
Impairment losses reversed (recognised) on financial assets, contract assets and contract costs, net	(1,532)	(0.2)	(8,772)	(1.2)	(13,782)	(2.2)	(4,414)	(3.4)	2,826	1.8
Finance costs	(666)	(0.1)	(644)	(0.1)	(162)	(0.0)	(16)	0.0	(40)	0.0
Profit before tax	**47,870**	**6.6**	**73,413**	**9.9**	**78,804**	**12.5**	**12,948**	**9.8**	**9,931**	**6.4**
Income tax (expense) credit	(490)	(0.1)	(6,049)	(0.8)	(4,523)	(0.7)	(51)	0.0	680	0.4
Profit for the year/period	**47,380**	**6.5**	**67,364**	**9.1**	**74,281**	**11.8**	**12,897**	**9.8**	**10,611**	**6.8**

Our revenue increased by 1.4% from RMB730.4 million in 2023 to RMB740.4 million in 2024, primarily driven by the growth of our fintech software development services as a result of the continuous expansion of business with existing major customers, contributions from new customers and our execution of the strategy to expand into overseas markets, particularly in Hong Kong. Our revenue decreased by 14.8% from RMB740.4 million in 2024 to RMB631.1 million in 2025, mainly due to a decline in revenue from fintech software development services, which resulted from our strategic shift from certain highly competitive, low-margin Chinese Mainland projects to expand our presence in overseas markets with a focus on higher-margin business opportunities. Our revenue increased by 18.8% from RMB131.6 million in the three months ended March 31, 2025 to RMB156.3 million in the three months ended March 31, 2026, mainly due to an increase from fintech software development services, driven by the increase in customer demand from our enhanced business development efforts and the concurrent delivery and revenue recognition of a number of projects during this period.

Our gross profit increased from RMB220.9 million in 2023 to RMB245.0 million in 2024, reflecting the overall growth of our business. Our gross profit margin increased from 30.2% in 2023 to 33.1% in 2024, primarily due to our strategic focus on higher-margin overseas businesses, particularly in Hong Kong, and our proactive shift away from certain lower-margin projects in the Chinese Mainland. Our gross profit decreased by 2.6% from RMB245.0 million in 2024 to RMB238.5 million in 2025, while our gross profit margin increased from 33.1% to 37.8%, primarily due to the optimization of our business structure and cost efficiency across our business lines. Our gross profit decreased by 12.8% from RMB54.3 million in the three months ended March 31, 2025 to RMB47.4 million in the three months ended March 31, 2026. Our gross profit margin decreased from 41.3% in the three months ended March 31, 2025 to 30.3% in the three months ended March 31, 2026, primarily due to the concurrent completion and delivery of a number of loss-making projects (primarily attributable to one of our major customers located in Chinese Mainland) during the period, the accumulated fulfilment costs of which were recognized as cost of sales and exceeded the corresponding revenue. This short-term margin contraction reflected the delivery schedule of these specific projects and the withdrawal from lower-margin engagements under our strategy.

Summary Consolidated Statements of Financial Position

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	(RMB in thousands)			
Total current assets	1,312,563	1,369,218	1,360,592	1,381,192
Total current liabilities	130,733	143,115	114,714	122,394
Net current assets	**1,181,830**	**1,226,103**	**1,245,878**	**1,258,798**
Total non-current assets	438,408	422,825	407,563	404,807
Total non-current liabilities	12,863	8,160	9,886	10,257
Net assets	**1,607,375**	**1,640,768**	**1,643,555**	**1,653,348**

Our net current assets increased from RMB1,245.9 million as of December 31, 2025 to RMB1,258.8 million as of March 31, 2026, primarily due to an increase in bank balances and cash, partially offset by a decrease in trade receivables. Our net current assets increased from RMB1,226.1 million as of December 31, 2024 to RMB1,245.9 million as of December 31, 2025, primarily due to a significant decrease in trade and other payables; and an increase in trade receivables, partially offset by a decrease in restricted bank deposits. Our net current assets increased from RMB1,181.8 million as of December 31, 2023 to RMB1,226.1 million as of December 31, 2024, primarily due to an increase in bank balances and cash; partially offset by a decrease in contract costs and a decrease in trade receivables.

Our net assets increased from RMB1,607.4 million as of December 31, 2023 to RMB1,640.8 million as of December 31, 2024, and further increased to RMB1,643.6 million as of December 31, 2025 and RMB1,653.3 million as of March 31, 2026. The overall upward trend in our net assets during the Track Record Period was primarily driven by our continuous profitability and the resulting accumulation of retained profits, which was partially offset by our dividend distributions. During the Track Record Period, our share capital remained unchanged at RMB530.6 million as we did not issue any new shares.

Specifically, our net assets increased RMB12.4 million from January 1, 2023 to December 31, 2023, primarily attributable to the total comprehensive income of RMB44.3 million in 2023, which was partially offset by a dividend distribution of RMB31.8 million. Our net assets increased RMB33.4 million from December 31, 2023 to December 31, 2024 primarily attributable to the total comprehensive income of RMB65.2 million in 2024, which was partially offset by a dividend distribution of RMB31.8 million. Our net assets increased RMB2.8 million from December 31, 2024 to

December 31, 2025, primarily attributable to the total comprehensive income of RMB55.4 million in 2025, which was partially offset by a dividend distribution of RMB53.1 million. Our net assets increased RMB9.8 million from December 31, 2025 to March 31, 2026, primarily attributable to the total comprehensive income of RMB9.3 million in the three months ended March 31, 2026.

Summary Consolidated Statements of Cash Flows

The following table sets forth a summary of our cash flows for the periods indicated:

	Year ended December 31,			Three Months ended March 31,	
	2023	2024	2025	2025	2026
	(RMB in thousands)				
				(unaudited)	
Net cash generated from/(used in) operating activities	127,111	168,354	62,447	(35,840)	72,497
Net cash used in investing activities	(7,232)	(14,225)	(25,072)	(2,973)	(1,682)
Net cash used in financing activities	(44,632)	(45,759)	(68,545)	(2,437)	(7,934)
Net increase(decrease) in cash and cash equivalents	75,247	108,370	(31,170)	(41,250)	62,881
Cash and cash equivalents at beginning of year/period	924,242	999,802	1,109,041	1,109,041	1,073,113
Effect of foreign exchange rate changes, net	313	869	(4,758)	(521)	(7,117)
Cash and cash equivalents at end of year/period	**999,802**	**1,109,041**	**1,073,113**	**1,067,270**	**1,128,877**

In the three months ended March 31, 2025, we had net cash used in operating activities of RMB35.8 million. This amount represented our profit before tax of RMB12.9 million, adjusted for non-cash and non-operating items, primarily including (i) net impairment losses recognized for financial assets, contract assets and contract costs of RMB4.4 million; and (ii) depreciation of property, plant and equipment of RMB4.3 million. The principal item accounting for the difference were the adjustments in working capital, primarily including (i) an increase in trade receivables of RMB35.5 million; (ii) an increase in contract costs of RMB22.3 million; and (iii) a decrease in trade and other payables of RMB14.1 million.

Below sets forth the breakdown of the number of customers by type, and their respective revenue contribution during the Track Record Period:

	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
Number of bank customers	22	14	17	14	17
Revenue contribution of bank customers *(RMB million)*	656.2	642.8	518.6	107.0	131.2
Number of regulatory authority and financial infrastructure operator customers	1	2	5	4	3
Revenue contribution of regulatory authority and financial infrastructure operator customers *(RMB million)*	57.9	86.2	105.0	24.5	24.6
Number of non-bank financial institution customers	2	0	1	0	1
Revenue contribution of non-bank financial institution customers *(RMB million)*	4.7	0	0.8	0	0.2
Number of non-financial institution customers	23	23	29	9	9
Revenue contribution of non-financial institution customers *(RMB million)*	11.6	11.4	6.7	0.1	0.3
Number of total customers	48	39	52	27	30
Revenue contribution of total customers *(RMB million)*	730.4	740.4	631.1	131.6	156.3

SUMMARY OF BUSINESS LINE AND GEOGRAPHICAL BREAKDOWN OF REVENUE, GROSS PROFIT AND GROSS PROFIT MARGIN

The following tables set forth a summary of the revenue, gross profit and gross profit margin breakdown by business line and by geographical location during the Track Record Period.

Summary of Revenue, Gross Profit and Gross Profit Margin by Business Line

The table below sets forth our revenue breakdown by business line in an absolute amount and as a percentage our total revenue for the periods indicated:

	Year ended December 31,						Three Months ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentage)									
							(unaudited)			
Fintech software development services										
Banking technology services										
— Banking product portfolio	361,755	49.5	343,839	46.5	251,346	39.8	50,326	38.3	64,031	40.9
— Digital banking channel solutions	146,789	20.1	146,221	19.7	138,572	22.0	33,322	25.3	35,099	22.5
— Banking operation and data services	124,069	17.0	135,391	18.3	95,242	15.1	16,895	12.8	22,109	14.1
	632,613	86.6	625,451	84.5	485,160	76.9	100,543	76.4	121,239	77.5
Financial infrastructure and fintech innovation services	67,306	9.2	94,970	12.8	119,918	19.0	26,430	20.1	31,249	20.0
Subtotal	**699,919**	**95.8**	**720,421**	**97.3**	**605,078**	**95.9**	**126,973**	**96.5**	**152,488**	**97.5**
Consulting services	**29,987**	**4.1**	**19,487**	**2.6**	**24,046**	**3.8**	**4,601**	**3.5**	**3,561**	**2.3**
System integration services	**528**	**0.1**	**468**	**0.1**	**1,944**	**0.3**	**—**	**—**	**283**	**0.2**
Total	**730,434**	**100.0**	**740,376**	**100.0**	**631,068**	**100.0**	**131,574**	**100.0**	**156,332**	**100.0**

The revenue growth in 2024 was primarily driven by the substantial growth in financial infrastructure and fintech innovation services, mainly due to the increased demand from financial infrastructure customers in Hong Kong. The revenue decrease in 2025 was primarily driven by the decline in our banking product portfolio, mainly because we strategically reduced our involvement in lower-margin banking product projects in Chinese Mainland. The revenue growth in the three months ended March 31, 2026 was primarily driven by the growth in our banking product portfolio, mainly because the increased customer demand for digital transformation, coupled with the concurrent completion and subsequent revenue recognition of multiple projects during the period.

The following table sets forth a breakdown of our gross profit and gross profit margin by business line for the periods indicated:

	Year ended December 31,						Three Months ended March 31,			
	2023		2024		2025		2025		2026	
	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin
	(RMB in thousands, except for percentage)									
							(unaudited)			
Fintech software development services	**211,946**	**30.3**	**242,711**	**33.7**	**232,599**	**38.4**	**52,880**	**41.6**	**46,293**	**30.4**
— Banking technology services	179,354	28.4	195,310	31.2	173,741	35.8	39,202	39.0	30,943	25.5
— Financial infrastructure and fintech innovation services	32,592	48.4	47,401	49.9	58,858	49.1	13,678	51.8	15,350	49.1
Consulting services	**8,784**	**29.3**	**2,151**	**11.0**	**4,387**	**18.2**	**1,463**	**31.8**	**820**	**23.0**
System integration services	**124**	**23.5**	**103**	**22.0**	**1,509**	**77.6**	**—**	**—**	**283**	**100.0**
Total	**220,854**	**30.2**	**244,965**	**33.1**	**238,495**	**37.8**	**54,343**	**41.3**	**47,396**	**30.3**

The increase in our overall gross profit and gross profit margin from the year ended December 31, 2023 to the year ended December 31, 2025 was primarily driven by the continuous optimization of our business structure and the effective implementation of cost efficiency measures, including our strategic shift towards higher-margin overseas projects and the gradual withdrawal from certain lower-margin Chinese Mainland engagements. In line with this strategy, the gross profit margin of our fintech software development services increased from 30.3% in 2023 to 33.7% in 2024, and further to 38.4% in 2025. The gross profit margin of our banking technology services consistently improved from 28.4% in 2023 to 31.2% in 2024, and further to 35.8% in 2025. Notably, while the gross profit of this sub-business line recorded the lowest during 2023 to 2025 at RMB173.7 million in 2025, its gross profit margin reached the highest level of 35.8%, reflecting the effectiveness of our profitability optimization. Furthermore, the gross profit of our financial infrastructure and fintech innovation services recorded continuous growth during 2023 to 2025, increasing from RMB32.6 million in 2023 to RMB47.4 million in 2024, and further to RMB58.9 million in 2025, primarily reflecting our proactive expansion of this high value-added sub-business line and the rising prominence of such engagements within our overall business portfolio. While our overall gross profit margin demonstrated a consistent upward trend during 2023 to 2025, our overall gross profit decreased from RMB54.3 million in the three months ended March 31, 2025 to RMB47.4 million in the three months ended March 31, 2026, and our gross profit margin decreased from 41.3% to 30.3% in the same periods. This was primarily because certain loss-making projects (primarily attributable to one of our major customers) were completed and delivered during the period, the accumulated fulfilment costs of which were recognized as cost of sales and exceeded the corresponding revenue.

Summary of Revenue, Gross Profit and Gross Profit Margin by Geographical Location

The following table sets forth a breakdown of our revenue by geographical location, in an absolute amount and as a percentage of our total revenue, for the periods indicated:

	Year ended December 31,						Three Months ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentage)									
							(unaudited)			
Chinese Mainland	285,368	39.1	293,863	39.7	122,396	19.4	16,913	12.9	28,908	18.5
Overseas										
Hong Kong(1)	441,547	60.4	442,879	59.8	506,702	80.3	114,280	86.9	127,069	81.3
Others(2)	3,519	0.5	3,634	0.5	1,970	0.3	381	0.2	355	0.2
Subtotal	**445,066**	**60.9**	**446,513**	**60.3**	**508,672**	**80.6**	**114,661**	**87.1**	**127,424**	**81.5**
Total	**730,434**	**100.0**	**740,376**	**100.0**	**631,068**	**100.0**	**131,574**	**100.0**	**156,332**	**100.0**

(1) Our revenue from Hong Kong is primarily derived from our fintech software development services, which amounted to RMB411.6 million, RMB425.2 million, RMB485.0 million, RMB109.7 million and RMB124.4 million in 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, respectively.

(2) Others mainly include Macao and France.

The revenue growth in 2024 was primarily driven by the continuous expansion of our business scale in Hong Kong and other overseas markets, effectively offsetting the impact of our strategic scale-back in Chinese Mainland. The revenue decrease in 2025 was primarily due to a substantial decrease in revenue from Chinese Mainland, resulting from our strategic decision to proactively withdraw from lower-margin engagements amidst intensified market competition. The revenue growth in the three months ended March 31, 2025 to the three months ended March 31, 2026 was primarily attributable to our continued business expansion into the Hong Kong market, as Hong Kong's fintech software development services market has been expanding rapidly with growing customer demand.

The following table sets forth a breakdown of our gross profit and gross profit margin by geographical location for the periods indicated:

	Year ended December 31,						Three Months ended March 31,			
	2023		2024		2025		2025		2026	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	(RMB in thousands, except for percentage)									
							(unaudited)			
Chinese Mainland	58,213	20.4	48,197	16.4	29,714	24.3	3,312	19.6	(1,483)	(5.1)
Overseas										
Hong Kong	160,799	36.4	195,677	44.2	207,859	41.0	51,022	44.6	48,747	38.4
Others[1]	1,842	52.3	1,091	30.0	922	46.8	9	2.4	132	37.2
Subtotal	**162,641**	**36.5**	**196,768**	**44.1**	**208,781**	**41.0**	**51,031**	**44.5**	**48,879**	**38.4**
Total	**220,854**	**30.2**	**244,965**	**33.1**	**238,495**	**37.8**	**54,343**	**41.3**	**47,396**	**30.3**

(1) Others mainly include Macao and France.

The gross profit and gross profit margin increase in 2024 was primarily due to our strategic focus on higher-margin engagements in the Hong Kong market, coupled with the effective implementation of cost control and efficiency enhancement measures. It further increased in 2025 primarily due to the significant optimization of the profit structure in Chinese Mainland. By proactively withdrawing from lower-margin projects and focusing on cost control, the gross profit margin for Chinese Mainland improved significantly. The decline of our gross profit and gross profit margin from the three months ended March 31, 2025 to March 31, 2026 was primarily because certain loss-making projects in Chinese Mainland were completed and delivered during the period, which incurred higher input costs of sales than corresponding revenue, and our relatively small Chinese Mainland revenue base magnified the impact of such projects on the segment margin.

The decrease in the gross profit margin of our overseas business in the three months ended March 31, 2026 was primarily attributable to the increase in employment compensation costs in our Hong Kong operations during this period. In particular, (i) certain of our customers in Hong Kong were undergoing technology upgrades to their banking systems, which required us to optimize and restructure certain project teams to meet the new technical requirements; in response, we recruited new personnel with the relevant skills to work alongside existing team members, incurring various transition-related costs including recruitment, training, and severance, which collectively exerted pressure on our gross profit margin; (ii) we recognized revenue from several engagements that had undergone preparation phases involving team assembly, training and integration during the period, and the associated higher preliminary employment compensation costs were recognized accordingly; and (iii) certain customers raised their requirements for our project personnel, and the salary levels of the newly recruited personnel meeting these requirements were approximately 20% to 30% higher than the average salary level of our existing project teams. In addition, the gross profit margin for our overseas business in the three months ended March 31, 2025 was relatively high as certain engagements benefited from the reuse of existing technology assets, creating a higher comparative base. These factors collectively compressed the gross profit margin of our Hong Kong operations from 44.6% in the three months ended March 31, 2025 to 38.4% in the three months ended March 31, 2026, and in turn led to the overall decline in the gross profit margin of our overseas business. See "Financial Information —

Period-to-Period Comparison of Results of Operations — Three Months Ended March 31, 2025 Compared with Three Months Ended March 31, 2026 — Gross Profit and Gross Profit Margin — Gross Profit and Gross Profit Margin by Geographical Location".

Our Directors are of the view that the decline in gross profit margin of our overseas business in the three months ended March 31, 2026 was temporary. The gross profit margin of one quarter is more susceptible to the combined effects of short-term cost fluctuations, and we expect the full-year gross profit margin of our overseas business to gradually return to its normal range as these temporary impacts subside.

Our loss-making projects were mainly attributable to Chinese Mainland projects. For the years ended December 31, 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, we had 28, 32, 65, 4 and 22 completed loss-making projects in total, of which 15, 3, 3, 2 and 1 were in Hong Kong, respectively. For the same periods, we had 0, 69, 57, 74 and 53 ongoing loss-making projects in total, of which only 0, 3, 2, 3 and 5 were in Hong Kong, respectively. This further confirms that the temporary margin fluctuation in Hong Kong was not indicative of a structural spread of loss-making projects to our overseas market. Furthermore, throughout the Track Record Period, the gross profit margin of our overseas business has consistently exceeded that of our Chinese Mainland business, demonstrating the continued effectiveness of our overseas expansion strategy.

SUMMARY OF KEY OPERATING METRICS

The following tables set forth our key operating metrics during the Track Record Period.

The table below sets forth the breakdown of our revenue derived from contracts under different recognition methods:

	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
			(RMB in thousand)		
Over time (time-and-material contracts and annual maintenance contracts)	**627,189**	**631,233**	**541,549**	**118,310**	**136,790**
Fintech software development services	603,952	614,702	523,937	114,072	134,270
Consulting services	23,237	16,531	17,612	4,238	2,520
System integration services	0	0	0	0	0
At a point of time (project-based contracts)	**103,245**	**109,143**	**89,519**	**13,264**	**19,542**
Fintech software development services	95,967	105,719	81,141	12,901	18,218
Consulting services	6,750	2,956	6,434	363	1,041
System integration services	528	468	1,944	0	283
Total Revenue	**730,434**	**740,376**	**631,068**	**131,574**	**156,332**

Revenue recognized over time mainly consists of revenue generated under the time-and-material contracts. Revenue recognized at a point of time corresponds to revenue generated under the project-based model.

Under project-based contracts, the table below sets forth selected key operating metrics of our fintech software development services:

	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
Number of bids	121	139	184	36	24
Fintech software development services	121	136	181	36	24
Consulting services	0	3	2	0	0
System integration services	0	0	1	0	0
Bid success rate	76.9%	64.7%	62.0%	63.9%	54.2%
Fintech software development services	76.9%	64.0%	61.3%	63.9%	54.2%
Consulting services	—	100.0%	100.0%	—	—
System integration services	—	—	100.0%	—	—
Number of ongoing projects at the beginning of the year/period	123	177	206	206	147
Fintech software development services	120	177	202	202	142
Consulting services	3	0	4	4	5
System integration services	0	0	0	0	0
Number of newly awarded projects	249	297	221	45	15
Fintech software development services	242	290	198	42	13
Consulting services	6	6	10	3	0
System integration services	1	1	13	0	2
Number of projects completed	195	268	280	26	31
Fintech software development services	185	265	258	26	29
Consulting services	9	2	9	0	0
System integration services	1	1	13	0	2
Number of ongoing projects at the end of the year/period	177	206	147	225	131
Fintech software development services	177	202	142	218	126
Consulting services	0	4	5	7	5
System integration services	0	0	0	0	0
Outstanding balance of contract value at the beginning of the year/period *(RMB million)*	115.5	117.8	117.2	117.2	95.8
Fintech software development services	114.1	117.8	112.1	112.1	92.8
Consulting services	1.4	0	5.1	5.1	3.0
System integration services	0	0	0	0	0
Contract value of newly awarded projects *(RMB million)*	106.8	110.5	77.8	14.1	19.8
Fintech software development services	101.1	101.9	71.2	11.9	19.5
Consulting services	5.2	8.1	4.5	2.2	0
System integration services	0.6	0.5	2.1	0	0.3
Contract value of completed projects during the year/period *(RMB million)*	104.6	111.2	99.1	13.3	21.5
Fintech software development services	97.4	107.6	90.5	12.9	20.1
Consulting services	6.6	3.1	6.5	0.4	1.1
System integration services	0.6	0.5	2.1	0	0.3
Total revenue recognized at the end of the year/period *(RMB million)*	103.2	109.1	89.5	13.3	19.5
Fintech software development services	96.1	105.7	81.1	12.9	18.2
Consulting services	6.6	3.0	6.4	0.4	1.0
System integration services	0.5	0.5	1.9	0	0.3

	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
Outstanding balance of contract value at the end of the year/period *(RMB million)*	117.8	117.2	95.8	117.9	94.1
Fintech software development services	117.8	112.1	92.8	111.0	92.1
Consulting services	0	5.1	3.0	6.9	2.0
System integration services	0	0	0	0	0

(1) The difference between "Contract value of completed projects" and "Total revenue recognized" mainly arises from VAT and the fact that contract values are not always fully recognized as revenue, as the contract scope may be adjusted after signing or the relevant milestones may not be met. In such cases, although revenue is not recognized, the contract value reflects the maximum amount set out in the contract.

Our number of newly awarded projects increased from 249 in 2023 to 297 in 2024, primarily due to an increase in the number of newly awarded projects under our fintech software development services. This increase is driven by increased demand from the parent company of the Customer B group for three product lines, which resulted in additional contracts secured. The number decreased to 221 in 2025, primarily due to a decrease in the number of newly awarded projects under our fintech software development services, as: (i) the demand from the parent company of Customer B group for these three product lines decreased in 2025, primarily due to the completion of the product life cycle with functionalities migrated to new products and the conclusion of specific themed events, for which such products were developed; and (ii) a subsidiary within the Customer B group adopted a single comprehensive contract to cover its overall requirements in 2025, whereas in 2024 and prior years it entered into multiple smaller contracts. Our number of newly awarded projects decreased from 45 in the three months ended March 31, 2025 to 15 in the three months ended March 31, 2026, primarily due to a change in the scope and scale of contracts awarded by certain customers. In particular, a major customer in Chinese Mainland discontinued certain product lines in 2026, which had previously generated a relatively high volume of smaller-scale contracts. The discontinuation of these product lines resulted in no new projects being awarded in respect of such product lines during the three months ended March 31, 2026.

Time-and-Material Model(1)

	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
Number of customers(2)	15	15	17	16	16
Fintech software development services	14	12	15	13	15
Consulting services	2	4	4	4	3
System integration services	0	0	0	0	0
Average revenue per customer(3) *(RMB'000)*	40,530	40,801	31,444	7,278	8,440
Customer retention rate(4)	72.2%	73.3%	100.0%	100.0%	82.4%

(1) The calculation of operating metrics in this table excludes the same customers as those excluded from the calculation of retention rate. See "Glossary of Technical Terms — retention rate".

(2) Number of customers is calculated on a consolidated basis. Breakdown of customers by business segments can overlap because framework agreement with customers may cover service offerings of one or more business segments. Prior to the exclusion described in note (1) above, the total number of customers under the time-and-material model was 26, 25, 21, 17 and 19 in 2023, 2024 and 2025 and the three months ended March 31, 2025 and 2026, respectively.

(3) Average revenue per customer is calculated as total revenue derived under the time-and-material model for the relevant period divided by the total number of customers during the same period.

(4) Customer retention rate is calculated as the number of customers who contributed revenue to us under time-and material model in both the prior year and the current year divided by the total number of customers in the prior year.

Our average revenue per customer decreased from RMB40,801 thousand in 2024 to RMB31,444 thousand in 2025. This was mainly because of: (i) lower revenue generated under the time-and-material model in 2025 due to the strategic shift we initiated in 2024, which reduced the revenue contribution from certain lower-margin time-and-material engagements; and (ii) an increase in the number of customers within the time-and-material model, which was driven by our expansion in financial infrastructure services during the year. Our average revenue per customer increased from RMB7,278 thousand in the three months ended March 31, 2025 to RMB8,440 thousand in the three months ended March 31, 2026, primarily driven by increased demand from our customers during the period.

Our customer retention rate under the time-and-material model increased from 73.3% in 2024 to 100.0% in 2025, primarily due to our enhanced efforts to deepen engagement with existing customers during 2025. Given that our time-and-material customer base is relatively small and has historically exhibited a low churn rate, no customer attrition occurred under this model during the year. Our customer retention rate under the time-and-material model decreased from 100.0% in the three months ended March 31, 2025 to 82.4% in the three months ended March 31, 2026, primarily because certain customers who had contributed revenue under the time-and-material model in 2025 did not have engagements with us in the three months ended March 31, 2026.

RISK FACTORS

Our business faces risks including those set out in “Risk Factors” in this prospectus. As different investors may have different interpretations and criteria when determining the significance of a risk, you should read the “Risk Factors” section in its entirety before you decide to invest in our Offer Shares. Some of the major risks that we face include: (i) Our revenue is primarily generated from contracts that are non-recurring in nature, which leads to uncertainty in our future revenue streams; (ii) We have a high level of customer concentration, with a significant portion of our revenue derived from a limited number of customers. The loss of, or a significant reduction in business from, any of these customers could have a material and adverse effect on our business and results of operations; (iii) The markets in which we operate are rapidly evolving. If we fail to innovate and timely develop services that achieve market acceptance and meet the evolving customer expectations, our business, financial condition, and results of operations may be materially and adversely affected; (iv) Our investments in research and development may not result in commercially successful products or generate a return, which could materially and adversely affect our business and financial performance; (v) Our solutions may not function as intended or may encounter material performance issues, defects, or errors, which could expose us to significant liability and adversely affect our business and reputation; (vi) We face intense competition in Chinese Mainland and Hong Kong, and we may not be able to compete effectively; and (vii) Our competitive advantage in the Hong Kong market primarily stems from the combination of our know-how and experience in the Hong Kong banking and finance industry with the technological capabilities of Chinese Mainland. However, if competitors develop similar capabilities or replicate our cross-border integration model, our market position could be challenged.

OUR SINGLE LARGEST SHAREHOLDER GROUP

As of the Latest Practicable Date, Mr. Chow controlled approximately 18.49% of the total issued share capital of our Company comprising indirect interest of approximately 18.44% held by Best Alliance, which is wholly-owned by Mr. Chow, and 0.05% held by Best Alliance through its client account with a financial institution.

Immediately following the completion of the Global Offering, Mr. Chow will, through Best Alliance, control an aggregate of approximately 16.64% of the total issued share capital of the Company. As such, Mr. Chow and Best Alliance will together constitute our Single Largest Shareholder Group upon Listing under the Listing Rules.

OFFERING STATISTICS

The statistics in the following table are based on the assumptions that (i) the Global Offering has been completed and 58,961,100 H Shares are newly issued in the Global Offering and (ii) 589,610,375 Shares are issued and outstanding following the completion of the Global Offering:

	Based on the Offer Price of HK$16.00 per Share
Market capitalization of our H Shares(1)	HK$943.38 million
Market capitalization of our Shares(2)	HK$15,612.03 million
Unaudited pro forma adjusted consolidated net tangible assets attributable to equity shareholders of the Company per Share(3)(4)	HK$4.71

(1) Calculated based on the assumption that the Global Offering has been completed and 58,961,100 H Shares are expected to be in issue immediately after completion of the Global Offering.

(2) Calculated based on (i) the average closing price of the A Shares of RMB23.90 per Share for the five business days immediately preceding the Latest Practicable Date and the total number of 530,649,275 A Shares as of the Latest Practicable Date and (ii) the expected market capitalization of the Company's H Shares at Listing.

(3) The unaudited pro forma adjusted consolidated net tangible assets attributable to equity shareholders of the Company per Share are arrived at after adjustment referred to in "Appendix II — Unaudited Pro Forma Financial Information" and on the basis that 589,610,375 Shares are expected to be in issue immediately following the completion of the Global Offering and assuming that the Global Offering had been completed on March 31, 2026.

(4) The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company in the table has not been adjusted to show the effect of the shareholders' entitlement to the 2025 profit distribution plan with an aggregate amount of approximately RMB31,839,000, which has been declared and payable by the Company on 24 April 2026. The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company after taking into account of the Global Offering and the 2025 profit distribution would be HK$4.65 based on the offer price of HK$16.00 per share.

LISTING EXPENSES

Listing expenses represent professional fees, underwriting commission and fees incurred in connection with the Listing and the Global Offering. Our listing expenses are estimated to be approximately HK$73.9 million (including underwriting commission) accounting for approximately 7.8% of the gross proceeds of the Global Offering, assuming that an Offer Price of HK$16.0 per Share (being the maximum Offer Price stated in this prospectus). Among our listing expenses, approximately HK$71.4 million is directly attributable to the issuance of Shares and will be charged to equity upon completion of the Listing, and approximately HK$2.5 million has been or will be charged to our consolidated statement of comprehensive income. The listing expenses we incurred in the Track Record Period and expect to incur would consist of approximately HK$38.7 million underwriting related expenses and fees (including underwriting commissions, SFC transaction levy, Stock Exchange trading fee and AFRC transaction levy), approximately HK$27.5 million non-underwriting-related expenses and fees including fees for the Joint Sponsors, legal advisors and reporting accountant and approximately HK$7.7 million for other non-underwriting-related fees and expenses. During the Track Record Period, we incurred listing expense of HK$0.5 million.

FUTURE PLANS AND USE OF PROCEEDS

We estimate that the net proceeds from the Global Offering will be approximately HK$869.4 million after deducting underwriting fees and commissions and estimated expenses payable by us in connection with the Global Offering, based on the Offer Price of HK$16.0 per H Share (being the maximum Offer Price stated in this prospectus).

We intend to use the net proceeds we will receive from the Global Offering for the following purposes.

- Approximately HK$304.3 million, representing 35.0% of the net proceeds, will be used to enhance our R&D capabilities over the next three to five years, focusing on the development of key technologies and services.

- Approximately HK$217.3 million, representing 25.0% of the net proceeds, will be used to enhance our delivery capabilities over the next three to five years, supporting our geographic expansion and customer growth strategies.

- Approximately HK$130.4 million, representing 15.0% of the net proceeds, will be used to enhance our sales capabilities across Chinese Mainland and global markets.

- Approximately HK$130.4 million, representing 15.0% of the net proceeds, will be allocated to potential investments and acquisitions to strengthen our technological capabilities, enhance our business ecosystem, and support our long-term growth strategy.

- Approximately HK$87.0 million, representing 10.0% of the net proceeds, will be used for working capital and general corporate purposes.

DIVIDEND

During the Track Record Period and up to the Latest Practicable Date, we did not have a formal dividend policy or a pre-determined dividend payout ratio. Subject to PRC laws and regulations, including the PRC Company Law (《中華人民共和國公司法》) and the No. 3 Guideline for the Supervision of Listed Companies — Cash Dividend Distribution of Listed Companies (2025 Revision) (《上市公司監管指引第3號 — 上市公司現金分紅(2025年修訂)》), and pursuant to the requirements under the Articles of Association, if we record profit and positive accumulated undistributed profits for a given year, and our cash flow can satisfy our normal operation and sustainable development needs, we will distribute no less than 20% of the distributable profits realized in that year as cash dividends, except for under special circumstances such as significant investment plans or significant cash expenditures as stipulated in our Articles of Association.

In 2023, 2024 and 2025, we declared dividends of RMB31.8 million, RMB31.8 million and RMB53.1 million in respect of the financial years ended December 31, 2022, 2023 and 2024, respectively. These declared dividends represented dividend payout ratios of 77.3%, 67.2% and 78.8% in 2022, 2023 and 2024, respectively. Dividend payout ratio is calculated by dividing our dividend declared in respect of a financial year by the net profit for the year attributable to the owners of the Company of the same year. As of the Latest Practicable Date, we have paid the dividends declared in 2023, 2024 and 2025 in full. For details, see note 13 to "Appendix I — Accountants' Report" for our declared dividends during the Track Record Period. We did not declare or pay any dividend during the three months ended March 31, 2026.

On April 24, 2026, being subsequent to the Track Record Period, we declared a dividend of RMB31.8 million in respect of the financial year ended December 31, 2025, representing a dividend payout ratio of 42.9% for 2025. As of the Latest Practicable Date, we have paid such declared dividend in full.

Future profit distributions may be carried out in the form of cash dividends or stock dividends or a combination of cash dividends and stock dividends. We do not have a fixed dividend distribution ratio. Any proposed distribution of dividends is subject to the discretion of our Board and the approval at our Shareholders' meetings. Our Board may recommend a distribution of dividends in the future after taking into account our results of operations, financial condition, operating requirements, capital requirements, shareholders' interests and any other conditions that our Board may deem relevant.

RECENT DEVELOPMENTS

Unaudited Financial Information for the Six Months ended June 30, 2026

As required under the listing rules of the Shenzhen Stock Exchange listing rules, we published our semi-annual report on August 27, 2026, containing our unaudited interim financial information as of and for the six months ended June 30, 2026, prepared under the PRC GAAP. We have included our unaudited interim condensed financial information prepared in accordance with IAS 34 as of and for the six months ended June 30, 2026 below and in Appendix IA to this prospectus for reference. Our unaudited interim condensed consolidated financial statements have been reviewed by the Reporting Accountants in accordance with Hong Kong Standard on Review Engagements 2410. The members of the Board, including those of the Audit Committee, have received and reviewed the unaudited interim condensed consolidated financial information of the Group for the six months ended June 30, 2026 as set out in Appendix IA to this document. We have complied with the code provisions in Part 2 of the Corporate Governance Code, except for code provision C.2.1 of part 2 of the Corporate Governance Code. See "Directors and Senior Management — Corporate Governance" for further details. We are not in breach of our Articles of Association or laws and regulations of the PRC or other regulatory requirements as a result of not distributing such interim reports in accordance with the requirements under Rule 13.48(1) of the Listing Rules. Pursuant to the Note to Rule 13.48(1) of the Listing Rules, we do not intend to distribute a separate interim report in respect of the six months ended June 30, 2026 under the aforementioned Rule. For details, please see "Appendix IA — Unaudited Interim Condensed Consolidated Financial Information".

Our revenue increased by 14.9% from RMB307.1 million for the six months ended June 30, 2025 to RMB352.8 million for the six months ended June 30, 2026. Specifically, (i) revenue from fintech software development services increased from RMB294.4 million for the six months ended June 30, 2025 to RMB326.1 million for the same period in 2026, primarily due to an RMB41.2 million increase in revenue from banking technology services, driven by growing demand from banking customers for digital transformation; partially offset by an RMB9.5 million decrease in revenue from financial infrastructure and fintech innovation services, primarily due to a high base of comparison attributable to the settlement and completion of certain engagements in the six months ended June 30, 2025; (ii) revenue from consulting services decreased from RMB11.6 million for the six months ended June 30, 2025 to RMB7.0 million for the same period in 2026, primarily because certain customers shifted their demand from consulting services to fintech software development services during the period; and (iii) revenue from system integration services increased from RMB1.1 million for the six months ended June 30, 2025 to RMB19.7 million for the same period in 2026, primarily attributable to the completion and delivery of certain AI infrastructure engagements during the period.

Our cost of sales increased by 24.3% from RMB186.3 million for the six months ended June 30, 2025 to RMB231.7 million for the six months ended June 30, 2026, compared with a 14.9% increase in our revenue over the same period. This increase primarily reflected the higher resource inputs required for project delivery and was generally in line with our revenue growth. The faster increase in our cost of sales compared with revenue was primarily due to higher procurement costs incurred in connection with the progress of certain AI infrastructure engagements during the period.

As a result of the foregoing, our gross profit slightly increased from RMB120.8 million for the six months ended June 30, 2025 to RMB121.1 million for the same period in 2026. Our overall gross profit margin decreased from 39.3% for the six months ended June 30, 2025 to 34.3% for the same period in 2026, primarily due to the recognition, upon delivery, of cumulative costs relating to certain loss-making projects during the period, most of which were delivered in the first quarter of 2026.

We recorded net other income and gains of RMB6.9 million for the six months ended June 30, 2025, compared with net other losses of RMB3.0 million for the same period in 2026. This change mainly reflected lower bank interest income and higher net foreign exchange losses resulting from currency fluctuations.

Our selling and distribution expenses increased by 21.2% from RMB7.1 million for the six months ended June 30, 2025 to RMB8.6 million for the same period in 2026, primarily attributable to the higher staff costs arising from increased headcount and higher bonus provision during the period.

Our administrative expenses increased slightly by 2.0% from RMB36.5 million for the six months ended June 30, 2025 to RMB37.3 million for the same period in 2026, primarily due to higher staff costs arising from increased headcount, together with higher recruitment fees.

Our research and development expenses remained relatively stable at RMB31.2 million and RMB31.7 million for the six months ended June 30, 2025 and 2026, respectively.

As a result of the foregoing, our profit for the period decreased by 15.1% from RMB44.0 million for the six months ended June 30, 2025 to RMB37.3 million in the six months ended June 30, 2026.

Our total assets decreased from RMB1,768.2 million as of December 31, 2025 to RMB1,729.3 million as of June 30, 2026, primarily due to a decrease in bank balances and cash of RMB88.4 million, partially offset by an increase in property, plant and equipment of RMB54.3 million. Our total liabilities decreased from RMB124.6 million as of December 31, 2025 to RMB81.5 million as of June 30, 2026, primarily due to a decrease in trade and other payables of RMB39.4 million and a decrease in contract liabilities of RMB4.2 million. As a result, our net assets increased slightly from RMB1,643.6 million as of December 31, 2025 to RMB1,647.8 million as of June 30, 2026.

For the six months ended June 30, 2026, our net cash generated from operating activities amounted to RMB28.5 million, net cash used in investing activities amounted to RMB67.5 million, and net cash used in financing activities amounted to RMB40.7 million.

Recent Operational Developments

In May 2026, we completed the acquisition of an office floor in Hong Kong for self-use at a consideration of approximately HK$66.1 million, which was funded entirely by our internal resources. The property has a gross floor area of approximately 12,076 square feet and is intended to be used for research and development, general office operations and sales activities in Hong Kong.

Our revenue recognized over time increased by 11.2% from RMB254.8 million for the six months ended June 30, 2025 to RMB283.3 million for the same period in 2026, primarily attributable to the increase in revenue from fintech software development services driven by new customer acquisition and increased customer demand, partially offset by the decrease in revenue from consulting services as certain customers shifted their service demand from consulting services to fintech software development services. Our revenue recognized at a point of time increased by 32.9% from RMB52.3 million for the six months ended June 30, 2025 to RMB69.5 million for the same period in 2026, primarily attributable to increased revenue from system integration services, driven by the completion and delivery of certain AI infrastructure engagements during the period.

Our number of newly awarded projects decreased from 110 for the six months ended June 30, 2025 to 46 for the same period in 2026, while the contract value of such newly awarded projects increased from RMB30.6 million to RMB64.0 million. Our number of bids decreased from 86 for the six months ended June 30, 2025 to 67 for the same period in 2026, and our bid success rate decreased from 66.3% to 52.2%. The reasons for the decrease in our number of newly awarded projects, our number bids and our bid success rate for the six months ended June 30, 2026 as compared to the same period in 2025 were the same as those disclosed for the three months ended March 31, 2026 as compared to the same period in 2025. Notwithstanding the decrease in our number of newly awarded projects, the contract value of such projects increased, as the newly awarded projects for the six months ended June 30, 2025 included a larger number of smaller-scale projects with relatively lower individual contract values.

Our number of customers under the fintech software development services segment of the time-and-material model increased from 13 for the six months ended June 30, 2025 to 16 for the same period in 2026, primarily driven by our continued expansion of our overseas business and development of new customers.

Compared with the six months ended June 30, 2025, the number of completed and ongoing loss-making projects and the revenue contribution of ongoing loss-making projects as of July 31, 2026 decreased for the same period in 2026, while the revenue contribution and losses incurred by completed loss-making projects increased and the estimated loss of ongoing loss-making projects decreased. These trends were generally consistent with the trends for the three months ended March 31, 2026 as compared with the same period in 2025, except that the number of completed loss-making projects increased for the three months ended March 31, 2026 and we recorded a net reversal of previously recognized impairment losses on ongoing loss-making projects during that period.

Our Directors have confirmed that, up to the date of this Prospectus, there has been no material adverse change in our financial, operational or trading position, indebtedness, contingent liabilities or prospects since March 31, 2026, being the end date of our latest audited financial statements, and there has been no event since March 31, 2026 that would materially affect the information shown in the Accountant's Report set out in Appendix I.

Recent Key Regulatory Changes

The Protection of Critical Infrastructures (Computer Systems) Ordinance (Chapter 653 of the Laws of Hong Kong) ("**PCI(CS)O**"), the first law in Hong Kong that deals with cybersecurity, came into operation on 1 January 2026. The PCI(CS)O applies to "critical infrastructure" (CI), "CI operators", and "critical computer systems" (CCSs), and imposes statutory obligations to ensure that essential services are protected from cyberattacks.

"Critical infrastructure" means infrastructure essential to the continuous provision of an essential service listed in Schedule 1 (including banking and financial services) or infrastructure whose damage or data leakage may substantially affect critical societal or economic activities. Organizations operating CI may be designated as CI operators, and systems essential to their core functions may be designated as CCSs.

Our Group only provides software development services and does not operate customers' systems, so the PCI(CS)O does not directly apply to us. However, our financial institutional customers may be designated as CI operators and must comply with obligations including notifications of changes, maintaining a security management unit, submitting security plans, annual risk assessments, biennial audits, participating in drills, preparing emergency plans, and reporting computer-system security incidents within 12 or 48 hours.

Prior to PCI(CS)O having become effective, our Hong Kong financial institution clients have already operated under substantial cybersecurity and operational resilience requirements. Banks in Hong Kong have long been subject to the HKMA supervisory requirements and guidance, risk management and incident response expectations and requirements around information security, resilience and operational risk. Hence we do not expect our financial institution customers need to further devote substantial resources to improve their computer systems or impose more stringent requirements on us or our deliverables for the purpose of complying with PCI(CS)O. From the date PCI(CS)O became effective to the Latest Practicable Date, none of our financial institution customers have requested us to devote substantial additional resources to improve our deliverables, nor have they imposed more stringent requirements on us or our deliverables, for the purpose of complying with PCI(CS)O. Therefore our Hong Kong Special Legal Advisors are of the view that PCI(CS)O would not have any material knock-on impact to us.

Our Thai Legal Advisors are of the view that, as of the Latest Practicable Date, there have been no recent key regulatory changes or draft regulations enacted in Thailand applicable to our financial institutional customers that would have a material knock-on impact to us.

Our Directors, having consulted our PRC Legal Advisors, are of the view that, as of the Latest Practicable Date, there have been no recent key regulatory changes or draft regulations enacted in the Chinese Mainland applicable to our financial institutional customers that would have a material knock-on impact to us.

LISTING ON THE CHINEXT OF THE SHENZHEN STOCK EXCHANGE

In May 2015, our A Shares were listed on the ChiNext of the Shenzhen Stock Exchange (stock code: 300468.SZ) (the "**A-Share Listing**"). We issued a total of 25,000,000 A Shares, representing 25% of the then enlarged share capital immediately following the completion of the A-Share Listing. Upon completion of the A-Share Listing, our registered share capital increased to 100,000,000 Shares.

REGULATORY COMPLIANCE

Since our listing on the ChiNext of the Shenzhen Stock Exchange on May 27, 2015 and as of the Latest Practicable Date, our Directors confirmed that we have complied with all rules of the ChiNext of the Shenzhen Stock Exchange and other applicable securities laws and regulations of the PRC in any material respects, and, to the best knowledge of our Directors having made all reasonable enquiries, there was no material matter that should be brought to the investors' attention in relation to our compliance record on the ChiNext of the Shenzhen Stock Exchange. Based on the filings on the website of the Shenzhen Stock Exchange and the information available in the public domain, our PRC Legal Adviser is of the view that the Company had complied with all applicable securities laws and regulations in the PRC in relation to its listing on the Shenzhen Stock Exchange in all material respects for the two years ended December 31, 2024 and 2025, and up to the date of submission of its H Share Listing application to the Hong Kong Stock Exchange, since the Company has not been subject to any material administrative penalties or regulatory measures imposed by the CSRC, Shenzhen Stock Exchange or other PRC securities regulatory authorities. Based on the independent due diligence conducted by the Joint Sponsors, nothing has come to the Joint Sponsors' attention that would cause them to disagree with the Directors' confirmation with regard to the compliance records of the Company on the Shenzhen Stock Exchange.

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

"A Share(s)"	ordinary shares issued by the Company, with a nominal value of RMB1.00 each, which are listed on the ChiNext of the Shenzhen Stock Exchange and traded in Renminbi
"Accountants' Report"	the accountants' report of the Company, the text of which is 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
"Articles" or "Articles of Association"	the articles of association of the Company with effect upon the Listing Date (as amended from time to time), a summary of which is set out in Appendix VI to this prospectus
"ASEAN"	a regional intergovernmental organisation established in 1967 to promote economic growth, political stability, and social progress among its ten member states in Southeast Asia
"associate(s)"	has the meaning ascribed thereto under the Listing Rules
"Audit Committee"	the audit committee of the Board
"Belt and Road"	an international cooperation framework launched by China in 2013 to enhance connectivity and economic integration through infrastructure development, trade, and investment across Asia, Europe, Africa, and other regions
"Best Alliance"	Best Alliance Group Holdings Limited (益群集團控股有限公司), a private company limited by shares established in Hong Kong on August 3, 2011, which is wholly-owned by Mr. Chow and is a member of the Single Largest Shareholder Group
"Best Will"	Best Will Group Holdings Limited (益志集團控股有限公司), a private company limited by shares established in Hong Kong on August 3, 2011
"Board" or "Board of Directors"	the board of Directors of the Company
"Business Day"	a day on which banks in Hong Kong are generally open for normal business to the public and which is not a Saturday, Sunday or public holiday in Hong Kong
"Capital Market Intermediary(ies)" or "CMI(s)"	the capital market intermediaries participating in the Global Offering and has the meaning ascribed thereto under the Listing Rules
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC

"Chengdu Sifang Rongchuang"	Chengdu Sifang Rongchuang Technology Co., Ltd (成都四方融創科技有限公司), a company established in the PRC with limited liability on June 21, 2021 and one of our direct wholly-owned subsidiaries
"China", "Chinese Mainland" or "the PRC"	the People's Republic of China, unless the context requires otherwise, excluding, for the purposes of this prospectus only, the regions of Hong Kong, Macau and Taiwan of the People's Republic of China
"CIC"	China Insights Industry Consultancy Limited, an independent market research and consulting company
"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" or "CWUMPO"	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," "we," "our" or "us"	Shenzhen Forms Syntron Information Co., Ltd. (深圳四方精創資訊股份有限公司), a company with limited liability established in the PRC on November 21, 2003, converted into a joint stock company with limited liability on February 23, 2012 and listed on the ChiNext of Shenzhen Stock Exchange on May 27, 2015 (Stock code: 300468.SZ)
"Compliance Advisor"	Guosen Securities (HK) Capital Company Limited
"connected person(s)"	has the meaning ascribed thereto under the Listing Rules
"connected transaction(s)"	has the meaning ascribed thereto under the Listing Rules
"core connected person(s)"	has the meaning ascribed thereto under the Listing Rules
"Corporate Governance Code" or "CG Code"	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
"CSRC"	China Securities Regulatory Commission (中國證券監督管理委員會)
"Director(s)"	the director(s) of the Company
"EIT"	enterprise income tax
"EIT Law"	the PRC Enterprise Income Tax Law (《中華人民共和國企業所得稅法》)
"ESG"	Environmental, Social and Governance

"Exchange Participant"	a person (a) who, in accordance with the Listing Rules, may trade on or through the Stock Exchange; and (b) whose name is entered in a list, register or roll kept by the Stock Exchange as a person who may trade on or through the Stock Exchange
"Extreme Conditions"	extreme conditions as announced by the government of Hong Kong in the case where a super typhoon or other natural disaster of a substantial scale seriously affect the working public's ability to resume work or brings safety concern for a prolonged period
"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
"Forms Syntron Information"	Forms Syntron Information (HK) Limited (四方精創資訊(香港)有限公司), a private company limited by shares established in Hong Kong on February 18, 2009 and one of our direct wholly-owned subsidiaries
"Forms Syntron Solutions"	Forms Syntron Solutions (HK) Limited (四方精創信息(香港)有限公司), a private company limited by shares established in Hong Kong on July 27, 2017 and one of our direct wholly-owned subsidiaries
"Forms Syntron Thailand"	Forms Syntron (Thailand) Co., Limited, a private company limited by shares established in Thailand on September 6, 2019 and one of our indirect wholly-controlled subsidiaries
"General Rules of HKSCC"	General Rules of HKSCC published by the Stock Exchange and as amended from time to time
"Global Offering"	the Hong Kong Public Offering and the International Offering
"Greater Bay Area" or "GBA"	a regional development initiative in southern China that integrates Hong Kong, Macao, and nine cities in Guangdong Province to create an international innovation and economic hub
"Group," "we," "our" or "us"	the Company and its subsidiaries, or any one of them as the context may require, and where the context requires, the businesses operated by the Company and/or its subsidiaries and their predecessors (if any)
"Guide" or "Guide for New Listing Applicants"	the Guide for New Listing Applicants issued by the Stock Exchange effective from January 1, 2024, as amended, supplemented or otherwise modified from time to time
"H Share(s)"	listed ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which are to be subscribed for and traded in Hong Kong dollars and to be listed on the Stock Exchange

"H Share Registrar"	Computershare Hong Kong Investor Services Limited
"HKSCC"	Hong Kong Securities Clearing Company Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
"HKSCC EIPO"	the application for 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 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 operation and functions of the 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" or "HK"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong dollars" or "HK$"	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
"Hong Kong Monetary Authority" or "HKMA"	the central banking institution of Hong Kong responsible for maintaining monetary and financial stability, managing the Exchange Fund, and regulating banking operations and payment systems
"Hong Kong Special Legal Advisors"	Keith Lam Lau & Chan, legal advisors to our Company as to Hong Kong laws
"Hong Kong Offer Shares"	5,896,200 H Shares (subject to reallocation as described in the section headed "Structure of the Global Offering") initially offered by the Company for subscription at the Offer Price pursuant to the Hong Kong Public Offering
"Hong Kong Public Offering"	the offering of the Hong Kong Offer Shares for subscription by the public in Hong Kong at the Offer Price (plus brokerage, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee), on and subject to the terms and conditions described in "Structure of the Global Offering — The Hong Kong Public Offering"

"Hong Kong Stock Exchange" or "Stock Exchange"	The Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
"Hong Kong Underwriters"	the underwriters of the Hong Kong Public Offering as listed in the section headed "Underwriting — Hong Kong Underwriters"
"Hong Kong Underwriting Agreement"	the underwriting agreement dated September 10, 2026 relating to the Hong Kong Public Offering and entered into by, among others, our Company, the Joint Overall Coordinators and the Hong Kong Underwriters, as further described in the section headed "Underwriting — Underwriting Arrangements — Hong Kong Public Offering"
"IFRSs"	the International Financial Reporting Standards, which include standards, amendments and interpretations promulgated by IASB and the International Accounting Standards (IAS) and interpretations issued by the International Accounting Standards Committee (IASC)
"Independent Third Party(ies)"	any person(s) or entity(ies) who is not a connected person of the Company within the meaning of the Listing Rules
"International Offer Shares"	the 53,064,900 H Shares offered by the Company pursuant to the International Offering (subject to reallocation as described in the section headed "Structure of the Global Offering")
"International Offering"	the offer of the International Offer Shares by the International Underwriters at the Offer Price to persons outside the United States in offshore transactions in accordance with Regulation S, as further described in the section headed "Structure of the Global Offering" in this prospectus
"International Underwriters"	the group of international underwriters who are expected to enter into the International Underwriting Agreement to underwrite the International Offering
"International Underwriting Agreement"	the underwriting agreement relating to the International Offering expected to be entered into on or about September 18, 2026 by, among others, the Company and the International Underwriters, as further described in the section headed "Underwriting — International Offering"
"Joint Bookrunners"	the joint bookrunners as named in the section headed "Directors and Parties Involved in the Global Offering"
"Joint Global Coordinators"	the joint global coordinators as named in section headed "Directors and Parties Involved in the Global Offering"
"Joint Lead Managers"	the joint lead managers as named in the section headed "Directors and Parties involved in the Global Offering"
"Joint Overall Coordinators"	the joint overall coordinators as named in the section headed "Directors and Parties Involved in the Global Offering"
"Joint Sponsors"	the joint sponsors as named in the section headed "Directors and Parties Involved in the Global Offering"

"Latest Practicable Date"	September 4, 2026, being the latest practicable date for the purpose of ascertaining certain information contained in this prospectus prior to its publication
"Lexunfang"	Shenzhen Qianhai Lexunfang Blockchain Technology Co., Ltd (深圳前海樂尋坊區塊鏈科技有限公司), a company established in the PRC with limited liability on August 15, 2018 and one of our direct wholly-owned subsidiaries
"Listing"	listing of the H Shares on the Main Board of the Stock Exchange
"Listing Date"	the date, expected to be on or about Tuesday, September 22, 2026, on which the H Shares are listed and from which dealings therein are permitted to take place on the Stock Exchange
"Listing Rules" or "Hong Kong 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
"Macau"	the Macau Special Administrative Region of the PRC
"Main Board"	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with the GEM of the Stock Exchange
"Mr. Chow"	Mr. Chow Chi Kwan (周志群), our founder, chairperson of the Board, executive Director, chief financial officer and general manager and a member of the Single Largest Shareholder Group
"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)
"Offer Price"	the final offer price per Offer Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%) at which the Offer Shares are to be subscribed for and issued pursuant to the Global Offering as described in the section headed "Structure of the Global Offering"
"Offer Share(s)"	the Hong Kong Offer Share(s) and the International Offer Share(s)
"Overseas Listing Trial Measures"	The Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (境內企業境外發行證券和上市管理試行辦法) promulgated by the CSRC on February 17, 2023 and became effective on March 31, 2023

"PBOC"	the People's Bank of China (中國人民銀行), the central bank of the PRC
"PRC Company Law"	the Company Law of the People's Republic of China (中華人民共和國公司法), as amended, supplemented or otherwise modified from time to time
"PRC Legal Advisors"	King & Wood, the PRC legal advisors to our Company
"PRC Securities Law"	the Securities Law of the PRC (中華人民共和國證券法), as amended, supplemented or otherwise modified from time to time
"Price Determination Date"	the date, expected to be on or before Friday, September 18, 2026 (Hong Kong time) on which the Offer Price is determined, or such later time as the Company and the Joint Overall Coordinators (on behalf of the Underwriters) may agree, but in any event not later than 12:00 noon on Friday, September 18, 2026
"Regulation S"	Regulation S under the U.S. Securities Act
"Remuneration and Appraisal Committee"	the remuneration and appraisal committee of the Board
"Restricted Share Incentive Plans"	restricted share incentive plans adopted by the Company on January 8, 2016, February 8, 2017 and September 22, 2017, respectively
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"SAFE"	the State Administration of Foreign Exchange of the PRC (中華人民共和國外匯管理局)
"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)
"Securities and Futures Commission" or "SFC"	the Securities and Futures Commission of Hong Kong
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Share(s)"	ordinary share(s) in the capital of the Company with a nominal value of RMB1.00 each, including A Shares and H Shares
"Shareholder(s)"	holder(s) of the Share(s)
"Single Largest Shareholder Group"	Mr. Chow and Best Alliance, which is 100% owned by Mr. Chow
"STA"	the State Taxation Administration of the PRC (中華人民共和國國家稅務總局)

"State Council"	the State Council of the PRC (中華人民共和國國務院)
"Strategy Committee"	the strategy committee of the Board
"subsidiary(ies)"	has the meaning ascribed thereto under the Listing Rules
"substantial shareholder(s)"	has the meaning ascribed thereto under the Listing Rules
"Takeovers Code"	the Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC, as amended, supplemented or otherwise modified from time to time
"Thai Legal Advisors"	DTL Law Office Co., Ltd., the Thai legal advisors to our Company
"Track Record Period"	the period comprising the years ended December 31, 2023, 2024 and 2025 and the three months ended March 31, 2026
"treasury shares"	has the meaning ascribed thereto under the Hong Kong Listing Rules
"U.S. dollar(s)", "US$" or "USD"	United States dollar, the lawful currency of the United States
"U.S. Securities Act"	The U.S. Securities Act of 1933, as amended, supplemented or otherwise modified from time to time, and the rules and regulations promulgated thereunder
"Underwriters"	the Hong Kong Underwriters and the International Underwriters
"Underwriting Agreements"	the Hong Kong Underwriting Agreement and/or the International Underwriting Agreement, as the context may require
"United States" or "U.S."	the United States of America, its territories and possessions, any State of the United States, and the District of Columbia
"VAT"	value-added tax
"White Form eIPO"	the application process for Hong Kong Offer Shares with applications issued in applicant's own name and 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
"%"	per cent

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

This glossary of technical terms contains explanations of certain technical terms used in this prospectus. These terms and their meanings may not correspond to standard industry meanings or usage, and may not be comparable to similar terms adopted by other companies.

"agility"	the ability of a system to respond rapidly and effectively to changes in market demands, customer needs, or technological advancements. In software development, it refers to methodologies that emphasize iterative development, collaboration, and adaptability
"AI"	artificial intelligence
"AML"	Anti-Money Laundering, a set of laws, regulations, and procedures designed to prevent the illegal generation of income and the concealment of the origins of illegally obtained money
"API"	Application Programming Interface, a set of rules and protocols that permit software applications to communicate with each other and exchange data
"atomic settlement"	a settlement mechanism in which the transfer of an asset and its corresponding payment are executed simultaneously as a single, indivisible transaction
"autonomous"	capable of executing tasks independently without human intervention
"BaaS"	blockchain-as-a-service
"back-end"	the part of an application that is not directly accessed by the user, which is responsible for data processing, business logic, and communication with databases and other systems in software architecture
"back-office system"	the internal systems and processes within a financial institution that support business operations but do not involve direct customer interaction
"banking products"	financial instruments and services offered by banks to their customers, such as deposit accounts, loans, credit cards, and investment services
"bid success rate"	the percentage of bids submitted during the relevant period that resulted in a contract award. It is calculated by dividing the "Number of newly awarded projects" by the "Number of bids" for the same period and expressing the result as a percentage
"big data analytics"	the process of examining large and varied data sets to uncover hidden patterns, unknown correlations, market trends, customer preferences, and other useful information that can lead to more informed business decisions

"biometric authentication"	a security process that verifies a user's identity using their unique biological characteristics, such as fingerprints and facial recognition
"blockchain"	a decentralized, distributed ledger technology that records transactions across a network of computers in a secure, transparent, immutable, and chronological manner
"CAGR"	compound annual growth rate
"CAPTCHA"	Completely Automated Public Turing test to tell Computers and Humans Apart, a security mechanism that presents challenges designed to be easily solved by human users but difficult for automated programs, used to verify that a request is being made by a human rather than a bot or automated script
"CBDC"	central bank digital currency, digital forms of central bank money created and issued by central banks, representing a country's official currency in digital form
"cloud-native"	an approach to building and running applications that fully leverage cloud computing principles, using technologies like microservices, containers, and dynamic orchestration for scalability and resilience
"compliant Web3"	an application of Web3 technologies that operates within established regulatory frameworks, incorporating compliance controls for activities
"composable"	a design principle in which system components can be selected and assembled in various combinations to satisfy specific user requirements, allowing for greater flexibility and customization
"configuration"	the process of setting up and arranging the parameters or components of a software system or hardware to meet the specific requirements of a user or an application
"contract value of newly awarded projects"	the total value of all new contracts signed during the relevant period. This is calculated by summing the stated contract values of all newly awarded projects
"contract value of completed projects during the year/period"	the total contract value of all projects that were completed within the relevant period. This is calculated by summing the full, original contract values of all projects that were completed during that period

"conversion rate"	the number of customers who contributed revenue solely under the project-based model in the previous year and who contributed revenue under the time-and-material model in the current year, divided by the total number of customers who contributed revenue solely under the project-based model in the previous year. For a period of less than one year, the conversion rate is calculated as the number of customers who contributed revenue solely under the project-based model in the prior full year and who contributed revenue under the time-and-material model in the relevant period, divided by the total number of customers who contributed revenue solely under the project-based model in the prior full year. The calculation of customer conversion rate excludes customers whose revenue was not obtained through our active marketing efforts, but rather arose from our accommodation of arrangements made by our bank customers. Such customers mainly comprise software service providers whose personnel are designated by our bank customers to use our development sites
"core banking system"	a centralized software platform used by banks to manage their daily operations, including processing deposits, loans, and payments, and maintaining customer account information
"data cleansing"	the process of detecting and correcting or removing corrupt or inaccurate records from a record set, table, or database
"data sovereignty"	the principle that digital data is subject to the laws and governance of the country or jurisdiction where it is collected, stored, or processed
"data validation"	the process of ensuring data meets defined rules and standards for accuracy, completeness, and consistency before use
"data-driven"	an approach to decision-making that is based on the analysis and interpretation of data rather than on intuition or personal experience
"device fingerprinting"	a technique used to identify and track a computing device by collecting a unique combination of its hardware, software, and configuration details
"digital asset"	a digital representation of value or a set of rights, which is stored and transferred electronically using distributed ledger technology or similar technology
"digital channel"	an electronic means through which customers can interact with a business, access information, and conduct transactions
"digital currency"	a form of currency that is available only in digital or electronic form, and not in physical form
"digital transformation"	the process of integrating digital technology into business operations to improve efficiency, customer experience, and business performance

"distributed ledger technology"	a technology that enables the recording, storage, and updating of data across a distributed network of computers without requiring a centralized authority
"DvP" or "delivery-versus-payment"	a securities settlement mechanism that links the transfer of securities to the transfer of funds, ensuring that delivery occurs only if payment occurs
"e-HKD"	the digital version of the Hong Kong Dollar, authorized by the Hong Kong Monetary Authority as part of its CBDC initiative
"encryption"	the process of converting data or information into a code, especially to prevent unauthorized access
"encryption key"	a piece of information (usually a string of characters) used by an encryption algorithm to convert data into a secure, unreadable format and to decrypt it back to its original form
"end-customer"	the final user of a product or service, who may not be the direct customer of the service provider
"end-to-end"	a term describing a process or service that covers all stages from beginning to end, providing a complete and functional solution without the need for third-party components
"evidence-based recommendations"	suggestions or advice that are supported by verifiable data and factual analysis rather than by speculation or opinion
"exception handling processes"	procedures designed to manage and resolve unexpected events or errors that occur during the execution of a program or business process, ensuring the stability and integrity of the system
"explainable AI"	a set of techniques in artificial intelligence aimed at making AI models transparent and understandable for humans. It focuses on providing clear, understandable explanations for how an AI system arrives at its decisions, predictions, or outputs, enabling users to comprehend, trust, and effectively manage these systems
"financial infrastructure"	the underlying systems and technologies that support a market's financial system
"fine-tuned"	an adjusted AI model after the process of taking a pre-trained model and further training it on a smaller, domain-specific dataset to adapt it to a particular task or improve its performance in a specific context in machine learning
"FINNOSafe"	a compliant Web3 platform that embeds compliance rules into token smart contracts for automated management of the token lifecycle
"FINNOSmart"	a generative AI platform for financial institutions that provides customized small language models, modular architecture, and governance frameworks for sensitive data and compliance

"fintech"	financial technology
"general ledger"	a company's main accounting record, which uses double-entry bookkeeping to post a complete record of all financial transactions
"generative AI"	artificial intelligence systems capable of generating new content, including text, images, code, and other outputs, based on patterns learned from training data
"GHG"	greenhouse gases
"intelligent automation"	the combination of artificial intelligence, machine learning, and robotic process automation to automate complex business processes and workflows, enabling systems to learn and adapt as they work
"internal knowledge sources"	a collection of selected and organized internal data, documents, and information within an organization that is used as a trusted foundation for training AI models or for retrieval by information systems
"KYT"	Know Your Transaction
"LLM"	large language model
"low latency"	the ability of a computer network or system to process a very high volume of data messages with minimal delay or latency. It is a critical requirement for systems that require near-real-time data access, such as high-frequency trading platforms
"mBridge"	a multi-central bank digital currency platform for wholesale cross-border payments developed by the Hong Kong Monetary Authority, the Bank of Thailand, the Central Bank of the United Arab Emirates, and the Digital Currency Institute of the People's Bank of China, with support from the Bank for International Settlements Innovation Hub
"money market fund"	a type of mutual fund that invests in high-quality, short-term debt instruments, cash, and cash equivalents
"multi-data centers"	the use of multiple, geographically dispersed data centers to host an organization's IT infrastructure, providing redundancy, disaster recovery capabilities, and improved performance by locating data closer to users
"multi-factor authentication"	a security process that requires users to provide two or more different verification factors to gain access to a resource
"NOx"	nitrogen oxides
"number of bids"	the total count of formal proposals submitted to prospective and existing customers for new projects within the relevant period

"number of newly awarded projects"	the total count of new projects for which we have entered into a legally binding contract with a customer during the relevant period
"number of ongoing projects at the beginning of the year/period"	the total count of active projects with work in progress as of the first day of the relevant period. This figure is equivalent to the "Number of ongoing projects at the end of the year/period" from the immediately preceding period
"number of ongoing projects at the end of the year/period"	the total count of active projects with work in progress as of the last day of the relevant period. This figure is calculated as the "Number of ongoing projects at the beginning of the year/period," plus the "Number of newly awarded projects" during the period, less the "Number of projects completed" during the same period
"number of projects completed"	the total count of projects for which final acceptance has been formally received from the customer during the relevant period
"omni-channel"	an approach to customer service that integrates multiple communication and transaction channels, including online, mobile, and physical touchpoints
"on-chain finance"	financial services and transactions conducted directly on blockchain networks
"on-premises"	a software and hardware delivery model where the computing infrastructure is located within the physical confines of an organization, rather than being hosted by a third-party cloud provider
"outstanding balance of contract value at the beginning of the year/period"	the aggregate remaining contract value of all ongoing projects as of the first day of the relevant period. This balance represents the portion of the total value of signed contracts for which revenue has not yet been recognized. This figure is equivalent to the "Outstanding balance of contract value at the end of the year/period" from the immediately preceding period
"outstanding balance of contract value at the end of the year/period"	the aggregate remaining contract value of all ongoing projects as of the last day of the relevant period. This balance represents the portion of the total value of signed contracts for which revenue has not yet been recognized
"payment rail"	an underlying network or infrastructure that facilitates the transfer of funds between payers and payees
"payment-versus-payment"	a settlement mechanism for foreign exchange transactions that ensures a final transfer of one currency occurs only if a final transfer of the other currency or currencies also takes place
"PM"	particulate matter

"programmable"	a characteristic of a digital asset or system, such as a smart contract or a central bank digital currency, that allows for the embedding of automated rules, logic, or conditions that govern its use and transfer
"Project Ensemble"	a Hong Kong Monetary Authority initiative to develop a wholesale CBDC and related infrastructure to support Hong Kong's tokenization market. It focuses on enabling interbank settlement of tokenized deposits and assets, starting with a wholesale CBDC sandbox
"project-based"	a type of work engagement where services are delivered for a specific project with a defined scope, timeline, and set of deliverables, as opposed to ongoing, continuous services
"Proof-of-concept"	a small-scale demonstration or prototype designed to show that an idea, approach, or technology is feasible and can work in practice
"RAG"	retrieval-augmented generation
"real-time anomaly detection"	the process of identifying unusual patterns or outliers in data streams as they are being generated, enabling immediate alerts and responses to potential issues such as fraud, system failures, or security breaches
"real-world assets"	physical assets or traditional financial assets, such as real estate, commodities, stocks, or bonds, that are represented as digital tokens on a blockchain
"regulated digital money"	a digital form of money issued and operated within a jurisdiction's regulatory framework, which may include central bank digital currencies, tokenized deposits, or stablecoins that are subject to government oversight
"regulated financial institutions"	banks, credit unions, insurance companies, and other financial entities that are subject to supervision and regulation by a government authority
"regulatory authorities"	central banks, government agencies or public bodies responsible for supervising and enforcing laws and regulations within a the banking and finance industry
"regulatory compliance"	the process of ensuring that operations, products, and services comply with applicable laws and regulations
"regulatory reporting"	the process by which regulated firms submit data and reports to their respective regulatory authorities to demonstrate compliance with applicable laws and regulations

"retention rate"	the number of customers who contributed revenue to us in both the prior year and the current year divided by the total number of customers in the prior year. For a period of less than one year, the customer retention rate is calculated as the number of customers who contributed revenue to us in both the prior full year and the relevant period, divided by the total number of customers in the prior full year. The calculation of customer retention rate excludes customers whose revenue was not obtained through our active marketing efforts, but rather arose from our accommodation of arrangements made by our bank customers. Such customers mainly comprise software service providers whose personnel are designated by our bank customers to use our development sites
"risk management"	the process of identifying, assessing, and mitigating risks that could adversely affect an organization's operations or objectives
"SaaS"	Software-as-a-Service
"sandbox"	A sandbox is an isolated environment used for testing applications or financial innovations safely without impacting the real system or market
"scenario"	a specific set of real-world conditions or use cases where a particular technology is practically applied to address defined challenges or achieve targeted outcomes
"SLM"	Small Language Models. Language models with fewer parameters than LLMs, designed to be more efficient and suitable for specific use cases or domains while maintaining reasonable performance
"smart contracts"	programs stored on a blockchain that automatically execute when predetermined conditions are met
"SMS"	Short Message Service, a text messaging protocol that enables the transmission of short text messages between mobile devices over a cellular network, commonly used for user authentication and verification purposes
"SOx"	sulphur oxides
"syndicated loans"	loans offered by a group of lenders, referred to as a syndicate, who work together to provide funds for a single borrower
"system integration"	the process of sourcing hardware and third-party software based on customer needs and linking together different IT systems, services, and software applications physically or functionally to act as a coordinated whole
"time-and-material"	a revenue model where we charge customers for the actual hours worked plus the cost of materials used

"token"	a digital representation of an asset, utility, or a set of rights on a blockchain
"tokenize"	the process of converting rights to an asset into a digital token on a blockchain
"tokenized"	describes data or text that has been transformed into tokens
"tokenized asset"	refers to an asset (such as real estate, stocks, or commodities) that is digitally represented as tokens on a blockchain or distributed ledger
"tokenized deposit"	refers to a bank deposit that is digitally represented as a token on a blockchain or distributed ledger
"tokenized money"	refers to money (such as bank deposits or fiat currency) that is digitally represented as tokens on a blockchain or similar distributed ledger
"total revenue recognized at the end of the year/period"	the cumulative amount of revenue recognized from all projects up to the end of the relevant period
"traditional banking solutions"	established banking products, services, and systems that are based on conventional, often centralized, technology architectures, as opposed to modern fintech or decentralized finance solutions
"Web2"	the current dominant technology stack of centralized platforms, monolithic architectures, and intermediary-controlled services that traditional financial institutions and most internet applications still rely on today
"Web3"	a decentralized or distributed technology built primarily on blockchain technology

This prospectus contains, and the documents incorporated by reference herein may contain, forward-looking statements representing our goals, beliefs, expectations, intentions or predictions for the future, which are not historical facts. These forward-looking statements are contained principally in "Summary", "Risk Factors", "Industry Overview", "Business", "Financial Information" and "Future Plans and Use of Proceeds". When used in this prospectus, the words "aim", "anticipate", "believe", "consider", "could", "estimate", "expect", "going forward", "intend", "ought to", "project", "seek", "should", "will", "would", "vision", "aspire", "target", "schedule", and the negative of these words and other similar expressions, as they relate to the Group or its management, are intended to identify forward-looking statements. Forward-looking statements reflect the current views of the Directors with respect to future events, operations, liquidity and capital resources. Some of which may not materialize or may change. These statements are based on assumptions and are subject to certain risks and uncertainties, including those listed in "Risk Factors", which are beyond our control and may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. The risks and uncertainties which could affect the accuracy of forward-looking statements include, but are not limited to, the following:

- our operations and business prospects;
- our ability to maintain relationship with, and the actions and developments affecting, its customers and suppliers;
- future developments, trends and conditions in the industries and markets in which we operate or plan to operate;
- general economic, political and business conditions in the markets in which we operate;
- changes to the regulatory environment in the industries and markets in which we operate;
- our ability to maintain its market position;
- the actions and developments of our competitors;
- our ability to effectively contain costs and optimize pricing;
- the ability of third parties to perform in accordance with contractual terms and specifications;
- our ability to retain senior management and key personnel and recruit qualified staff;
- our business strategies and plans to achieve these strategies;
- the effectiveness of our quality control systems;
- our planned use of proceeds;
- 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;
- capital market developments; and
- various business opportunities that we may pursue.

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. Accordingly, you should not place undue reliance on any forward-looking statements.

Any forward-looking statement speaks only as of the date on which such statement is made. Except as required by applicable laws, rules and regulations, including the Listing Rules, we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. Statements of, or references to, our intentions or those of any of the Directors are made as of the date of this prospectus. Any such intentions are subject to change in light of future developments.

All forward-looking statements in this prospectus are expressly qualified by reference to this cautionary statement.

An investment in our H Shares involves significant risks. You should carefully consider the information set out 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. Our business, financial condition and results of operations could be materially and adversely affected by any of these risks and uncertainties. The trading price of our Shares could decline due to any of these risks, and you may lose all or part of your investment. 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." You should seek professional advice from your relevant advisors regarding your prospective investment in the context of your particular circumstances.

RISKS RELATED TO OUR BUSINESS AND INDUSTRY

Our revenue is primarily generated from contracts that are non-recurring in nature, which leads to uncertainty in our future revenue streams.

We generate our revenue primarily from providing fintech software development services to our customers. Such services are offered under two revenue models, namely a time-and-material model and a project-based model. A key characteristic of both models is the non-recurring nature of the underlying contracts, which exposes us to uncertainties regarding our future revenue and results of operations.

Under our time-and-material model, we charge customers based on the actual time and personnel resources expended on specific tasks. While this model offers flexibility to our customers and aligns with the iterative nature of software development, it does not guarantee predictable monthly or quarterly revenue. The volume of work depends on the customer's ongoing needs and budget allocations, which in turn affects our revenue. There is no assurance that customers will consistently require our services at the same level, or at all, from one period to the next. A reduction in a customer's demand for our services, the completion of a development phase, or a shift in their internal strategy could lead to a sudden and significant decline in revenue from that customer.

We also engage with customers under a project-based model with agreed scopes and deliverables. These projects are inherently non-recurring engagements. We need to continuously secure new projects to sustain our revenue under the project-based model. The sales cycle for obtaining new projects can be long and unpredictable, and we face intense competition. There is no guarantee that we will be able to obtain new projects from existing or new customers, or that the terms of any new projects will be as favorable as those we have had in the past. The completion of a major project, if not replenished by a new one of a comparable scale in a timely manner, could cause substantial fluctuations in our revenue and adversely affect our financial condition.

Given that our customer contracts are not typically structured on a recurring basis that would provide a predictable, long-term revenue stream, our financial performance is subject to volatility. Our ability to generate revenue in the future is contingent upon our continuous success in securing customers' demands under the time-and-material model and obtaining new project-based contracts. Any failure to ensure a steady revenue stream would materially and adversely affect our business, financial condition, and results of operations.

We have a high level of customer concentration, with a significant portion of our revenue derived from a limited number of customers. The loss of, or a significant reduction in business from, any of these customers could have a material and adverse effect on our business and results of operations.

A significant portion of our revenue is derived from a small number of major customers. During the Track Record Period, our revenue generated from our five largest customers accounted for 90.1%, 93.7%, 89.1% and 86.5% of our total revenue in 2023, 2024 and 2025 and the three months ended March 31, 2026, respectively. Our largest customer alone accounted for 41.1%, 42.4%, 52.7% and 51.8% of our total revenue for the same periods, respectively. Our reliance on this limited number of customers exposes us to significant concentration risk. See "Business — Our Customers" for more details.

There is no guarantee that we will be able to retain our major customers or maintain their level of spending with us for the long run. The loss of any of these customers, or a significant reduction in their demand for our services, could occur for various reasons, including if they switch to our competitors or develop their own in-house solutions. The termination of our relationship with any of our major customers, or a material decrease in their business with us, would result in a substantial decline in our revenue and could have a material and adverse effect on our business, financial condition, and results of operations.

Furthermore, our high degree of customer concentration may limit our bargaining power in negotiating contract terms and pricing. While we strive to attract new customers to diversify our revenue base, the sales cycle for our solutions can be lengthy and costly, particularly with large financial institutions. There is no assurance we can secure business of comparable contract value and quantity from new customers, or obtain sufficient new business from existing customers in a timely manner or at all. If we are unable to mitigate our customer concentration risk by diversifying and expanding our customer base, our business will continue to be subject to the risks associated with this dependency.

The markets in which we operate are rapidly evolving. If we fail to innovate and timely develop services that achieve market acceptance and meet the evolving customer expectations, our business, financial condition, and results of operations may be materially and adversely affected.

We primarily serve banks in an environment of rapid technological change, shifting regulation, and intense competition. Our customers are undergoing digital transformation and increasingly adopting emerging technologies to improve efficiency, risk management and customer experience. To remain competitive, we must anticipate and respond to technological shifts (such as blockchain, AI, and, over time, quantum computing), regulatory developments and market conditions, and incorporate them into our services on a timely basis. If new technologies render our services less relevant, if we are slow to adopt or integrate them, or if we misjudge industry trends and customer needs, our software solutions may fail to gain or retain market acceptance, which could adversely affect our operating performance.

However, we may experience difficulties in acquiring or developing new technologies as it is costly and time consuming, which in turn could delay or prevent the development, introduction or implementation of new products, services and enhancements. If we fail to accurately assess market developments or if we are unable to adapt our business strategy in response to changes in the competitive landscape or customer requirements, our market position could be weakened, the market acceptance of our services could decline, and our business, financial condition and results of operations may be materially and adversely affected. Furthermore, uncertainties about the timing and nature of new technologies, or modifications to existing technologies, could increase our research and development expenses and delay the introduction of our services. Any failure of our services to operate effectively with future technologies could reduce the demand for our services, resulting in customer dissatisfaction and harming our business.

Our investments in research and development may not result in commercially successful products or generate a return, which could materially and adversely affect our business and financial performance.

We operate in a highly competitive, rapidly evolving market that requires substantial, ongoing R&D to sustain our position. For example, we intend to allocate 35.0% of the net proceeds from this Global Offering to R&D activities. Developing new fintech products, particularly in emerging areas such as blockchain and generative AI, is complex, costly, and uncertain. Our initiatives may face technical hurdles, delays, or regulatory constraints; may not achieve market acceptance; or may be outpaced by competing technologies. If new technologies render our existing offerings less relevant, we may be unable to recover related R&D costs, leading to lower revenue, profitability, and market share.

Even where development is successful, commercialization may fail due to competition, pricing, integration challenges, or inability to meet customer needs. If the costs of development exceed expectations or new products do not generate sufficient revenue, our R&D expenditures may be unproductive, which could materially and adversely affect our business, financial condition, results of operations, and growth prospects.

Our solutions may not function as intended or may encounter material performance issues, defects, or errors, which could expose us to significant liability and adversely affect our business and reputation.

If our solutions do not function as intended, or if they encounter material performance issues, defects, or errors, we may fail to meet the expectations of our customers or their end-customers, exposing us to significant contractual liability. Under our contracts, we may be required to compensate customers for losses, pay liquidated damages, or provide full indemnification against all losses and third-party claims arising from such defects or failures. In serious cases, customers may terminate the contract, suspend or revoke our eligibility to provide services to them, and report the matter to the relevant regulatory authorities. Certain of our overseas contracts impose no monetary cap on our liability for direct damages, and require us to fully indemnify our customers and their associated companies against all losses and liabilities, whether direct or indirect, arising from any act or omission by us or our personnel and agents in connection with any breach of contract or inaccuracy in our representations and warranties, including breaches committed by our subcontractors, on a full indemnity basis. Any material failure could further require significant unbudgeted remediation costs, damage our reputation in the highly regulated financial services industry, and result in customer losses or difficulties in securing new business, any of which could have a material adverse effect on our business, financial condition, results of operations, and prospects.

We face intense competition in Chinese Mainland and Hong Kong, and we may not be able to compete effectively.

The market for fintech services in the banking industry in Chinese Mainland and Hong Kong is intensely competitive and subject to rapid changes. We face competition from a wide range of companies. Some of our competitors possess substantially greater financial resources, lower product pricing, larger customer bases, and stronger brand recognition than we do. These competitors may be able to respond more quickly to new or emerging technologies and changes in customer requirements, and to devote greater resources to the development, promotion, and sale of their services.

We also face competition from new entrants who may offer lower prices or new technologies, solutions and services, and thus increase the level of competition. Some of these new competitors may adopt aggressive pricing strategies or innovative business models to gain market share, which could intensify competitive pressure on our existing business. Increased competition could result in lower sales, price reductions, reduced margins or loss of market share. We may be required to make substantial additional investments in research, development, marketing and sales, recruiting and retaining outstanding talents, and acquiring technologies complementary to, or necessary for, our current and future solutions to respond to such competitive threats. If we are unable to compete successfully against new entrants, or if competing successfully requires us to take costly actions in response to the actions of our competitors, our business, results of operations and financial condition may be materially and adversely affected.

Our competitive advantage in the Hong Kong market primarily stems from the combination of our know-how and experience in the Hong Kong banking and finance industry with the technological capabilities of Chinese Mainland. However, if competitors develop similar capabilities or replicate our cross-border integration model, our market position could be challenged.

Our success in the Hong Kong market has been built on our ability to combine deep local market knowledge and experience with the extensive and cost-effective technological resources and development capabilities of our teams in the Chinese Mainland. Our overseas business has become a significant contributor to our revenue, accounting for 60.9%, 60.3%, 80.6%, 87.1% and 81.5% of our total revenue in 2023, 2024 and 2025 and the three months ended March 31, 2025 and 2026, respectively.

However, this advantage may not be sustainable. Our competitors may seek to replicate our business model by establishing their own development centers in the Chinese Mainland or by forming strategic partnerships to gain access to similar technological capabilities. Furthermore, as the integration of the Greater Bay Area deepens, the barriers to entry for Chinese Mainland-based competitors into the Hong Kong market may decrease. If our competitors can successfully develop and offer comparable cross-border services, our unique market proposition could be eroded. This could lead to increased competition, pricing pressure, and a potential loss of market share, which would materially and adversely affect our business, prospects, and results of operations in the Hong Kong market.

If the market for our services fails to grow as we expect, or if our customers or potential customers fail to adopt our services, our business, results of operations, and financial condition could be materially and adversely affected.

Predicting the adoption rates and demand for our fintech services in the banking industry, particularly in emerging areas, is inherently challenging. The competitive dynamics of the fintech services in the banking industry, the pace at which financial institutions embrace new technologies, and the future growth trajectory of the industry remain uncertain. While demand for digital transformation solutions in the banking sector has been increasing in recent years, the market for innovative technologies such as distributed ledger systems and AI-driven platforms continues to evolve. We cannot be certain that the regulatory environment is supportive and market demand for these solutions will continue to expand or, even if it does expand, that financial institutions will choose to adopt our offerings. In particular, we have been investing resources in developing blockchain-based services and generative AI capabilities to capture emerging market opportunities. However, we cannot provide assurance that the market for these technologies will develop as rapidly or extensively as we anticipate. Our future success will depend significantly on our ability to further penetrate the markets in which we operate. This ability is contingent upon numerous factors, including the cost, performance, and perceived value of our services, as well as the willingness of financial institutions to integrate our technologies into their operations. Moreover, potential customers may be reluctant to invest in novel or unproven technologies, particularly given the conservative nature of the financial services industry and the stringent regulatory environment in which it operates. If the market for our services fails to grow, grows more slowly than anticipated, or if financial institutions are hesitant to adopt our services, our business, operating results and financial condition could be adversely affected.

In addition, we have developed certain proprietary technology platforms as core components of our service offerings. However, we cannot assure you that competitors will not develop similar or superior platforms that could compete with our offerings, which may diminish our competitive position in the fintech services in the banking industry. Furthermore, similar to the market for blockchain and AI solutions, the broader market for fintech services in the banking industry is also subject to uncertainty and continuous evolution. If demand for our services in key markets does not materialize as we expect, or if we fail to anticipate and respond to evolving market trends by developing new solutions or enhancing existing technologies in a timely manner, the adoption of our services may decline, and our business, operating results and financial condition could be materially and adversely affected.

Our usage of AI empowered services may subject us to regulatory and business-related risks.

Our growth strategy relies on the successful development and deployment of AI-powered services, underpinned by our proprietary FINNOSmart platform. However, our reliance on AI exposes us to a range of new and heightened risks that could materially and adversely affect our business, financial condition, and results of operations. The legal and regulatory landscape governing AI is rapidly evolving in the jurisdictions where we operate, including Chinese Mainland, Hong Kong, and Southeast Asia. New laws and regulations specifically targeting AI are also being developed, which could impose additional compliance obligations, restrictions on our ability to use and develop AI, and increased liability. Any failure, or perceived failure, to comply with this evolving regulatory framework could result in regulatory investigations, significant fines, and reputational damage, and could force us to alter our business practices or suspend the offering of certain AI-powered services. Furthermore, the use of AI in the financial services industry presents significant data security and privacy risks. Our FINNOSmart platform is designed to process and analyze large volumes of data, which may include sensitive and confidential information belonging to our customers and their end-users. Our systems could be vulnerable to cyberattacks, data breaches, or unauthorized access. A security incident could result in the loss or misuse of sensitive data, leading to financial losses, regulatory penalties, and a loss of customer trust. Moreover, the data used to train our AI models could be subject to data sovereignty and cross-border data transfer restrictions, which could limit our ability to develop and deploy our AI solutions globally. Our AI-powered services also expose us to intellectual property risks. The training of our AI models may involve the use of third-party data and content, which could expose us to claims of IP infringement, including copyright and patent infringement. Defending against such claims could be costly and time-consuming, and if we are found to have infringed on the IP rights of others, we may be required to pay substantial damages, cease using the infringing technology, or obtain licenses on commercially unfavorable terms. Finally, the operational performance of our AI-powered services is subject to the inherent limitations of AI technologies. Our AI models may produce inaccurate, biased, or otherwise flawed outputs, a phenomenon often referred to as "hallucination." These inaccuracies could lead to flawed business decisions by our customers, resulting in financial losses and reputational damage for which we could be held liable. If we are unable to effectively manage these operational and technical risks, it could undermine customer confidence in our AI-powered services and have a material adverse effect on our business and growth prospects.

In particular, under Article 17 of the Interim Measures for the Management of Generative Artificial Intelligence Services (the "**Interim Measures**"), providers of generative AI services with attributes of public opinion or social mobilization capabilities are required to conduct security assessments and complete algorithm filing procedures. As of the Latest Practicable Date, we had not applied for such security assessment or completed the algorithm filing procedures, as we do not consider these obligations to apply to our current business operations. However, as our AI-related business evolves in terms of scale, scenarios and service types, there is a risk that our services may in the future meet the statutory definitions triggering these obligations. If we fail to timely conduct the required security assessments or complete the necessary filings when such obligations become applicable, we may be subject to regulatory penalties or be required to suspend the relevant services.

We have incurred losses on certain projects, and if we fail to mitigate these losses or they increase in the future, our business, operating results, and financial condition could be materially and adversely affected.

During the Track Record Period, we incurred losses on certain projects, which have negatively impacted our overall gross margin. For the years ended December 31, 2023, 2024 and 2025 and for the three months ended March 31, 2025 and 2026, the total losses incurred from our completed loss-making projects were RMB7.2 million, RMB4.3 million, RMB5.6 million, RMB0.1 million and RMB5.4 million, respectively. In addition, we measured the estimated loss as the impairment loss recognized on contract costs (net of any subsequent reversals) during the reporting period. We have made impairment provisions in respect of such estimated losses incurred during the Track Record Period, which amounted to nil, RMB9.2 million, RMB12.3 million, RMB3.4 million in 2023, 2024 and 2025 and the three months ended March 31, 2025. For the three months ended March 31, 2026, we recorded a reversal of previously recognized losses of RMB1.7 million.

A significant portion of these losses has been concentrated with Customer B during the Track Record period. The proportion of losses attributable to Customer B, calculated as the losses from completed projects for Customer B as a percentage of the total losses from all completed loss-making projects, was 4.4%, 48.6%, 55.0%, 19.8% and 98.9% in 2023, 2024 and 2025 and the three months ended March 31, 2025 and 2026, respectively. See "Business — Revenue Model — Project-Based Model"

If we are unable to mitigate these losses by securing sufficient profitable business in the future, or if the number or scale of such loss-making projects increases, our profitability will be adversely affected. Furthermore, any failure to manage project profitability, whether from strategic initiatives or other operational reasons, could materially and adversely affect our business, operating results, and financial condition.

We experienced supplier concentration during the Track Record Period and may continue to be exposed to the risk of such concentration in the future.

During the Track Record Period, our suppliers primarily comprised technology service providers, including companies specializing in software development, cloud computing and IT consulting. Our purchases from our five largest suppliers accounted for approximately 83.1%, 82.6%, 84.0% and 100.0% of our total purchases for the years ended December 31, 2023, 2024 and 2025 and the three months ended March 31, 2026, respectively. Our purchases from our single largest supplier accounted for approximately 39.6%, 44.8%, 57.9% and 49.4% of our total purchases for the same periods, respectively.

There is no guarantee that we will be able to maintain our business relationships with our existing suppliers or continue to source from them on commercially acceptable terms in the future. Any significant increase in the prices charged by our suppliers would increase our costs and may adversely affect our results of operations. The prices charged by our suppliers may be affected by factors beyond our control, such as inflation, regulatory developments and economic cycles. Furthermore, if any of our major suppliers were to reduce or cease their supply to us, we may not be able to identify alternative suppliers on comparable terms in a timely manner, which could disrupt our operations and adversely affect our business, results of operations and financial condition.

Our competitive advantage in R&D lies in the stable relationship we have built with our customers, which allows us to gain invaluable and real-world insights about both the market's business needs and emerging technologies. Failure to maintain this stability could materially and adversely affect our innovation capacity, customer satisfaction, and overall competitiveness.

A key differentiator for our research and development process is the deep, collaborative, and long-standing relationships we have cultivated with our major customers, including some large banking institutions in Chinese Mainland and Hong Kong. These relationships provide us with invaluable insights into real-world operational challenges, as well as customers' strategic objectives and unmet needs, allowing us to develop solutions that are practical and replicable for the broader banking industry. This close collaboration is facilitated by our stable and experienced R&D team, which possesses a strong sensitivity to both the evolving business requirements of our customers and emerging technological trends. The continuity of our team ensures a deep understanding of our customers' complex systems and a consistent approach to service delivery and innovation, which is a significant barrier to entry for our competitors.

Any failure to maintain the stability of either our customer relationships or our R&D team could significantly undermine our competitive advantage. The loss of a key customer could deprive us of a critical source of innovation and feedback, and could also damage our reputation in the industry. Similarly, high turnover within our R&D team could lead to a loss of institutional knowledge, a decline in the quality and consistency of our product development, and a disruption to our customer relationships. The market for skilled technology professionals, particularly those with expertise in both finance and technology, is highly competitive. We may not be successful in retaining our key employees or attracting new talent with the right skill sets. If we are unable to maintain the stability and strong relationships that underpin our R&D model, our innovation capacity, customer satisfaction, and overall competitiveness could be materially and adversely affected.

Changes in the market or our services may affect our pricing models, and materially and adversely affect our results of operations.

As fintech markets evolve and competitive pressures intensify, including aggressive pricing by competitors, entry into new business lines or geographies, and procurement by large institutions with significant bargaining power, we may need to reduce prices, offer more flexible terms, or adopt alternative pricing structures. Our pricing (time-and-material-based or project-based) depends on solution complexity, service scope, competitive conditions, and perceived value. We may not accurately predict retention or renewal behavior, particularly for new services or markets, which could adversely impact revenue, gross margin, profitability, financial position, and cash flow.

In addition, profitability varies across our service portfolio. Emerging technology services, such as complex blockchain or AI projects, often require substantial upfront investment in internal infrastructure and R&D, and may involve third-party licensing costs. These costs are typically recovered over the lifecycle of the engagement, which can affect our profitability, especially in initial phases, and increase the risk that returns are delayed or lower than expected.

Our services may not perform in line with customer specifications or expectations.

Our contracts with customers may include specific performance requirements covering aspects such as system uptime, transaction processing speed, and data accuracy. There is a risk that our services may not consistently satisfy these specifications or customer expectations due to factors including unforeseen technical issues, evolving customer requirements, or misalignment in scoping and interpretation of specifications. Performance outcomes are also dependent on employee capabilities;

skill gaps, resource constraints, personnel turnover, or changes in project scope may adversely affect delivery quality. Projects may encounter delays, cost overruns, or quality issues, including those arising from factors beyond our control.

Failure to meet agreed specifications or timelines may result in invoice disputes, claims for damages, contractual penalties, or termination. These events could increase costs, reduce revenue, weaken customer relationships, and materially and adversely affect our business, financial condition, and results of operations.

Failures or security breaches affecting the third-party technology infrastructure on which we rely could materially and adversely affect our business.

Our operations involve technology infrastructure provided by third parties. We do not control the operation of these third-party facilities, making us vulnerable to a wide range of external risks. We utilize both private and public cloud services for specific operational purposes, such as our internal R&D and the operation of some of our services. Any disruption of or interference with our use of these cloud services, whether due to technical malfunctions or capacity constraints at the provider's end, could adversely affect our operations and service delivery.

Furthermore, the facilities of our third-party providers are susceptible to damage or interruption from events beyond our control, such as fires, floods, earthquakes, power losses, and telecommunications failures. A significant outage at a key provider could render our own services unavailable to our customers. In such an event, we may not be able to find a suitable replacement for these services on a timely basis or on commercially reasonable terms. The process of migrating our complex operations to a new provider could be technically challenging, time-consuming, and costly, potentially causing significant business disruptions and loss of customer trust. Any of these events could materially and adversely affect our business, financial condition, and results of operations.

Our use of open-source technology could impose limitations or otherwise negatively affect our business operations.

We use open-source software, including open-source LLMs, in the development of our services. Open-source software and LLMs are governed by various licensing agreements, some of which may impose significant restrictions on our ability to commercialize our services. The terms of many open-source licenses have not been extensively interpreted by courts, and there is a risk that these licenses could be construed in ways that impose unanticipated conditions or restrictions on our ability to develop, market, or provide our services.

For example, certain open-source licenses may require us to offer the components of our platforms that incorporate open-source software for no charge, to make source code for modifications or derivative works publicly available, or to license such modifications or derivative works under the terms of the particular open-source license. If we are required to make our proprietary source code publicly available as a result of incorporating open-source software into our products, our intellectual property rights could be compromised, and our competitors could gain access to our proprietary technologies and business logic. This could erode our competitive advantages and adversely affect our business.

Furthermore, if we are found to be in violation of open-source license terms, we could face legal claims, be required to pay damages, or be compelled to cease using the affected open-source technologies. We may need to seek licenses from third parties in order to continue offering our services, and these types of licenses may not be available on terms that are acceptable to us, or at all. We may also need to re-engineer our services. Our inability to use certain third-party software, or the need to undertake costly re-engineering efforts to replace it, could result in disruptions to our business, delays in developing future offerings, increased development costs, and a loss of competitive positioning, any of which could materially and adversely affect our business, financial condition, and results of operations.

Our international expansion strategy involves replicating our established services from Hong Kong into other global markets. This expansion may expose us to operational, regulatory, and market risks.

We have been expanding our business internationally and intend to continue to do so. However, our international expansion is subject to a number of risks and uncertainties. We may not be able to successfully expand our business internationally, or our international expansion may not meet our expectations. The success of our international expansion will depend on a number of factors, including our ability to adapt our services to the local needs of our international customers, and our ability to comply with the local laws and regulations of the jurisdictions in which we operate. Furthermore, we must effectively manage the cultural and linguistic differences between our international employees and our employees in the Chinese Mainland, and compete effectively with local and international competitors in our international markets. Finally, we must manage the political and economic risks associated with operating in foreign jurisdictions. If we are not able to successfully manage these and other risks, our international expansion could have a material and adverse effect on our business, financial condition, and results of operations.

Geopolitical instability in the Middle East and heightened regional tensions may adversely affect our planned expansion into the region.

We intend to expand our business into the Middle East as part of our overseas growth strategy. As of the Latest Practicable Date, we have not commenced operations in the Middle East. The region has experienced, and may continue to experience, significant geopolitical instability, including heightened tensions involving Iran and ongoing armed conflicts in certain areas. Such instability may deteriorate further and is beyond our control.

These conditions could materially affect our planned expansion into the Middle East in a number of ways. Geopolitical instability may disrupt the financial services sector in the region, reduce demand for our products and services, or cause potential customers to delay or cancel procurement decisions. Regulatory and compliance requirements may become more complex or unpredictable as a result of sanctions, trade restrictions, or changes in local laws. We may also face difficulties in establishing local operations, recruiting qualified personnel, or repatriating funds. Furthermore, any escalation of regional tensions may require us to delay, scale back, or abandon our planned expansion into the Middle East entirely, which could adversely affect our business prospects, results of operations, and the anticipated return on our investment in overseas expansion.

Fluctuations in exchange rates could have a material and adverse effect on our results of operations and the value of your investment.

We are a PRC-based company with our principal operations in Chinese Mainland, and we also have subsidiaries in Hong Kong that generate a substantial portion of our revenue. Our consolidated financial statements are presented in Renminbi. However, our operations involve multiple currencies, as our PRC operations primarily generate revenue and incur expenses in Renminbi, while our Hong Kong subsidiaries generate revenue in Hong Kong dollars, use Hong Kong dollars as their functional currency, and may incur certain expenses in Hong Kong dollars or other foreign currencies. In addition, the proceeds from the Global Offering will be received in Hong Kong dollars.

The exchange rates between the Renminbi, the Hong Kong dollar, the U.S. dollar, and other foreign currencies fluctuate and are affected by, among other things, the policies of the PRC Government and changes in China's and international political and economic conditions, as well as supply and demand in the local market. It is difficult to predict how market forces or government policies may impact the exchange rates between these currencies in the future. In addition, the People's Bank of China regularly monitors the foreign exchange market to manage fluctuations in Renminbi exchange rates and achieve policy goals. There remains significant international pressure on the PRC Government to adopt a more flexible currency policy, which, together with domestic policy considerations, may result in significant appreciation or depreciation of the Renminbi against the Hong Kong dollar, the U.S. dollar, or other foreign currencies.

Fluctuations in exchange rates could affect our business and financial results in several ways. Any appreciation of the Renminbi against the Hong Kong dollar may result in a decrease in the RMB-equivalent value of the proceeds from the Global Offering when we convert the Hong Kong dollar proceeds into Renminbi for use in our PRC operations. In addition, any appreciation of the Renminbi against the Hong Kong dollar may adversely affect the RMB-equivalent value of the revenue generated by our Hong Kong subsidiaries when we consolidate our financial results. Conversely, any depreciation of the Renminbi may adversely affect the value of, and any dividends payable on, our Shares in foreign currency terms for investors who measure their investment returns in currencies other than Renminbi.

Furthermore, because our Hong Kong subsidiaries use Hong Kong dollars as its functional currency while our consolidated financial statements are presented in Renminbi, exchange rate fluctuations between the Hong Kong dollar and the Renminbi will result in foreign currency translation adjustments that are recorded in other comprehensive income in our consolidated financial statements. Significant fluctuations in exchange rates could therefore result in volatility in our reported financial results and other comprehensive income. We have limited instruments available to reduce our foreign currency risk exposure at reasonable costs. Any of these factors may materially and adversely affect our business, financial condition, results of operations, and prospects, and may reduce the value of, and dividends payable on, our Shares in foreign currency terms.

Our business depends substantially on continuing efforts of our senior management and other key personnel, as well as a competent pool of talents who support our existing operations and future growth. If we are unable to retain, attract, recruit and train such personnel, our business may be materially and adversely affected.

Our future success depends heavily on the continuing services of our senior management and other key personnel. In particular, we rely on the expertise, experience and vision of our executive Directors, as well as other members of our senior management team. We also rely on the technical know-how and skills of our key technical staff, including our research and development team and technology supervisors. If any of our senior management or key personnel becomes unable or unwilling to continue to contribute their services to us, we may not be able to replace them easily, or at all. If any of our senior management and key personnel leaves us and solicits our customers, we may be subject to the risk of customer attrition. As a result, our business may be severely disrupted, our results of operations and financial condition may be materially and adversely affected, and we may incur additional expenses to recruit, train and retain key personnel.

Our existing operations and future growth require a sizeable and competent workforce. As of March 31, 2026, we had above 2,000 employees. We rely on our professional employees for IT systems, solution design, operations and other functions to anticipate and effectively respond to changing customer preferences and market trends. However, the fintech services segment in the banking industry is characterized by high demand and intense competition for talents. Qualified individuals are in high demand, and we may have to incur significant costs to attract and retain them through higher compensation, better training programs, and more attractive career development opportunities. Moreover, if any member of our R&D team or other qualified individuals joins a competitor or forms a competing business, we may lose crucial business secrets, technological know-how and other valuable resources. We cannot assure you that we will be able to attract or retain the qualified workforce necessary to support our future growth. In addition, as our business continues to evolve, our ability to train and integrate new employees into our operations may not meet the increasing demands of our business. Furthermore, any disputes between us and our employees or any labour-related regulatory or legal proceedings may divert management and financial resources, negatively impact staff morale, reduce our productivity, or harm our reputation and future recruiting efforts. Any of the above issues related to our workforce may materially and adversely affect our business, results of operations and future growth.

We may be involved in legal proceedings and commercial disputes, which could have a material adverse effect on our business, financial condition and results of operations.

Our business operations entail litigation risks, including the risk of legal actions relating to contractual obligations with customers and business partners, construction projects and payment disputes, information disclosure, customer onboarding, sales practices, product design, intellectual property matters, and fraud and misconduct. For example, during the Track Record Period, we experienced a commercial dispute regarding construction payments, which resulted in a temporary freeze of certain of our funds. In July 2021, a lawsuit was filed against us by a contractor concerning payment obligations under a construction contract. After first-instance and appeal proceedings, this case was ultimately remanded for retrial. In September 2025, the dispute was concluded through a court-mediated settlement agreed upon by all parties. Consequently, the previously frozen funds have been released. Our PRC Legal Advisors are of the view that this dispute has been fully resolved and will have no material adverse impact on our business and operations. However, if similar events occur in the future, our liquidity may be adversely affected. In addition, agreements we have entered into sometimes include indemnification provisions which may subject us to costs and damages in the event of a claim against an indemnified third party.

Regardless of the merit of particular claims, legal proceedings may be expensive, time consuming and disruptive to our operations and distracting to management. We may face arbitration claims and lawsuits brought by our customers who have used our services and found them unsatisfactory, or encounter complaints alleging misrepresentation with regard to our offerings. This risk may be heightened during periods when financial markets are deteriorating in value or are volatile, or when customers are experiencing losses. In recognition of these considerations, we may enter into agreements or other arrangements to settle litigation and resolve such disputes. No assurance can be given that such agreements can be obtained on acceptable terms or that litigation will not occur. These agreements may also significantly increase our operating expenses.

Predicting the outcome of legal and administrative matters is inherently difficult, particularly where claimants seek substantial or unspecified damages, or when arbitration or legal proceedings are at an early stage. Actions brought against us may result in settlements, injunctions, fines, penalties, suspension or revocation of licenses, reprimands or other results adverse to us that could harm our reputation. If one or more legal or administrative matters were resolved against us or an indemnified third party for amounts in excess of our management's expectations, or certain injunctions are granted to prevent us from using certain technologies in our services, our business and financial conditions could be materially and adversely affected. Further, such an outcome could result in significant compensatory or punitive monetary damages, disgorgement of revenue or profits, remedial corporate measures, injunctive relief or specific performance against us. Even if we are successful in defending ourselves against these actions, the costs of such defence may be significant to us. A significant judgment or a material disruption in our business arising from adverse adjudications in proceedings against our Directors, officers or employees would have a material adverse effect on our liquidity, business, financial condition, results of operations and prospects.

RISKS RELATED TO LEGAL AND COMPLIANCE

Unauthorized use of our intellectual properties by third parties may harm our brands and reputation, and the expenses incurred in protecting our intellectual property rights may materially and adversely affect our business.

We regard our patents, trademarks, software copyrights, trade secrets, and other intellectual property rights as critical to our success. There is no assurance that we can successfully prevent every unauthorized use or misappropriation of our intellectual property. The laws and regulations of the jurisdictions in which we operate may not protect our intellectual property rights to the same extent as the laws of other jurisdictions. Furthermore, policing unauthorized use of our intellectual property is difficult, expensive, and time-consuming, and we may not be able to detect all instances of infringement, particularly in emerging markets or with respect to software piracy.

Unauthorized use of our intellectual property by third parties could harm our brands and reputation, dilute the value of our proprietary rights, and reduce our competitive advantage. For example, if a competitor were to copy our software or use our trademarks without authorization, it could lead to customer confusion and a loss of business. We may need to resort to litigation to enforce our intellectual property rights, which could be costly, time-consuming, and divert management's attention from our core business operations. The outcome of any such litigation is uncertain, and we may not be successful in protecting our rights. Even if we are successful, the damages awarded may not be sufficient to compensate us for the harm we have suffered. The expenses incurred in protecting our intellectual property rights could materially and adversely affect our business, financial condition, and results of operations.

We may be subject to intellectual property infringement claims, which could be time-consuming or costly to defend, and may result in diversion of our financial and management resources. In addition, indemnity provisions in various agreements may expose us to substantial liability for intellectual property infringement and other losses.

The technology industry is characterized by a large number of patents and frequent litigation based on allegations of intellectual property infringement. As we expand our business and product offerings, the risk of our being subject to intellectual property infringement claims from third parties increases. These claims may be asserted by our competitors, non-practicing entities, or other third parties. Even if we believe that these claims are without merit, they can be time-consuming and costly to defend, and can divert our management's attention and financial resources from our core business operations. The outcome of any intellectual property litigation is inherently uncertain, and we may not be successful in defending against such claims.

If we are found to have infringed the intellectual property rights of others, we may be required to pay substantial damages, cease the sale of our infringing products, and obtain a license from the patent holder, which may not be available on commercially reasonable terms, or at all. We may also be required to redesign our products to avoid infringement, which could be costly and time-consuming. In addition, if we are found to have infringed third-party intellectual property rights in the course of providing our services to our customers, we may be required to compensate our customers for losses they suffer as a result of such infringement, which could expose us to substantial liability. Any successful intellectual property infringement claim against us or our customers could have a material and adverse effect on our business, financial condition, and results of operations.

One of our leased properties lacks valid documents proving the lessor's right to lease, and certain lease agreements of our leased properties have not been registered with the relevant PRC government authorities as required by the PRC law, which may expose us to potential legal risks.

With respect to one of our operating leased properties in Chinese Mainland, the lessors have been unable to provide valid documents proving their right to lease such properties. Under PRC law, if a lessor lacks such a right to lease property, we may need to vacate the premises and cause disruption to our operations. In such an event, we may not be able to find suitable alternative premises on commercially reasonable terms, or at all, and may not be able to recover our relocation costs or prepaid rent.

In addition, as of March 31, 2026, eleven operating lease agreements have not been registered with the relevant PRC housing administration authorities as required by law. While the failure to register a lease agreement does not in itself invalidate the agreement, we may be ordered to complete the registration within a prescribed time limit and may be subject to fines for non-compliance. While we believe that any such fines or penalties would not be material, there is no assurance that the authorities will not impose more significant penalties or require us to vacate the leased premises if we fail to complete the registration in a timely manner. Any such penalties or disruptions to our operations could have a material adverse effect on our business, financial condition, and results of operations.

Our new technologies may face compliance risks due to potential conflicts with laws and regulations, which could lead to regulatory scrutiny or restrictions.

The development and adoption of new technologies, such as AI and blockchain, are subject to a complex and evolving regulatory landscape. Governments and regulatory bodies around the world are still in the process of developing legal and regulatory frameworks to govern the use of these technologies. These regulations may address a variety of issues, including data privacy, security, consumer protection, and anti-money laundering. Our failure to comply with these regulations could have a material and adverse effect on our business, financial condition, and results of operations.

We may be required to make significant investments in compliance in order to meet the requirements of these new regulations. We may also be required to modify our services to comply with these regulations. Any failure to comply with these regulations could result in fines, penalties, and other sanctions. In addition, any negative publicity associated with a failure to comply with these regulations could damage our reputation and make it more difficult for us to attract and retain customers.

The application of our services is subject to regulation, and the failure to provide eligible services which satisfy compliance requirements faced by customers would have a material adverse effect on our business and results of operations.

As a fintech service provider in the banking industry, we serve customers across highly regulated sectors, primarily banks and financial institutions. While we ourselves are not subject to financial regulatory supervision, our services must enable our customers to meet their own stringent regulatory compliance requirements. Our customers operate under complex and evolving regulatory frameworks that govern areas such as data protection, cybersecurity, anti-money laundering, know-your-customer procedures, financial reporting, risk management, and consumer protection. The value proposition of our services is fundamentally dependent on their ability to help our customers achieve and maintain compliance with these regulatory obligations. If our services fail to adequately support our customers' compliance needs, or if they do not keep pace with changes in the regulatory requirements applicable to our customers, the market acceptance of our services would be significantly diminished. Customers may be unwilling to adopt or continue using our services if they perceive that such solutions do not effectively address their regulatory compliance challenges or expose them to regulatory risks.

The regulatory landscape governing the financial services industry is constantly evolving and subject to frequent changes and reinterpretation by competent authorities. New laws and regulations are regularly introduced, and existing ones are often amended or clarified. Considerable uncertainties exist regarding the interpretation and implementation of these regulations. As a result, our customers may face more stringent or evolving compliance requirements due to developments in political or economic policies, regulatory reforms, or periodic revisions in the interpretation of relevant laws and regulations. We must continuously monitor regulatory developments and ensure that our services are updated and enhanced to reflect these changes. However, we cannot assure you that we will always be able to adapt our services in time to meet our customers' needs to remain compliant with newly imposed regulatory requirements, or that our services will be interpreted by regulatory authorities or customers as being fully compliant with all applicable regulations. The process of updating our services to address new regulatory requirements can be onerous, time-consuming, and expensive, requiring significant investment in research, development, testing, and validation. If we are unable to provide services that meet the evolving compliance requirements of our customers, our services may lose their competitive appeal, and customers may seek alternative providers who are better positioned to support their regulatory compliance needs. This could result in customer attrition, reduced market share, difficulty in attracting new customers, and damage to our reputation in the market. Any such outcomes would have a material adverse effect on our business, financial condition, and results of operations.

Obtaining and maintaining our intellectual property protection depends on compliance with various procedural, documentary, fee payment, and other requirements imposed by governmental agencies, and our intellectual property protection could be reduced or eliminated for non-compliance with these requirements.

Our ability to protect our core technologies through intellectual property rights, such as patents and copyrights, is a critical component of our competitive strategy. The process of obtaining and maintaining intellectual property protection is complex, costly, and requires strict compliance with the procedural, documentary, and fee payment requirements of various governmental agencies in the jurisdictions where we operate, including Chinese Mainland, Hong Kong, and other overseas markets. These requirements are often subject to change and can be complex to navigate. We rely on our internal team and external counsel to manage our intellectual property portfolio and ensure compliance with all applicable regulations.

Any failure to comply with these requirements could result in the abandonment, lapse, or invalidation of our intellectual property applications or registered rights. For example, a failure to pay maintenance fees on time could lead to the expiration of a patent, and a failure to respond to office actions from a patent examiner within the prescribed time limits could result in the abandonment of a patent application. The loss of intellectual property protection for one or more of our key technologies could allow our competitors to copy our innovations, which would erode our competitive advantage and potentially lead to a decline in our market share and revenue. Even if we diligently comply with all requirements, there is no guarantee that our applications will be granted or that our issued intellectual property rights will not be challenged and invalidated by third parties. The costs associated with intellectual property prosecution, maintenance, and potential litigation can be substantial, and any reduction or elimination of our intellectual property protection could have a material and adverse effect on our business and financial condition.

We do not have non-compete agreements with all employees, and confidentiality agreements with all employees and third parties may not adequately prevent the disclosure of trade secrets and other proprietary information.

Our success depends on our ability to protect our intellectual property, including our trade secrets and other proprietary information. We do not have non-compete agreements with our employees, which means that they are free to join our competitors or establish competing businesses after leaving our company. As a result, former employees may use the knowledge and experience they gained while working for us to compete against us, which could diminish our competitive advantages. In addition, we cannot assure you that our confidentiality agreements will not be breached, that we will have adequate remedies for any breach in time or at all, or that our proprietary technology, know-how or other intellectual property will not otherwise become known to third parties. Others may also independently discover trade secrets and proprietary information, limiting our ability to assert any proprietary rights against such parties.

Furthermore, we generally provide solution implementation and technical and maintenance services at our customers' premises. During the course of our operations, our on-site project execution personnel may have access to certain proprietary or confidential information pertaining to our customers or their businesses and customers while they perform their duties. We enter into confidentiality agreements with our employees who have access to any customer information and data. The confidentiality agreements generally provide that these employees are legally obligated not to share, distribute or sell the confidential information to any third parties. Despite our efforts to safeguard customer information and data, there is no guarantee that we can successfully prevent information and data leakage. Any failure or perceived failure of our privacy-related obligations to customers or other third parties, any privacy laws or regulations, or any compromise of security that results in the unauthorized release or transfer of personal information or other customer data, may result in governmental enforcement actions, litigation or public statements against us by our customers or others, cause harm to our customers and hurt our reputation. In addition, any breach of confidentiality agreements by our employees, contractors, or business partners, or any infringement of our intellectual property, may have an adverse effect on our business and reputation. Costly and time-consuming litigation could be necessary to enforce and determine the scope of our proprietary rights, and failure to protect our intellectual property and confidential information could have a material adverse effect on our business, financial condition, and results of operations.

We may be subject to regulatory scrutiny and penalties due to the actions of our employees, shareholders, business partners, customers, suppliers, and other third parties, and we may be unable to detect and prevent all future instances of misconduct.

We are exposed to the risk of illegal, fraudulent, or unethical behavior by employees, shareholders, business partners, customers, suppliers, and other third parties. There can be no assurance that we will deter, detect, or prevent all misconduct, including violations of anti-corruption and anti-bribery laws, fraud, theft, collusion, or other non-compliance.

Misconduct by our personnel or third parties may result in negative publicity, reputational harm, civil or criminal liability, and fines or other penalties. Compliance failures by business partners or parties in their supply chains may also lead to regulatory actions that directly or indirectly affect our operations. We may be unable to identify irregularities or non-compliance in a timely manner or ensure prompt remediation. Any such events could erode stakeholder trust and materially and adversely affect our business, reputation, financial condition, and results of operations.

Investors of our H Shares may become subject to the PRC taxation on dividends received from us and gains from the disposition of our H Shares.

We are a PRC company, and our H Shares will be listed on the Stock Exchange. Under the PRC Enterprise Income Tax Law and its implementing regulations, dividends and gains from the disposition of shares of a PRC resident enterprise may be subject to PRC taxation. Under the PRC Enterprise Income Tax Law, dividends paid by a PRC resident enterprise to non-resident enterprise shareholders are generally subject to a 10% withholding tax, unless a reduced rate is available under an applicable tax treaty. For individual shareholders, dividends paid by a PRC resident enterprise to non-resident individuals are generally subject to a 20% withholding tax under the PRC Individual Income Tax Law, unless a reduced rate is available under an applicable tax treaty.

Pursuant to the Arrangement between the China-Hong Kong Tax Arrangement, dividends paid to Hong Kong resident enterprises may be subject to a reduced withholding tax rate of 5% if the Hong Kong resident enterprise directly holds at least 25% of the equity interest in the PRC company, or a rate of 10% for other cases, provided that the Hong Kong resident enterprise is considered the "beneficial owner" of the dividends and is entitled to treaty benefits. For Hong Kong resident individuals, the withholding tax rate on dividends may be reduced to 10% under the China-Hong Kong Tax Arrangement, subject to certain conditions. However, the PRC tax authorities must evaluate whether an applicant qualifies as a "beneficial owner" and is entitled to treaty benefits on a case-by-case basis. There is no assurance that all of our H Shareholders will be able to claim the benefits of the reduced withholding tax rates under applicable tax treaties. If our H Shareholders are unable to claim treaty benefits, they may be subject to the standard withholding tax rates of 10% for non-resident enterprises and 20% for non-resident individuals on dividends received from us.

Under the PRC Enterprise Income Tax Law, gains realized by non-resident enterprises from the transfer of equity interests in a PRC resident enterprise may be subject to a 10% withholding tax if such gains are regarded as income derived from sources within the PRC. Under the PRC Individual Income Tax Law, gains realized by non-resident individuals from the transfer of equity interests in a PRC resident enterprise may be subject to a 20% individual income tax if such gains are regarded as income derived from sources within the PRC. There is room for interpretation on whether gains realized from the sale of H Shares of a PRC resident enterprise listed on the Stock Exchange should be regarded as income derived from sources within the PRC and thus subject to PRC taxation. In practice, the PRC tax authorities have not actively enforced the collection of withholding tax on gains realized by non-resident enterprises or individuals from the sale of H Shares in the open market. However, there is no assurance that the PRC tax authorities will not in the future take a different position and seek to impose withholding tax on such gains. If the PRC tax authorities determine that gains from the sale of our H Shares are subject to PRC taxation, our H Shareholders may be required to pay PRC tax on such gains, which could materially reduce the value of their investment in our H Shares.

The PRC tax laws and regulations and their interpretation and enforcement are subject to change, and there is uncertainty regarding how they will be applied to dividends and capital gains related to H Shares. Any changes in PRC tax laws or policies, or any new interpretation or enforcement by the PRC tax authorities, could result in increased tax liabilities for our H Shareholders, which could materially reduce the value of their investment in our H Shares.

We have not made adequate social insurance and housing provident fund contributions for certain employees as required by PRC laws and regulations.

During the Track Record Period, we failed to make full social insurance and housing provident fund contributions for certain of our employees in the PRC. The non-compliance was primarily because we fail to make full contributions to social insurance and housing provident funds on bonus payments. We also engaged third-party human resources agencies to make social insurance and housing provident fund contributions for a portion of our employees, which is not in strict compliance with relevant PRC regulations. As a result, we may be required by competent authorities to pay the outstanding contributions and may be subject to late payment fees and penalties. During the Track Record Period, the aggregate shortfall amount of social insurances and housing provident fund contributions to our employees was RMB10.4 million and RMB6.7 million, respectively. The maximum aggregate potential late fees for which we may be liable in connection with the inadequate contributions to the social insurances would be approximately RMB5.7 million. In addition, if we are ordered to make up for the contributions made by third-party agencies during the Track Record Period, the maximum aggregate supplementary contribution amount would be approximately RMB0.6 million. Our Group undertakes to settle any required payments within the prescribed period if ordered to do so by competent authorities.

For further details on our non-compliance, the potential financial impact, and the rectification measures we have implemented, please see the section headed "Business — Employees — Social Insurance and Housing Provident Funds Contribution" in this document. We cannot assure you that the relevant government authorities will not require us to pay the outstanding contributions or impose late payment fees or other penalties on us, which could materially and adversely affect our business, financial condition, and results of operations.

RISKS RELATED TO OUR FINANCIAL PERFORMANCE

Our operating margins may be negatively impacted by rising personnel costs, as well as declining sales prices resulting from intensified industry competition.

Our operating margins have been and may continue to be subject to downward pressure from a variety of factors, including intensified industry competition and significant personnel costs. The market for fintech services in the banking industry is intensely competitive, and we face pricing pressure from a range of competitors, which may force us to reduce our prices or offer more favorable contractual terms. Concurrently, employee compensation is the primary component of our cost of sales. In 2023, 2024 and 2025 and the three months ended March 31, 2025 and 2026, our cost of sales amounted to RMB509.6 million, RMB495.4 million, RMB392.6 million, RMB77.2 million and RMB108.9 million, respectively, of which employee compensation accounted for 96.0%, 96.7%, 95.9%, 96.5% and 96.7%, respectively. The market for skilled technical professionals is highly competitive, and we may need to increase employee compensation to attract and retain personnel. In addition, changes in relevant PRC policies could also lead to a mandatory increase in our employee-related costs. These factors could further increase our cost base. Any significant or sustained decline in our operating margins, whether due to pricing pressure or rising costs, could have a material and adverse effect on our profitability and overall financial performance. We cannot assure you that we will be able to maintain our operating margins in the future.

We have obtained government grants and preferential tax treatments, which may be changed or eliminated in the future.

Our results of operations are affected by the preferential tax treatments and government grants we enjoy. During the Track Record Period, our Company was qualified as a "High and New Technology Enterprise" and was entitled to a preferential Enterprise Income Tax rate of 15%. Some of our subsidiaries also enjoy Small Low-Profit Enterprises status and are entitled to a preferential EIT rate of 20%. We were also entitled to additional tax deduction for qualified research and development expenses, with a deduction ratio of 100% since January 1, 2023, which significantly lowered our effective tax rate. See "Financial Information – Income Tax Expenses" for details.

We recognized other income from government grants amounting to RMB5.1 million, RMB2.8 million, RMB5.6 million, RMB0.7 million and RMB0.02 million for the years ended December 31, 2023, 2024 and 2025 and for the three months ended March 31, 2025 and 2026, respectively. Our financial condition may be affected in the event of any discontinuation, reduction, or delay in the payment of these preferential tax treatments or government grants.

There is no assurance that we will continue to receive these government grants and preferential tax treatments in the future. Government policies on grants and tax incentives may change, and we may no longer be eligible for these benefits. Any reduction or elimination of these grants and tax benefits could have a material adverse effect on our financial condition and results of operations. We cannot assure you that we will be able to offset the loss of these benefits through other means.

We may be exposed to collection risks associated with trade receivables, and delays or failures in customer payments could materially and adversely affect our business, financial condition and results of operations.

We generate trade receivables from the services provided to our customers. As of December 31, 2023, 2024, 2025 and March 31, 2026, our trade receivables balance were RMB156.0 million, RMB127.8 million, RMB203.7 million and RMB155.3 million, respectively, against which we recognized impairment losses on trade receivables of RMB1.6 million, RMB(0.4) million (representing a net reversal), RMB1.4 million and RMB(1.1) million (representing a net reversal) in 2023, 2024 and 2025 and the three months ended March 31, 2026, respectively. Our trade receivables turnover days were 92 days, 74 days, 100 days and 107 days for the years ended December 31, 2023, 2024, 2025 and for the three months ended March 31, 2026, respectively. While we have a history of successfully collecting our trade receivables, there is no assurance that we will be able to do so in the future. Our customers are primarily financial institutions, and their ability to pay their obligations to us can be affected by a variety of factors, including their own financial performance, the overall health of the economy, and changes in the regulatory environment. Any significant delay or failure in the collection of our trade receivables could have a material adverse effect on our cash flow and profitability. We may be required to increase our allowance for doubtful accounts, which would reduce our net income. We may also need to take legal action to collect our trade receivables, which can be costly and time-consuming. Any significant problems with the collection of our trade receivables could have a material adverse effect on our business, financial condition, and results of operations.

RISKS RELATED TO THE GLOBAL OFFERING

We will be concurrently subject to listing and regulatory requirements of Chinese Mainland and Hong Kong.

We are currently listed on Shenzhen Stock Exchange in Chinese Mainland. Upon completion of the Global Offering, our H Shares will be listed on the Stock Exchange. As a result, we will be subject to the listing rules, regulations, and disclosure requirements of both Shenzhen Stock Exchange and the Stock Exchange, as well as the regulatory oversight of the CSRC and the Securities and Futures Commission of Hong Kong.

Compliance with the requirements of two different stock exchanges and regulatory regimes may result in increased administrative burdens, compliance costs, and management time and attention. The listing rules and regulatory requirements of Shenzhen Stock Exchange and the Stock Exchange may differ in certain respects, and in some cases may impose conflicting or duplicative requirements. Any failure on our part to comply with the requirements of either exchange could result in regulatory sanctions, suspension of trading in our Shares, or delisting, which could have a material adverse effect on our business, reputation, and the trading price of our Shares.

In addition, being subject to two regulatory regimes may expose us to greater regulatory scrutiny and potential conflicts between the requirements or expectations of the two jurisdictions. Changes in the laws, regulations, or listing rules of either the Chinese Mainland or Hong Kong could require us to make adjustments to our corporate governance, disclosure practices, or business operations, which could increase our costs and divert management attention from our core business activities. Furthermore, any uncertainty or lack of coordination between the two regulatory regimes could create additional compliance challenges and risks for us and our Shareholders.

There has been no prior public market for our H Shares and there can be no assurance that an active market would develop or be sustained after the Global Offering. You may not be able to resell our H Shares at or above the price you pay, or at all.

Prior to the Global Offering, there has been no public market for our H Shares. Although our A Shares are listed and traded on Shenzhen Stock Exchange, the H Shares represent a separate class of shares that will be listed on the Stock Exchange. The initial Offer Price range of our H Shares, and the final Offer Price, will be the result of negotiations between us and the underwriters, and will be influenced by a variety of factors, including prevailing market conditions, our financial performance and prospects, and investor demand. There can be no assurance that the Offer Price will reflect the fair market value of our H Shares or that the market price of our H Shares after the Global Offering will not decline below the Offer Price.

While we have applied to have our H Shares listed on the Stock Exchange, there can be no guarantee that an active trading market for our H Shares will develop or, if it does develop, that it will be sustained following the completion of the Global Offering. The liquidity and trading volume of our H Shares will depend on a variety of factors, including the number of H Shares available for trading, investor interest in our Company and our industry, general market conditions in Hong Kong and globally, and the performance of our business. If an active trading market for our H Shares does not develop or is not sustained, you may not be able to resell your H Shares at a price that is attractive to you, or at all. This could result in you experiencing a loss on your investment or being unable to liquidate your investment when you wish to do so.

Furthermore, even if an active trading market develops, the market price of our H Shares may be volatile and subject to significant fluctuations in response to factors beyond our control, including general economic conditions, changes in investor sentiment, and developments affecting our Company, our industry, or the broader financial markets. You should be prepared for the possibility that the market price of our H Shares may decline below the Offer Price, and you may not be able to recover your initial investment.

Our A Shares are listed and traded on the Shenzhen Stock Exchange, and the characteristics of the A share and H share markets may differ.

Our A Shares are currently listed and traded on Shenzhen Stock Exchange, and upon completion of the Global Offering, our H Shares will be listed and traded on the Stock Exchange. The A share market and the H share market have different characteristics, and the trading prices and liquidity of our A Shares and H Shares may differ significantly.

The A share market in Chinese Mainland is primarily dominated by domestic retail investors, and is subject to the regulations and policies of the CSRC and other PRC regulatory authorities. Trading in A Shares is conducted in Renminbi, and is subject to certain restrictions on foreign investment, although foreign investors can access the A share market through programs such as the Qualified Foreign Institutional Investor and RMB Qualified Foreign Institutional Investor schemes, as well as the Stock Connect programs linking Shanghai and Shenzhen Stock Exchange with the Stock Exchange. The A share market has historically experienced higher volatility and different valuation levels compared to the H share market, and investor sentiment and trading behavior in the A share market may be influenced by factors that differ from those affecting the H share market.

In contrast, the H share market in Hong Kong is more internationally oriented, with a significant presence of institutional investors and international capital. Trading in H Shares is conducted in Hong Kong dollars, and the Stock Exchange is subject to the regulations of the Securities and Futures Commission and operates under a common law legal system. The H share market generally has different liquidity characteristics, valuation methodologies, and investor bases compared to the A share market.

As a result of these differences, the trading prices of our A Shares and H Shares may not move in tandem, and there may be significant price differentials between the two classes of shares. Factors such as differences in investor sentiment, liquidity, currency movements, regulatory developments, and market conditions in the Chinese Mainland and Hong Kong may cause the prices of our A Shares and H Shares to diverge. In addition, arbitrage activities between the A share and H share markets, including through the Stock Connect programs, may affect the trading prices and volatility of both classes of shares. You should be aware that the market price of our H Shares may be influenced not only by our business performance and prospects, but also by factors specific to the H share market and the relationship between the A share and H share markets.

You will incur immediate and substantial dilution upon the purchase of our Shares, and may experience further dilution if we issue additional shares in the future.

Based on the Offer Price, the Offer Price is expected to be higher than the net tangible assets value per Share immediately prior to the Global Offering. Therefore, purchasers of the H Shares in the Global Offering will experience an immediate dilution in unaudited pro forma adjusted consolidated net tangible assets value. This means that the price you pay for our H Shares will be higher than the net tangible assets value attributable to each H Share, and you will immediately experience a reduction in the net tangible assets value per Share that you own as compared to the price you paid.

In addition to the immediate dilution upon purchase, you may experience further dilution if we issue additional shares or other securities in the future. We may need to raise additional capital in the future to finance the expansion or new developments of our business and operations, to fund acquisitions, or for other corporate purposes. If we raise additional funds through the issuance of new equity or equity-linked securities, such as convertible bonds or securities with warrants, and such issuance is not made on a pro rata basis to existing Shareholders, the percentage ownership of existing Shareholders in our Company may be reduced. Furthermore, any new securities that we issue may confer rights and privileges that take priority over those conferred by the existing Shares, such as preferential dividend rights, liquidation preferences, or superior voting rights, which could further dilute the value of your investment.

The extent of dilution will depend on various factors, including the number of new shares issued, the price at which they are issued, and the terms and conditions of any new securities. If new shares are issued at a price lower than the price you paid for your H Shares, or if new securities with preferential rights are issued, the dilution you experience may be more significant. You should be aware that we have the discretion to issue additional shares or other securities in the future, subject to applicable regulatory requirements and shareholder approvals, and that such issuances may materially dilute your ownership interest and the value of your investment in our H Shares.

Our H Shares are subject to possible price and trading volume volatility.

The market price of our H Shares may fluctuate significantly and rapidly as a result of a variety of factors, many of which are beyond our control, including: variations in our results of operations, including variations arising from foreign exchange rate fluctuations; loss of major customers or failure to secure new customers; changes in securities analysts' estimates of our financial performance or changes in analysts' recommendations regarding our Company or our industry; announcements by us of significant acquisitions, strategic alliances, joint ventures, or other corporate transactions; addition or departure of key personnel; fluctuations in stock market price and volume; involvement in litigation or regulatory investigations; trading price performance of other companies providing fintech services in the banking industry; and general economic and stock market conditions.

In addition, stock markets and the shares of other companies listed on the Stock Exchange with significant operations and assets in Chinese Mainland have experienced significant price and volume fluctuations in recent years, some of which have been unrelated or disproportionate to the operating performance of such companies. These broad market fluctuations may materially and adversely affect the market price of our H Shares, regardless of our actual operating performance. Furthermore, the market price of our H Shares may be influenced by the trading prices of our A Shares on Shenzhen Stock Exchange, and any volatility or significant price movements in our A Shares may spill over to our H Shares.

You should not place any reliance on any information released by us in connection with the listing of our A Shares on the Shenzhen Stock Exchange.

We have previously issued information and made disclosures in connection with the listing of our A Shares on Shenzhen Stock Exchange, including in our A Share prospectus and in our periodic reports and announcements filed with Shenzhen Stock Exchange and the CSRC. Such information and disclosures were prepared in accordance with the PRC laws, regulations, and accounting standards, and were intended for the A share market and domestic investors in Chinese Mainland.

You should not place any reliance on any information released by us in connection with the listing of our A Shares on Shenzhen Stock Exchange when making your investment decision regarding our H Shares. The information and disclosures made in connection with our A Share listing may differ in certain respects from the information and disclosures contained in this prospectus, due to differences in disclosure requirements, accounting standards, and regulatory frameworks between Chinese Mainland and Hong Kong. In addition, the information released in connection with our A Share listing may be outdated or may not reflect our current business, financial condition, or prospects.

This prospectus has been prepared in accordance with the Listing Rules on the Stock Exchange and other applicable Hong Kong laws and regulations, and contains information that is relevant and material for investors considering an investment in our H Shares. You should base your investment decision solely on the information contained in this prospectus and should not rely on any information released by us in connection with our A Share listing or any other information that is not contained in this prospectus. Any reliance on information outside of this prospectus may lead to an uninformed investment decision and potential losses.

We have not independently verified the statistics and information in this prospectus from official government sources.

This prospectus contains certain statistics and information relating to our industry, the markets in which we operate, and our competitive position within those markets. We have derived such statistics and information from various available sources, which include official government sources and publications, as well as industry and market research reports. We believe that the sources of this information are appropriate sources for such information and have taken reasonable care in extracting and reproducing such information. However, the information from official government sources has not been independently verified by us, the Joint Sponsors, the Joint Overall Coordinators, the Underwriters or any other party involved in the Global Offering, and no representation is given as to its accuracy. You should give consideration as to how much weight or importance you should attach to or place on the statistics or information from official government sources.

You should read the entire prospectus carefully and should not rely on any information contained in press, media or internet regarding us and the Global Offering.

Prior to and during the Global Offering, there may be press, media, or internet coverage and commentary regarding our Company, our business, and the Global Offering. Such coverage and commentary may include statements, opinions, estimates, projections, or other information that has not been authorized or verified by us, and may be inaccurate, incomplete, misleading, or based on speculation or rumour. You should not rely on any information contained in press, media, or internet sources regarding us and the Global Offering when making your investment decision. Any such information may not be consistent with the information contained in this prospectus, and may be based on incomplete or outdated information, misunderstandings, or speculation. In addition, press, media, or internet sources may have their own biases, agendas, or interests that could affect the accuracy or objectivity of their coverage.

We have not authorized the disclosure of any information or the making of any representation in connection with the Global Offering other than as contained in this prospectus and in other documents that we have officially filed or published. Any information or representation not contained in this prospectus or in our official filings should be regarded as unauthorized and should not be relied upon. If you come across any information regarding us or the Global Offering in press, media, or internet sources that is inconsistent with the information in this prospectus, you should disregard such information and rely solely on the information contained in this prospectus. You should read the entire prospectus carefully, including the sections entitled "Risk Factors," "Financial Information," and "Business," and should base your investment decision solely on the information contained in this prospectus. You should also consult with your own financial, legal, tax, and other professional advisors before making any investment decision regarding our H Shares. Any reliance on unauthorized or unverified information from press, media, or internet sources may lead to an uninformed investment decision and potential losses.

If securities or industry analysts do not publish research or publish inaccurate or unfavorable research about our business, the market price for our Shares and trading volume could decline.

The trading market for our H Shares will depend in part on the research and reports that securities or industry analysts publish about us, our business, our industry, and our competitors. We do not have any control over these analysts or the content and opinions included in their reports. If few securities or industry analysts commence coverage of our Company, or if one or more of the analysts who cover us downgrade our H Shares or publish inaccurate or unfavourable research about our business, the market price of our H Shares could 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 could cause the market price of our H Shares or trading volume to decline. Securities and industry analysts may base their research and reports on a variety of factors, including our financial results, business developments, industry trends, and their own expectations and assumptions. If our financial results or business developments do not meet the expectations of analysts, or if analysts' expectations are based on inaccurate assumptions or incomplete information, analysts may issue negative reports or downgrade their recommendations regarding our H Shares, which could cause the market price of our H Shares to decline.

Furthermore, even if our business is performing well, analysts may issue negative reports or downgrades based on factors beyond our control, such as general market conditions, macroeconomic trends, or developments affecting our industry or competitors. Any negative research or downgrades by analysts could adversely affect investor sentiment and demand for our H Shares, which could cause the market price of our H Shares and trading volume to decline. In addition, if we fail to meet the expectations of analysts or the market, even if such expectations are unrealistic or based on factors beyond our control, the market price of our H Shares could decline significantly.

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

This prospectus contains certain facts, forecasts, and other statistics relating to our business, industry, markets, and competitive position. Some of these facts, forecasts, and statistics have been derived from publicly available sources, including government publications, industry reports, and market research reports, while others are based on our own internal estimates, assumptions, and analyses.

While we have taken reasonable care in reproducing or extracting such facts, forecasts, and statistics, we cannot assure you that they are accurate or complete. Facts and statistics derived from third-party sources may be based on assumptions, estimates, or methodologies that differ from those we would use, and may be subject to inherent limitations and uncertainties. In addition, such facts and statistics may be outdated or may not reflect the most current developments in our industry or markets. Forecasts and projections, whether derived from third-party sources or based on our own estimates, are inherently uncertain and are based on assumptions about future events and conditions that may not materialize or may differ materially from what is assumed. Our own internal estimates, assumptions, and analyses are also subject to uncertainty and may not be accurate. We have made certain assumptions and estimates in preparing this prospectus, including assumptions about market trends, competitive dynamics, customer behaviour, and our own future performance. These assumptions and estimates may prove to be incorrect, and actual results may differ materially from what we have assumed or estimated.

You should not place undue reliance on any facts, forecasts, or statistics contained in this prospectus. Any inaccuracies or incompleteness in such information could lead to an incorrect understanding of our business, industry, markets, or prospects, which could adversely affect your investment decision. You should conduct your own research and analysis, consult with your own advisors, and make your own independent assessment of the information contained in this prospectus before making any investment decision regarding our H Shares.

We cannot assure you that we will declare and distribute any amount of dividends in the future, and you may have to rely on price appreciation of our Shares for returns on your investment.

Any declaration and payment of dividends in the future will be at the discretion of our Board of Directors and will depend on a variety of factors, including our results of operations and earnings, capital requirements and surplus, financial condition, future prospects, contractual restrictions, legal and regulatory requirements, and other factors that our Board of Directors may consider relevant. We cannot assure you that we will declare and distribute any amount of dividends in the future.

During the Track Record Period, we have declared and paid dividends to our A Share shareholders in accordance with our dividend policy and applicable PRC laws and regulations. However, our historical dividend distributions are not indicative of our future dividend distribution policy, and potential investors should be aware that the amount of dividends paid previously should not be used as a reference or basis upon which future dividends are determined. Our Board of Directors may decide not to declare or pay dividends in the future, or may decide to pay dividends at levels that are lower than historical levels, depending on the factors mentioned above and other considerations. In addition, as a company incorporated in Chinese Mainland, our ability to pay dividends is subject to the PRC laws and regulations, which require that dividends be paid only out of distributable profits as determined in accordance with the PRC accounting standards and regulations. We are also required to set aside a portion of our after-tax profits each year to statutory reserves, which are not available for distribution as dividends. These legal and regulatory requirements may limit our ability to pay dividends even if our Board of Directors wishes to do so.

If we do not declare or pay dividends in the future, or if the dividends we pay are lower than expected, you may have to rely solely on price appreciation of our H Shares for returns on your investment. There can be no assurance that the market price of our H Shares will appreciate, and the market price may decline below the price you paid for your H Shares. As a result, you may not realize any returns on your investment, or you may experience a loss on your investment.

In preparation of the Global Offering, the Company has sought the following waivers from strict compliance with the relevant provisions of the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance:

WAIVER IN RESPECT OF JOINT COMPANY SECRETARIES

Pursuant to Rules 3.28 and 8.17 of the Listing Rules, the company secretary must be an individual who, by virtue of his or her academic or professional qualifications or relevant experiences, is, in the opinion of the Stock Exchange, capable of discharging the functions of the company secretary. Pursuant to Note 1 to Rule 3.28 of the Listing Rules, the Stock Exchange considers the following academic or professional qualifications to be acceptable:

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

(ii) a solicitor or barrister (as defined in the Legal Practitioners Ordinance); and

(iii) a certified public accountant (as defined in the Professional Accountants Ordinance).

Pursuant to Note 2 to Rule 3.28 of the Listing Rules, in assessing "relevant experience", the Stock Exchange will consider the individual's:

(i) length of employment with the issuer and other issuers and the roles he played;

(ii) familiarity with the Listing Rules and other relevant law and regulations including the SFO, Companies Ordinance, Companies (Winding Up and Miscellaneous Provisions) Ordinance, and the Takeovers Code;

(iii) relevant training taken and/or to be taken in addition to the minimum requirement under Rule 3.29 of the Listing Rules; and

(iv) professional qualifications in other jurisdictions.

The Company has appointed Mr. Zhu Tianwei ("**Mr. Zhu**") as one of the joint company secretaries. Mr. Zhu joined our Group in January 2005 and currently serves as the Board secretary. See "Directors and Senior Management" for further biographical details of Mr. Zhu. Although Mr. Zhu does not possess the qualifications set out in Rule 3.28 of the Listing Rules, the Company believes that it would be in the best interests of the Company and the corporate governance of the Group to have Mr. Zhu as its joint company secretary who is familiar with the Group's internal operation and management and possesses professional knowledge and experience in handling corporate governance and compliance, legal affairs and public relationship related matters. The Company has also appointed Ms. Tam Wing Tsz ("**Ms. Tam**") to act as the other joint company secretary to assist Mr. Zhu in discharging the duties of a company secretary of the Company. Ms. Tam is an associate member of the Hong Kong Chartered Governance Institute and the Chartered Governance Institute in the United Kingdom and is therefore qualified under Rule 3.28 of the Listing Rules to act as a joint company secretary of the Company. See "Directors and Senior Management" for further biographical details of Ms. Tam.

Since Mr. Zhu does not possess the formal qualifications required of a company secretary under Rule 3.28 of the Listing Rules, the Company has 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 for a period of three years since the Listing Date on the following conditions: (i) Mr. Zhu must be assisted by Ms. Tam who possesses the qualifications or experience as required under Rule 3.28 of the Listing Rules and is appointed as a joint company secretary throughout the waiver period; and (ii) the waiver can be revoked in the event of a material breach of the Listing Rules by the Company.

In support of the waiver application, the Company has adopted, or will adopt the following arrangements:

(i) in preparation of the application of the Listing, Mr. Zhu has attended training on the respective obligations of the Directors, senior management and the Company under the relevant Hong Kong laws and the Listing Rules organised by the Hong Kong legal advisors to the Company;

(ii) Ms. Tam will work closely with Mr. Zhu to jointly discharge the duties and responsibilities as the joint company secretaries and to assist Mr. Zhu in acquiring the relevant experience as required under the Listing Rules for an initial period of three years from the Listing Date, a period which should be sufficient for Mr. Zhu to acquire the relevant experience as required under the Listing Rules;

(iii) the Company will ensure that Mr. Zhu continues to have access to the relevant training and support in relation to the Listing Rules and the duties required for a company secretary of an issuer listed on the Stock Exchange. Furthermore, both Mr. Zhu and Ms. Tam will seek advice from the Company's Hong Kong legal and other professional advisors as and when required. Mr. Zhu also undertakes to take no less than 15 hours of relevant professional training in each financial year of the Company; and

(iv) at the end of the three-year period, the qualifications and experience of Mr. Zhu and the need for on-going assistance of Ms. Tam will be further evaluated by the Company. The Company will then endeavour to demonstrate to the Stock Exchange's satisfaction that Mr. Zhu, having had the benefit of the assistance of Ms. Tam for the immediately preceding three years, has acquired the relevant experience (within the meaning of Note 2 to Rule 3.28 of the Listing Rules) such that a further waiver from Rules 3.28 and 8.17 of the Listing Rules will not be necessary. The Company understands that the Stock Exchange may revoke the waiver if Ms. Tam ceases to provide assistance to Mr. Zhu during the three-year period.

Prior to the expiry of the three-year period, the Company will demonstrate to the Stock Exchange and seek the Stock Exchange's confirmation that Mr. Zhu, having had the benefit of Ms. Tam's assistance during the three-year period, has attained the relevant experience and is capable of discharging the functions of company secretary under Rule 3.28 of the Listing Rules so that a further waiver from Rules 3.28 and 8.17 of the Listing Rules will not be necessary.

ALLOCATION OF H SHARES TO EXISTING MINORITY SHAREHOLDERS AND THEIR CLOSE ASSOCIATES

Rule 10.04 of the Listing Rules requires that a person who is 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 the issuer either in his or its own name or through nominees if the conditions in Rules 10.03(1) and (2) of the Listing Rules are fulfilled. It is provided in Rule 10.03(1) of the Listing Rules that no securities may be offered to existing shareholders on a preferential basis and no preferential treatment may be given to them in the allocation of the securities; and in Rule 10.03(2) that the minimum prescribed percentage of public shareholders required by Rule 8.08(1) (as amended and replaced by Rule 19A.13A) must be achieved.

Paragraph 1C(2) of Appendix F1 to the Listing Rules provides that no allocations will be permitted to the existing shareholders of the applicant or their close associates, whether in their own names or through nominees, in the Global Offering unless the conditions set out in Rules 10.03 and 10.04 of the Listing Rules are fulfilled. Chapter 4.15 of the Guide for New Listing Applicants provides that the Stock Exchange will consider giving consent and granting waiver from Rule 10.04 of the Listing Rules to an applicant's existing shareholders or their close associates to participate in an initial public offering if any actual or perceived preferential treatment arising from their ability to influence the applicant during the allocation process can be addressed.

Prior to the Listing, our Company's share capital comprises entirely A Shares listed on the ChiNext of the Shenzhen Stock Exchange. We have a large and widely dispersed public A Share shareholder base. We have applied to the Stock Exchange for, and the Stock Exchange has granted to us, a waiver from strict compliance with the requirements under Rule 10.04 and consent under Paragraph 1C(2) of Appendix F1 to the Listing Rules to permit H Shares in the International Offering to be placed to certain existing minority Shareholders who (i) hold less than 5% of the total number of A Shares in issue of our Company prior to the completion of the Global Offering, (ii) are not and will not become (upon the completion of the Global Offering) core connected persons of our Company or the close associates of any such core connected person (together, the "**Existing Minority Shareholders**") and (iii) do not have the power to appoint a Director and/or have any other special rights, subject to the conditions as follows:

(i) each Existing Minority Shareholder to whom our Company may allocate the H Shares in the International Offering holds less than 5% of the total number of A Shares in issue of our Company before Listing;

(ii) each Existing Minority Shareholder is not, and will not be, a core connected person of our Company or any close associate of any such core connected person immediately prior to or following the Global Offering;

(iii) none of the Existing Minority Shareholders has the right to appoint a Director and/or has any other special rights;

(iv) allocation to the Existing Minority Shareholders or their close associates will not affect our ability to satisfy the public float requirement as prescribed by the Stock Exchange under Rule 8.08 (as amended and replaced by Rule 19A.13A) of the Listing Rules or otherwise approved by the Stock Exchange;

(v) the Joint Sponsors will confirm to the Stock Exchange that based on (a) the discussions amongst the Company, the Joint Sponsors and the Joint Overall Coordinators; and (b) the confirmations provided to the Stock Exchange by our Company, the Joint Sponsors and the Joint Overall Coordinators (including this confirmation and confirmations (vi) and (vii) mentioned below), and to the best of their knowledge and belief, they have no reason to believe that the Existing Minority Shareholders or their close associates received any preferential treatment, either as cornerstone investors or as placees by virtue of their relationship with our Company, other than, in the case of participation as cornerstone investors, the preferential treatment of assured entitlement under a cornerstone investment following the principles set out in Chapter 4.15 of the Guide for New Listing Applicants, and details of allocation to the Existing Minority Shareholders holding more than 1% of the issued share capital of the Company immediately prior to the completion of the Global

Offering, and/or their close associates will be disclosed in this prospectus (for cornerstone investors, if any) and allotment results announcement (for both cornerstone investors and placees) of our Company;

(vi) our Company will confirm to the Stock Exchange in writing that:

(a) in the case of participation as cornerstone investors, no preferential treatment has been, nor will be, given to the Existing Minority Shareholders or their close associates by virtue of their relationship with our Company, other than the preferential treatment of assured entitlement under a cornerstone investment following the principles set out in Chapter 4.15 of the Guide for New Listing Applicants, nor is the Existing Minority Shareholder in a position to exert influence on the Company to obtain actual or perceived preferential treatment, and the Existing Minority Shareholders or their close associates' cornerstone investment agreements do not contain any material terms which are more favorable to the Existing Minority Shareholders or their close associates than those in other cornerstone investment agreements; or

(b) in the case of participation as placees, no preferential treatment has been, nor will be, given to the Existing Minority Shareholders or their close associates, nor is the Existing Minority Shareholder in a position to exert influence on the Company to obtain actual or perceived preferential treatment, by virtue of their relationship with our Company in any allocation in the placing tranche; and

(vii) in the case of participation as placees, the Joint Overall Coordinators will confirm to the Stock Exchange that, to the best of their knowledge and belief, no preferential treatment has been, nor will be, given to the Existing Minority Shareholders or their close associates by virtue of their relationship with our Company in any allocation in the placing tranche.

DISCLOSURE OF OFFER PRICE

Paragraph 15(2)(c) of Appendix D1A to the Listing Rules provides that the issue price or offer price of each security must be disclosed in the prospectus. Pursuant to paragraph 12 of Chapter 4.14 of the Guide, our Company, the Joint Sponsors, and the Joint Overall Coordinators should conduct a reasonably robust price discovery process before determining a realistic indicative offer price or price-range for inclusion in this prospectus. Therefore, in practice, the Stock Exchange also allows an indicative offer price range to be included in this prospectus, as an alternative to the disclosure of a fixed offer price.

We have applied to the Stock Exchange a waiver from strict compliance with paragraph 15(2)(c) of Appendix D1A to the Listing Rules so that the Company will only disclose the maximum Offer Price in the Prospectus on the below basis:

(a) The Offer Price will be determined with reference to, among other factors, the closing price of the Company's A Shares on the Shenzhen Stock Exchange on the last trading day on or before the Price Determination Date. Our Company is unable to control the trading price of our A Shares on the Shenzhen Stock Exchange;

(b) As a company listed on the ChiNext of the Shenzhen Stock Exchange with A Shares publicly traded thereon, setting a fixed offer price or an offer price range with a low-end may adversely affect (i) the market price of our A Shares, (ii) our ability to price the Offer Shares given potential price fluctuation of our A Shares during the period from the date of the prospectus until the pricing of the Global Offering; and (iii) ultimately our Company's ability to price in the best interest of the Company and its Shareholders and potential investors;

(c) Pursuant to paragraphs 9 and 10(b) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the amount payable on application and allotment on each share, and the price to be paid for shares subscribed for, shall be specified in the Prospectus, respectively. Disclosure of a maximum offer price complies with the requirements prescribed under paragraphs 9 and 10(b) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance by providing a clear indication of the maximum subscription consideration a potential investor shall pay for the Offer Shares; and

(d) A maximum Offer Price will be disclosed in this prospectus. This alternative disclosure approach would not prejudice the interests of the investing public in Hong Kong.

The Stock Exchange has granted to us a waiver from strict compliance with paragraph 15(2)(c) of Appendix D1A to the Listing Rules on the conditions that (1) in no circumstances will we set the Offer Price for the Hong Kong Offer Shares be greater than the maximum Offer Price as stated in the Prospectus; and (2) the Prospectus will disclose:

(a) the maximum Offer Price;

(b) the time for the determination of the Offer Price and the form of its publication;

(c) the historical prices of our A Shares and trading volume on the Shenzhen Stock Exchange during the Track Record Period and up to the Latest Practicable Date;

(d) the determinants of the final Offer Price; and

(e) the source for investors to access the latest market price of our A Shares.

See "Structure of the Global Offering — Pricing of the Global Offering" in this prospectus for the historical prices of our A Shares and trading volume on the Shenzhen Stock Exchange.

DIRECTORS' RESPONSIBILITY STATEMENT

This prospectus, for which our Directors 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 Hong Kong Listing Rules for the purpose of giving information with regard to us. Our Directors, 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.

FILING PROCEDURES WITH THE CSRC

Our filing procedures with the CSRC for the submission of the application to list our H Shares on the Hong Kong Stock Exchange and for the Global Offering were completed on June 22, 2026. In completing such filing, the CSRC accepts no responsibility for our financial soundness, nor for the accuracy of any of the statements made or opinions expressed in this prospectus. No other filings in the PRC are required to be completed for the listing of the H Shares on the Hong Kong Stock Exchange.

UNDERWRITING AND INFORMATION ON THE GLOBAL OFFERING

The Listing is sponsored by the Joint Sponsors and the Global Offering is managed by the Joint Overall Coordinators. 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 subject to our Company and the Joint Overall Coordinators (for themselves and on behalf of the Underwriters) agreeing on the Offer Price. The International Offering is expected to be fully underwritten by the International Underwriters subject to the terms and conditions of the International Underwriting Agreement, which is expected to be entered into on or around the Price Determination Date. For further information about the Underwriters and the Underwriting Arrangements, see "Underwriting".

The Global Offering comprises the Hong Kong Public Offering of initially 5,896,200 Offer Shares and the International Offering of initially 53,064,900 Offer Shares (subject to reallocation on the basis referred to in "Structure of the Global Offering" to this prospectus). Details of the structure of the Global Offering, including its conditions, are set out in "Structure of the Global Offering" to this prospectus.

INFORMATION ABOUT THIS PROSPECTUS

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 Sponsor-Overall Coordinators, the Joint 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 involved in the Global Offering. Neither the delivery of this prospectus nor any offering, sale or delivery made in connection with the H 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.

This prospectus is published solely in connection with the Hong Kong Public Offering, which forms part of the Global Offering. For applicants under the Hong Kong Public Offering, this prospectus sets out the terms and conditions of the Hong Kong Public Offering.

RESTRICTIONS ON OFFERS AND SALES OF THE H SHARES

Each person acquiring the Hong Kong Offer Shares under the Hong Kong Public Offering will be required to confirm, or be deemed by his or her acquisition of Hong Kong Offer Shares to confirm, that he or she is aware of the restrictions on offers and sales of the Offer Shares described in this prospectus. In particular, the Offer Shares have not been offered or sold, and will not be offered or sold, directly or indirectly, in the PRC.

No action has been taken to permit a public offering of the H Shares or the general distribution of this prospectus in any jurisdiction other than in Hong Kong. Accordingly, this prospectus may not be used for the purposes 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 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 and pursuant to registration with or authorization by the relevant securities regulatory authorities or an exemption therefrom.

APPLICATION FOR LISTING OF THE H SHARES ON THE HONG KONG STOCK EXCHANGE

We have applied to the Listing Committee for the listing of, and permission to deal in, the H Shares to be issued pursuant to the Global Offering. No part of the H Shares 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 in the near future.

Under section 44B(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, any allotments made in respect of any applications will be invalid if the listing of, and permission to deal in, the H Shares on the Hong Kong Stock Exchange is refused before the expiration of three weeks from the date of the closing of the application lists, or such longer period (not exceeding six weeks) as may, within the said three weeks, be notified to our Company by the Hong Kong Stock Exchange.

COMPLIANCE WITH HONG KONG LISTING RULES

We will comply with applicable laws and regulations in Hong Kong (including the Hong Kong Listing Rules) and any other undertakings which have been given in favor of the Hong Kong Stock Exchange from time to time. If the Listing Committee finds that there has been a breach by us of the Hong Kong Listing Rules or such other undertakings which may have been given by us in favor of the Hong Kong Stock Exchange from time to time, the Listing Committee may instigate cancellation or disciplinary proceedings in accordance with the Hong Kong Listing Rules.

H SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

Subject to the granting of the listing of, and permission to deal in, the H Shares on the Hong Kong Stock Exchange and compliance with the stock admission requirements of HKSCC, the H Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the Listing Date or on any other date as determined by HKSCC. Settlement of transactions between participants of the Hong Kong Stock Exchange 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 for the H Shares to be admitted into CCASS. Investors should seek the advice of their stockbroker or other professional advisor for details of those settlement arrangements and how such arrangements will affect their rights and interests.

PROCEDURES FOR APPLICATION FOR HONG KONG OFFER SHARES

The procedures for applying for Hong Kong Offer Shares are set out in the section headed "How to Apply for Hong Kong Offer Shares" in this prospectus.

H SHARE REGISTER OF MEMBERS AND STAMP DUTY

All H Shares issued pursuant to applications made in the Hong Kong Public Offering and the International Offering will be registered on our Company's H Share register of members to be maintained by our H Share Registrar, Computershare Hong Kong Investor Services Limited, in Hong Kong. We will maintain our Company's principal register of members at our current registered office in the PRC. Dealings in our H Shares registered in the H Share register of members of our Company in Hong Kong will be subject to Hong Kong stamp duty.

DIVIDENDS PAYABLE TO HOLDERS OF H SHARES

Unless determined otherwise by our Company, dividends payable in Hong Kong dollars in respect of the H Shares will be paid to the Shareholders as recorded on the H Share register of members of our Company in Hong Kong and sent by ordinary post, at the Shareholders' risk, to the registered address of each Shareholder.

REGISTRATION OF SUBSCRIPTION, PURCHASE AND TRANSFER OF H SHARES

Persons applying for or purchasing H Shares under the Global Offering are deemed, by their making an application or purchase, to have represented that they are not close associates (as such term is defined in the Hong Kong Listing Rules) of any of our Directors or any existing Shareholders or a nominee of any of the foregoing.

PROFESSIONAL TAX ADVICE RECOMMENDED

You should consult your professional advisors if you are in any doubt as to the taxation implications of subscribing for, purchasing, holding or disposing of, or dealing in, the H Shares or exercising any rights attaching to the H Shares. We emphasize that none of our Company, the Joint Sponsors, the Sponsor-Overall Coordinators, the Joint Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Underwriters, any of our or their respective directors, officers or representatives or any other person involved in the Global Offering accepts responsibility for any tax effects or liabilities resulting from your subscription, purchase, holding or disposing of, or dealing in, the H Shares or your exercise of any rights attaching to the H Shares.

EXCHANGE RATE CONVERSION

Unless otherwise specified, this prospectus contains certain translations for the convenience purposes at the following rates:

HK$1.00:RMB0.8646
US$1.00:RMB6.7787

No representation is made that any amounts in one currency can be or could have been at the relevant dates converted into the amounts denominated in another currency at the above rate or any other rates or at all.

LANGUAGE

If there is any inconsistency between this prospectus and the Chinese translation of this prospectus, this prospectus shall prevail unless otherwise stated. However, the translated English names of the PRC and foreign national, entities, departments, facilities, certificates, titles, laws, regulations (including certain of our subsidiaries) and the like included in this prospectus are translations of their Chinese names and are included for identification purpose only. If there is any inconsistency, the names in their original languages shall prevail.

The English names of companies incorporated in the PRC are translations from their Chinese names and included for identification purpose only.

DIRECTORS

Name	Address	Nationality
Executive Directors		
Mr. Chow Chi Kwan (周志群)	Room 2, 4/F, Block B Nam Hong Building 23 Hong Lee Road Kwun Tong, Kowloon Hong Kong	Chinese
Mr. Chan Wing Fat (陳榮發)	Flat A, 3/F, Morengo Court 25 Tai Hang Road Wanchai, Hong Kong Island Hong Kong	Chinese
Non-Executive Directors		
Dr. Ho Man (何敏)	Flat D, 35/F, Tower V 23 Tai Hang Drive The Legend Jardine's Lookout Hong Kong	Chinese
Mr. Huang Kaibing (黃開炳)	1H-3302 Panorama Garden, Hualian City Intersection of Chuangye Second Road and Park Road Xian Street, Baoan District Shenzhen, Guangdong PRC	Chinese
Independent Non-Executive Directors		
Mr. Ku Ka Yung (顧嘉勇)	Flat A, 10/F, Block 1 The Summa 23 Hing Hon Road Hong Kong	Chinese
Mr. Zhang Li (張力)	4001, Block B The Peninsula Phase IV Wanghai Road, Nanshan District Shenzhen, Guangdong PRC	Chinese
Ms. Chan Ka Po Rachel (陳嘉寶)	House 29, Mount Riverine 237 Ho Pui Pat Heung Yuen Long, New Territories Hong Kong	Chinese

For further details, see "Directors and Senior Management."

Joint Sponsors	**CMB International Capital Limited** 45/F, Champion Tower 3 Garden Road, Central Hong Kong
	Guosen Securities (HK) Capital Company Limited Room 3207–3212, 32/F One Pacific Place, 88 Queensway Hong Kong
Sponsor-Overall Coordinators and Joint Overall Coordinators	**CMB International Capital Limited** 45/F, Champion Tower 3 Garden Road, Central Hong Kong
	Guosen Securities (HK) Capital Company Limited Room 3207–3212, 32/F One Pacific Place, 88 Queensway Hong Kong
Joint Global Coordinators, Joint Bookrunners, Joint Lead Managers and Capital Market Intermediaries	**CMB International Capital Limited** 45/F, Champion Tower 3 Garden Road, Central Hong Kong
	Guosen Securities (HK) Capital Company Limited Room 3207–3212, 32/F One Pacific Place, 88 Queensway Hong Kong

Joint Bookrunners and Capital Market Intermediaries

Victory Securities Company Limited
20/F, 308 Central Des Voeux
Sheung Wan, Hong Kong

Emperio Securities And Assets Management Limited
28/F, AT Tower
180 Electric Road, North Point
Hong Kong

Joint Lead Managers and Capital Market Intermediaries

Futu Securities International (Hong Kong) Limited
34/F, United Centre
No. 95 Queensway, Admiralty
Hong Kong

Get Nice Securities Limited
G/F Room A, 1/F, 2/F & 3/F, Cosco Tower
Grand Millennium Plaza
183 Queen’s Road Central, Hong Kong

Harmonia Capital Limited
Unit 2505, 25/F, Cosco Tower
183 Queen’s Road Central, Hong Kong

Innovax Securities Limited
Unit 1201–2, 12, 12/F, West Tower
Shun Tak Centre
168–200 Connaught Road Central
Sheung Wan, Hong Kong

Legal Advisors to the Company

As to Hong Kong law:
King & Wood
13/F, Gloucester Tower
The Landmark
15 Queen's Road Central
Hong Kong

Keith Lam Lau & Chan
5th–7th Floors, The Chinese Club Building
21–22 Connaught Road Central
Hong Kong

As to PRC law:
King & Wood
18th Floor, East Tower
World Financial Center
1 Dongsanhuan Zhonglu
Chaoyang District
Beijing
PRC

As to Thai law:
DTL Law Office Co., Ltd.
33/4 The Ninth Tower, Tower A, 34th Floor
Rama 9 Road, Huaykwang Sub-District
Huaykwang District, Bangkok, 10310
Thailand

Legal Advisors to the Joint Sponsors and the Underwriters

As to Hong Kong law:
Eric Chow & Co. in Association with Commerce & Finance Law Offices
3401, Alexandra House
18 Chater Road, Central
Hong Kong

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

Auditor and Reporting Accountants

SHINEWING (HK) CPA Limited
Certified Public Accountants
17/F, Chubb Tower
Windsor House
311 Gloucester Road
Causeway Bay
Hong Kong

Industry Consultant

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

Property Valuer

Greater China Appraisal Limited
Room 1505, 15/F.
No. 8 Queen's Road East
Wan Chai, Hong Kong

Receiving Bank

Bank of China (Hong Kong) Limited
1 Garden Road
Hong Kong

Registered Office	3/F, Forms Syntron Building 8 No.7 South Gaoxin Road Nanshan District Shenzhen PRC
Headquarters and Principal Place of Business in the PRC	3/F, Forms Syntron Building 8 No.7 South Gaoxin Road Nanshan District Shenzhen PRC
Place of Business in Hong Kong	11/F, Rykadan Capital Tower 135 Hoi Bun Road Kwun Tong Hong Kong
Joint Company Secretaries	Mr. Zhu Tianwei 3/F, Forms Syntron Building 8 No.7 South Gaoxin Road Nanshan District Shenzhen PRC
	Ms. Tam Wing Tsz 46/F, Hopewell Centre 183 Queen's Road East Wanchai Hong Kong
Authorized Representatives	Mr. Chan Wing Fat Flat A, 3/F, Morengo Court 25 Tai Hang Road Wanchai, Hong Kong Island Hong Kong
	Ms. Tam Wing Tsz 46/F, Hopewell Centre 183 Queen's Road East Wanchai Hong Kong
Audit Committee	Mr. Zhang Li (*Chairperson*) Mr. Ku Ka Yung Dr. Ho Man
Nomination Committee	Mr. Zhang Li (*Chairperson*) Mr. Chow Chi Kwan Ms. Chan Ka Po Rachel
Remuneration and Appraisal Committee	Mr. Ku Ka Yung (*Chairperson*) Mr. Zhang Li Mr. Chan Wing Fat

Strategy Committee	Mr. Chow Chi Kwan (*Chairperson*) Mr. Chan Wing Fat Dr. Ho Man
Compliance Advisor	**Guosen Securities (HK) Capital Company Limited** Room 3207–3212, 32/F One Pacific Place, 88 Queensway Hong Kong
H Share Registrar	Computershare Hong Kong Investor Services Limited Shops 1712–1716, 17th Floor Hopewell Centre 183 Queen's Road East Wan Chai, Hong Kong
Principal Banks	**Bank of China Shenzhen Central District Branch** 1st Floor, Dinghe Building 100 Fuhua 3rd Road Futian Street, Futian District Shenzhen PRC
Company's Website	**www.formssi.com** *(A copy of this prospectus is available on the Company's website. Except for the information contained in this prospectus, none of the other information contained on the Company's website forms part of this prospectus)*

The information and statistics contained in this section and other sections of this prospectus, unless otherwise indicated, have been extracted from reports prepared by CIC commissioned by us, as well as from various official government publications and other publicly available publications. We engaged CIC for preparing the CIC Report in respect of the Global Offering, which is an independent industry report. We have taken reasonable care in extracting and reproducing such information. We have not, nor have any of the Joint Sponsors, Joint Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Capital Market Intermediaries, any of the Underwriters, or any of our or their respective directors, officers or representatives or any other parties involved in the Global Offering, independently verified the information in the various official government publications nor give any representation as to the accuracy or completeness of such information. As of the Latest Practicable Date, our Directors confirm that, after taking reasonable care, there has been no material adverse change in the market information presented in this section.

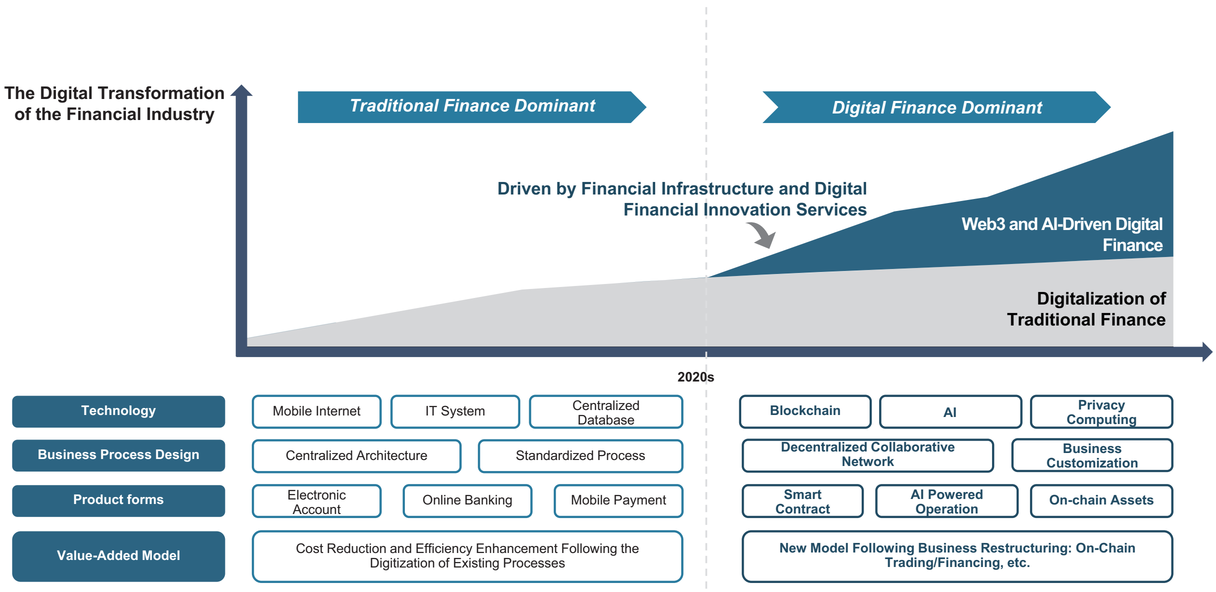
OVERVIEW OF DIGITAL TECHNOLOGY AND THE FINANCIAL INDUSTRY

Web3 and AI Technologies Propel the Transformation of Traditional Finance to Digital Finance

The digitalization of traditional finance has primarily centered on the online migration of business processes and system upgrades. Technologies and product forms represented by the mobile internet, centralized systems, and electronic accounts have driven efficiency improvements in the industry. However, digitalization at this stage has mostly been a partial optimization based on existing architectures, which requires centralized architecture, human involvement and exhibits delayed settlement, without forming a fundamental transformation of the operating model of the financial system.

Entering the 2020s, new-generation technologies such as Web3 and artificial intelligence have become key forces accelerating the development of digital finance. The focus of financial digitalization is gradually shifting from process digitalization to systemic reconstruction and structural upgrades, focusing on shared distributed ledger, and high-degree of automation with the application of new technology. Blockchain-based financial systems will enable real-time settlement and all-day trading of tokenized assets, while generative AI will help financial institutions gain competitive advantages by improving operational efficiency and enabling business innovation. During this process, the promotion of digital finance transformation by financial institutions will become the core engine for the overall expansion of the industry. Among these, financial infrastructure and fintech innovation services will guide the market to unleash greater vitality, enabling financial institutions to securely connect traditional systems with emerging digital finance models, thereby shortening the R&D and launch cycles of digital finance products.

Web3 and AI Technologies Propel the Transformation of Traditional Finance to Digital Finance



Source: BIS Innovation Hub, International Finance Forum, CIC

Comparative Analysis of Digital Finance and Traditional Finance

	Traditional Finance	Digital Finance
Underlying Architecture	Siloed, centralized ledgers requiring reconciliation	Shared Distributed Ledger (DLT); single source of truth
Clearing & Settlement Efficiency	Batch processing with settlement delays (T+1/T+2)	Atomic, real-time settlement (T+0)
Compliance & Transparency	Reactive, manual checks; limited data transparency	Compliance-embedded codes design; real-time auditability
Trust Framework	Intermediary-based (relies on central entity credit)	Code-based (relies on cryptographic consensus)
Operational Availability	Restricted to banking hours and business days	Continuous global availability

Source: BIS, IMF, Chainalysis, CIC

Market Trends of the Next-Generation Digital Financial Industry

- **Accelerated Reconstruction of Financial Market in the Digital Finance Era.** The global financial system is entering a new cycle of asset digitalization. In 2025, the global digital finance market exceeded RMB305.0 trillion and is expected to further grow to RMB450.4 trillion by 2030, with a CAGR of 8.1%. the proportion of tokenized assets in the overall asset structure continues to rise. Relying on characteristics such as verifiability, traceability, and programmability, tokenized assets significantly improve transparency and operational efficiency in key processes such as issuance, rights confirmation, trading, clearing, and cross-border circulation, laying the foundation for growth in the new stage of the financial industry.

- **Clear Regulatory Policy Continues to Accelerate the Development of Digital Finance.** As regulatory policy becomes increasingly clear, traditional financial institutions are accelerating the construction of infrastructure oriented towards tokenized assets platforms, such as building blockchain networks, exploring compliant asset tokenization, and constructing compliant on-chain financial infrastructure. In Chinese Mainland, the 15th Five-Year Plan states that advancing the Digital China initiative is a key driver for cultivating new productive forces, aiming for core digital industries, including digital finance, to account for 12.5% of GDP by 2030. In Hong Kong, the FinTech 2030 Vision, which would focus on DART (Data and payment infrastructure, Artificial Intelligence, Resilience, and Tokenisation of Finance), was brought to the world. Specifically, Project Ensemble, e-HKD+, and the granting of stablecoin issuer licences provide clear policy guidance for the development of digital finance.

- **Continuous Upgrade of Web3 and AI Technology Bases for Digital Finance.** In the process of transforming from traditional finance to digital finance, the demand for continuous upgrades of the underlying technology architecture rises. Web3 and AI underlying technologies and related infrastructure are constantly iterating in terms of standardization and security, gradually moving from pilot applications to large-scale deployment. The next generation of financial markets is expected to adopt a more open and scalable technological foundation, supporting large-scale asset tokenization, cross-institutional collaboration, and intelligent operational systems. Such a foundation may provide a stable basis for the continued development of digital finance over the long term.

OVERVIEW OF THE FINTECH SOFTWARE DEVELOPMENT SERVICES INDUSTRY

Definition and Classification of Fintech Software Development Services

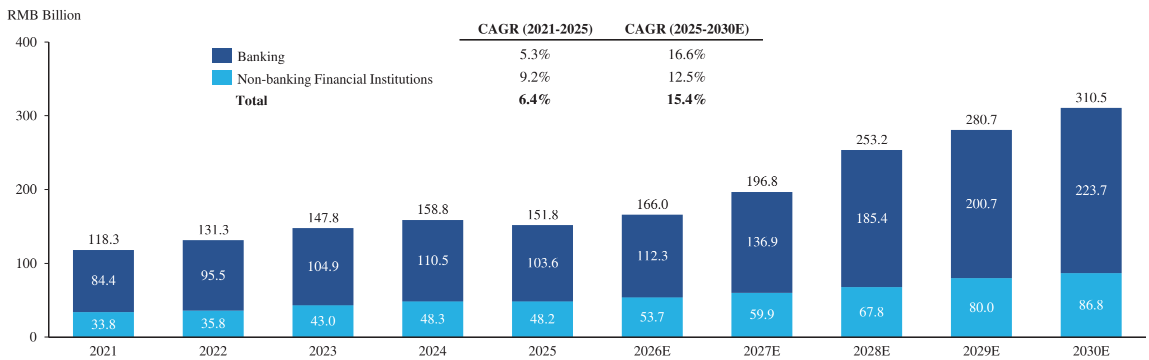
Fintech software development services mainly refer to software-based systems, products, infrastructure, and services provided to financial institutions and regulatory bodies. They not only support the payment, clearing, and settlement capabilities of the banking and non-banking financial industries but also satisfy the front, middle, and back-office needs of various financial institutions in terms of channels, business, and management.

Market Size of Fintech Software Development Services in Chinese Mainland and Hong Kong

The market size of fintech software development services in Chinese Mainland and Hong Kong has grown rapidly in recent years, increasing from RMB118.3 billion in 2021 to RMB151.8 billion in 2025, representing a CAGR of 6.4% during this period. Accompanied by the deepening digital transformation of financial institutions and the accelerated layout of future-oriented fintech fields by the financial institutions, the fintech software development services market in Chinese Mainland and Hong Kong will usher in high-speed development. It is expected to grow to RMB310.5 billion in 2030, with a CAGR of 15.4% from 2025 to 2030.

Among them, the banking industry is the core foundation of financial system operations. In 2025, the banking industry accounted for 68.3% of the fintech software development services market in Chinese Mainland and Hong Kong, and this share is expected to further increase to 72.1% by 2030.

Market Size of Fintech Software Development Services in Chinese Mainland and Hong Kong, by Application Industries, in Terms of Technology Spending, 2021–2030E

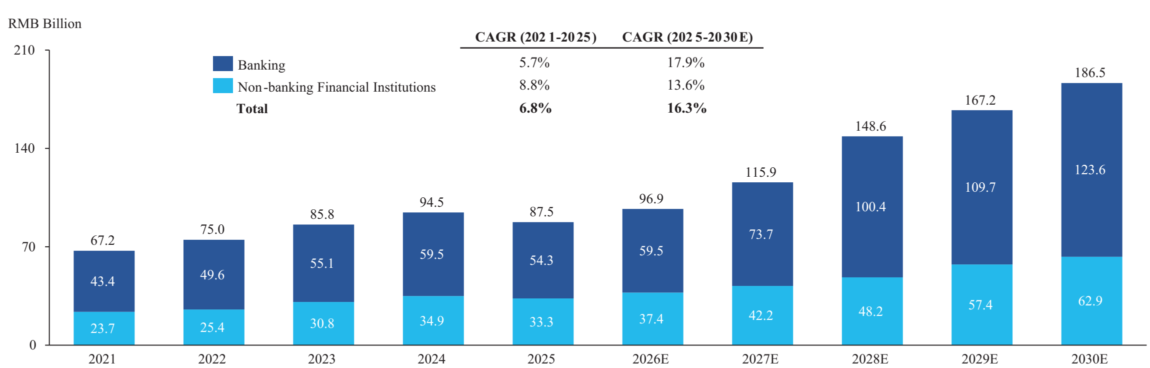


Source: *HKMA, SFC, PBOC, National Bureau of Statistics, CIC*

Note: Technology spending represents the aggregate capital and operational expenditure budgeted by financial institutions for IT infrastructure and digital transformation. It includes in-house IT team expenditure and external services spending.

Measured by revenue, the fintech software development services market in Chinese Mainland and Hong Kong is expected to increase from RMB87.5 billion in 2025 to RMB186.5 billion by 2030, representing a CAGR of 16.3% from 2025 to 2030, driven by the increasing demand for digital transformation among financial institutions and the continuous expansion of fintech application scenarios. The banking industry remained the largest contributor to the market, accounting for 62.0% of the market in 2025, and this share is expected to further increase to 66.3% by 2030.

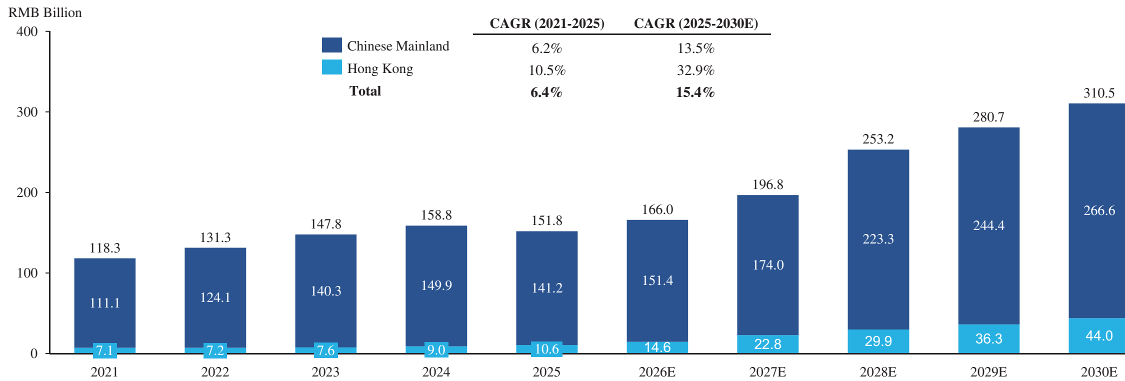
Market Size of Fintech Software Development Services in Chinese Mainland and Hong Kong, by Application Industries, in Terms of Revenue, 2021-2030E



Source: *HKMA, SFC, PBOC, National Bureau of Statistics, CIC*

Chinese Mainland accounts for the major share of the fintech software development services market. Influenced by the rapid development of digital finance, the Hong Kong fintech software development services market is entering a stage of rapid growth, with its market share expected to increase from 7.0% in 2025 to 14.2% in 2030.

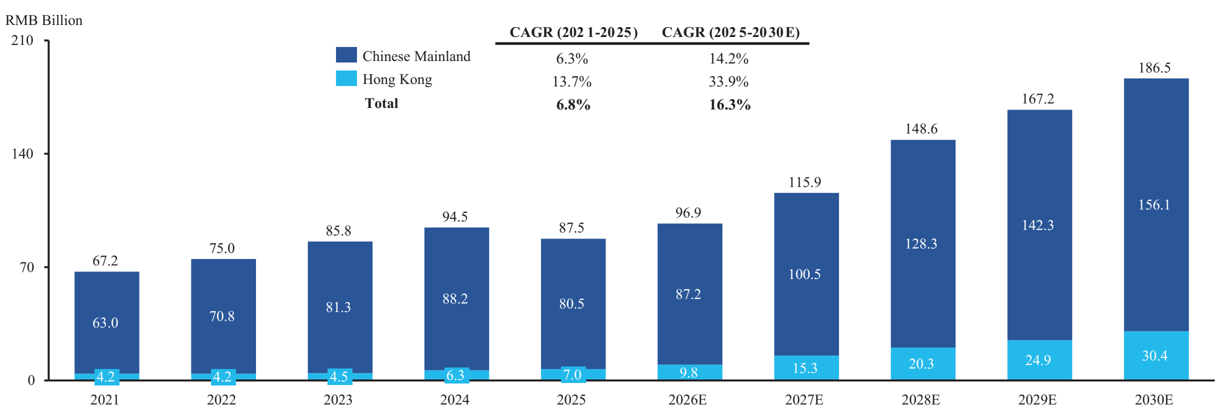
Market Size of Fintech Software Development Services in Chinese Mainland and Hong Kong, by Regions, in Terms of Technology Spending, 2021–2030E



Source: HKMA, SFC, PBOC, National Bureau of Statistics, CIC

Measured by revenue, Chinese Mainland is expected to continue accounting for the major share of the fintech software development services market in Chinese Mainland and Hong Kong, with the market size increasing from RMB80.5 billion in 2025 to RMB156.1 billion by 2030. Benefiting from the accelerating digital transformation of financial institutions and the increasing adoption of fintech solutions, the Hong Kong fintech software development services market is expected to maintain strong growth momentum, with the market size increasing from RMB7.0 billion in 2025 to RMB30.4 billion by 2030, and its market share expected to increase from 8.1% in 2025 to 16.3% by 2030.

Market Size of Fintech Software Development Services in Chinese Mainland and Hong Kong, by Regions, in Terms of Revenue, 2021–2030E



Source: HKMA, SFC, PBOC, National Bureau of Statistics, CIC

Market Drivers of Fintech Software Development Services in Chinese Mainland and Hong Kong

- **Dual Drive of Traditional Finance Services and Digital Finance Infrastructure Demands:** On one hand, financial institutions still need to operate around existing core business systems to ensure the steady operation of traditional financial businesses. On the other hand, projects involving Central Bank Digital Currencies (CBDC) and cross-border payments place substantially greater demands on fintech software development services of advanced and agile technology. These dual factors jointly drive the medium-to-long-term demands for the fintech software development services market in Chinese Mainland and Hong Kong.

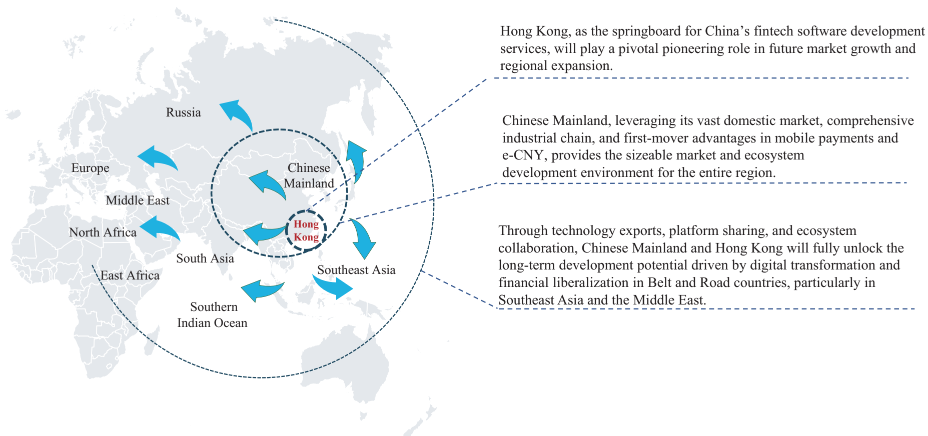
- **Deep Integration of Business and Technology Enhances Supply Quality:** In recent years, blockchain, AI, and other new-generation technologies in Chinese Mainland and Hong Kong have matured rapidly, empowering the organic connection of existing core banking, payment, settlement, and regulatory systems with emerging technologies, driving the iterative upgrade of fintech software development services supply. Simultaneously, leading service providers possessing both compliance and technical capabilities are continuously improving service quality, strengthening technical support for the financial industry in Chinese Mainland and Hong Kong.

- **Clear Domestic Policies Continuously Promote the Development of Fintech and Digital Finance:** Clear Domestic policies continue to promote the sustained development of the digital finance and fintech industries. For example, in October 2025, the "15th Five-Year Plan" at the Fourth Plenary Session of the 20th CPC Central Committee pointed out that the construction of Digital China is an important engine for advancing Chinese modernization and developing new quality productive forces. In addition, the HKMA unveils Fintech 2030, a forward-looking strategy for driving Hong Kong's fintech development, at the Hong Kong FinTech Week 2025. The clearer regulatory structure also posted by government provides a solid basis for the RegTech market, which is expected to rise from 23.0 billion in 2025 to RMB49.4 billion in 2030, measured by technology spending.

Hong Kong's Role as a Pioneer in the Digital Corridor of Financial Industries in Chinese Mainland and the "Belt and Road"

Hong Kong plays a leading exemplary role in the next-generation digital finance transformation driven by Web3 and AI. On one hand, relying on its role as an international capital gateway, Hong Kong forms replicable exemplary applications through pilot projects such as regulatory sandboxes, CBDCs, and compliant asset tokenization. On the other hand, leveraging its deep interconnection with Chinese Mainland, Hong Kong has built a digital finance influence body with a complete ecosystem. Operating from this hub, it extends its services to Southeast Asia, the Middle East, and other "Belt and Road" regions, providing digital finance infrastructure, technical standards, and governance experience. Through rule docking, capacity building, and collaborative innovation, Hong Kong not only connects all parties but also promotes regional partners to participate, build, and share together, truly exerting its catalytic and empowering role as a pioneer of the digital finance corridor, making it an indispensable digital finance facilitation hub between Chinese Mainland and Southeast Asia, the Middle East, and more "Belt and Road" countries, and even the global market.

Impact of Hong Kong on the Development of the Fintech Software Development Services Industry in the "Belt and Road" Economic Belt

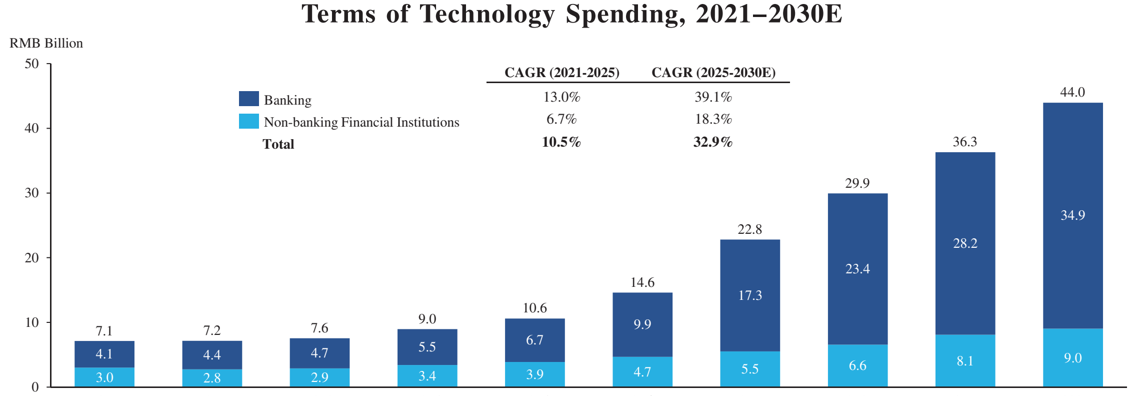


Source: Institute Of International Studies Fudan University, CIC

Hong Kong Fintech Software Development Services Market Size

The overall market size of the Hong Kong fintech software development services market reached RMB10.6 billion in 2025, with a CAGR of 10.5% from 2021 to 2025. In the future, with the gradual improvement of Hong Kong's digital finance regulatory framework and the verification of corresponding pilot scenarios, the Hong Kong fintech software development services market will move towards rapid expansion. It is expected that the market size will reach RMB44.0 billion in 2030, with a CAGR of 32.9% from 2025 to 2030.

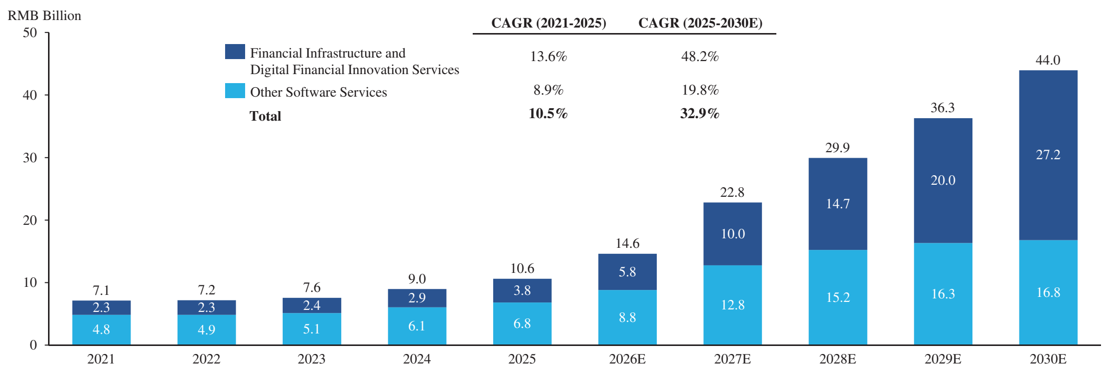
Hong Kong Fintech Software Development Services Market Size, by Application Industries, in Terms of Technology Spending, 2021–2030E



Source: HKMA, SFC, CIC

With the development of frontier technologies such as blockchain and AI and the advancement of digital finance in Hong Kong, financial infrastructure and digital financial innovation services will become an important segment of the Hong Kong fintech software development services market. Such services can further promote the participation of central banks, commercial banks, and other banking institutions in asset tokenization, on-chain settlement, and AI-driven financial activities. It is expected that by 2030, this market size will grow from RMB3.8 billion in 2025 to RMB27.2 billion, with a projected CAGR of 48.2% during the period, occupying a dominant market position.

Hong Kong Fintech Software Development Services Market Size, by Service Type, in Terms of Technology Spending, 2021–2030E



Source: HKMA, SFC, CIC

Drivers of the Hong Kong Fintech Software Development Services Market

- **Strategic Imperative for Cross-Border Settlement Efficiency and Digital Asset Infrastructure:** As one of the world's important financial centers, Hong Kong faces immediate pressure to overcome the latency and high costs of traditional correspondent banking. This drives urgent institutional demand for CBDC infrastructure, requiring banks to upgrade systems to maintain liquidity efficiency. Simultaneously, the HKMA's advancement of wholesale CBDC and tokenized deposits (e.g., Project Ensemble) compels financial institutions to technically integrate their legacy core banking ledgers with DLT-based networks. These initiatives transform innovation into a competitive necessity.

- **Favorable Policies Promoting Long-term Development of Fintech:** The HKMA announced the "Fintech 2030" vision in November 2025, actively promoting the development of Hong Kong fintech and formulating forward-looking strategies aiming to build Hong Kong into a robust, resilient, and forward-looking international fintech hub. It is further promoting the development of the digital finance industry through a series of supportive policies, including the "Policy Statement 2.0 on the Development of Digital Assets in Hong Kong" and the " VATP Licensing Handbook."

- **Technology Accumulation Driving Supply Upgrades:** Hong Kong's financial industry has increased investment in compliant digital currencies, tokenized assets, Web3 technologies, and generative AI technologies, accumulating more reusable solutions and implementation experience. With the active participation of more leading technology service providers in regulated Web3 and tokenized assets, the supply of fintech software development services in Hong Kong will be further upgraded.

Market Size and Market Drivers of Fintech Software Development Services in "Belt and Road" Countries

The "Belt and Road" markets are increasingly adopting the mature fintech architectures validated in the Chinese Mainland and Hong Kong. Specifically, in Southeast Asia, rising smartphone penetration and the expansion of digital banking and payment ecosystems drove the fintech software development services market to RMB16.1 billion in 2025. Looking ahead, the launch and expansion of digital banking services, broader adoption of AI-enabled financial solutions and enhanced cross-border payment connectivity are expected to further stimulate demand. Accordingly, the market is projected to reach RMB96.1 billion by 2030, representing a CAGR of 42.9% from 2025 to 2030. Meanwhile, in the Middle East, government-led digital transformation initiatives and the modernization of financial systems are the principal market drivers. The fintech software development services market reached RMB41.2 billion in 2025. Supported by continued investment in digital financial infrastructure and the implementation of open banking frameworks, the market is expected to grow to RMB74.4 billion by 2030, representing a CAGR of 12.5% from 2025 to 2030.

COMPETITIVE OVERVIEW OF THE FINTECH SOFTWARE DEVELOPMENT SERVICES MARKET

Competitive Landscape and Ranking of the Fintech Software Development Services Market in the Banking industry in Chinese Mainland and Hong Kong

Currently, the fintech software development services market in the banking industry in Chinese Mainland and Hong Kong is relatively fragmented and highly competitive. This market is primarily contributed by the fintech software development services providers and the bank in-house development teams. In 2025, the revenue of fintech software development services providers accounted for approximately 52% of the total market size in the banking industry. In terms of revenue from fintech software development services in the banking industry in 2025, the Company ranked 17th in Chinese Mainland and Hong Kong.

Top 20 Fintech Software Development Service Providers in the Banking Industry in Chinese Mainland and Hong Kong by Revenue, 2025

Ranking	Company	Revenue from Fintech Software Development Services in the Banking Industry	Market Share
		(RMB Billion)	(%)
1	Company A	4.50	8.4%
2	Company B	3.17	5.9%
3	Company C	2.58	4.8%
4	Company D	2.19	4.1%
5	Company G	1.82	3.4%
6	Company E	1.72	3.2%
7	Company H	1.71	3.2%
8	Company I	1.50	2.8%
9	Company K	1.45	2.7%
10	Company J	1.34	2.5%
11	Company L	1.11	2.1%
12	Company F	0.90	1.7%
13	Company N	0.82	1.5%
14	Company M	0.81	1.5%
15	Company Q	0.72	1.3%
16	Company R	0.69	1.3%
17	**The Company**	**0.61**	**1.1%**
18	Company S	0.60	1.1%
19	Company T	0.58	1.1%
20	Company U	0.56	1.0%
	Sum of Top 20	**29.37**	**54.7%**
	Sum of the Others	**24.00**	**45.3%**
	Market Total	**53.37**	**100.0%**

Source: IDC, Annual reports, Expert Interviews, CIC

Notes:

(1) Company A was established in 2011, headquartered in Shanghai, China, and is unlisted. It primarily provides solutions for core systems, data middle platforms, and credit management to financial institutions such as banks and other software services for manufacturing, automotive, etc., with over 600 clients in financial industry and over 40 thousand employees.

(2) Company B was established in 1999, headquartered in Beijing, China, and is listed on the Shenzhen Stock Exchange. It primarily provides e-banking, credit management, risk management to financial institutions such as banks, with over 490 clients in financial industry and over 10 thousand employees.

(3) Company C was established in 1985, headquartered in Beijing, China, and is listed on the Shenzhen Stock Exchange. It primarily provides software development and technology services to financial institutions, government, etc., serving over 1,900 financial institutions with over 16,000 technical personnels.

(4) Company D was established in 2001, headquartered in Beijing, China, and is listed on the Shenzhen Stock Exchange. Its revenue primarily originate from software development and system integration services in industries such as healthcare, finance, and government affairs, collaborating with over 1,000 medical institutions with over 6,000 R&D personnels.

(5) Company E was established in 2003, headquartered in Beijing, China, and is listed on the Shenzhen Stock Exchange. It primarily provides services such as credit and risk management to banking financial institutions, serving over 300 financial institutions with over 8,000 employees.

(6) Company F was established in 2015, headquartered in Guangdong Province. It primarily provides services such as digital retail, credit, and intelligent voice customer service to financial institutions such as banks, covering over 20 countries and regions with nearly 2,000 technical personnels.

(7) Company G was established in 2002, headquartered in Guangdong Province, China, and is listed on the Shenzhen Stock Exchange. It primarily provides services such as core systems, credit support, and channel platforms to financial institutions such as banks, serving over 800 financial institutions in more than 10 countries and regions.

(8) Company H was established in 1998, headquartered in Yunnan Province, China, and is listed on the Shenzhen Stock Exchange. It primarily provides integration solutions, IT products and industrial internet, and software development for industries such as finance and government affairs, serving over 10,000 clients and executing over 60,000 programs.

(9) Company I was established in 2000, headquartered in Beijing, China, and is listed on the Hong Kong Stock Exchange. It primarily provides AI software and service, ERP and digitalization service and smart cloud service for finance industry, medical industry, smart city, etc., with network covering over 70 cities worldwide and approximately 80,000 employees.

(10) Company J was established in 2005, headquartered in Beijing, China, and is listed on the Shenzhen Stock Exchange. It primarily provides software and technology service, computing products and smart electronics for high-tech and manufacturing, internet operations, fintech industry, etc., serving over 2,600 clients in more than 10 industries.

(11) Company K was established in 2006, headquartered in Jiangsu Province, China, and is listed on the Shenzhen Stock Exchange. It provides software and hardware solutions in fields such as finance, IoT, and energy, with 3 oversea branches and over 17,000 employees.

(12) Company L was established in 1995, headquartered in Zhejiang Province, China, and is listed on the Shanghai Stock Exchange. It primarily provides software solutions related to wealth management, asset management, and brokerage business for financial institutions, with over 10,000 employees.

(13) Company M was established in 2003, headquartered in Beijing, China, and is listed on the Shenzhen Stock Exchange. It provides software development and integration services primarily in financial industry, with 13 subsidiaries executing over 7,000 cases.

(14) Company N was established in 2001, headquartered in Shanghai, China, and is listed on the Shanghai Stock Exchange. It primarily provides credit risk control solutions for financial institutions such as banks, focusing on domestic market with over 3,000 employees.

(15) Company Q was established in 1995, headquartered in Beijing, China, and is listed on the Shenzhen Stock Exchange. It is primarily engaged in consulting, digital tech support and business operation services, with over 100 clients and approximately 30 thousand employees worldwide.

(16) Company R was established in 1998, headquartered in Beijing, China, and is listed on the Shenzhen Stock Exchange. its business covers air traffic control, public security, media, government institutions and etc., delivering information-based solutions including software development, system integration and professional technical services, with over 100 clients in the financial sector and nearly 2 thousand employees.

(17) Company S was established in 1999, headquartered in Guangdong Province, and is listed on the Shenzhen Stock Exchange with businesses covering intelligent finance, digital government, smart transportation, public security, smart education and etc. It has over 700 clients and over 30 thousand employees.

(18) Company T was established in 2016, headquartered in Shanghai, China, and is a private company mainly providing information-based services including consulting, software development and operation & maintenance services for financial institutions dominated by banks, with over 200 clients and over approximately 4 thousand employees worldwide.

(19) Company U was established in 1996, headquartered in Beijing, China, and is listed on the Shanghai Stock Exchange. It focuses on the development of industry application software, with businesses covering application software, supporting software, system integration and other services. It has served over 3 thousand clients and obtained over 18 thousand employees.

Entry Barriers and Key Success Factors of the Fintech Software Development Services Market in the Banking industry in Chinese Mainland and Hong Kong

- **Deep Industry Know-How.** Banking operations such as core systems, credit risk control, and payment clearing are highly complex, requiring service providers to possess comprehensive understanding capabilities spanning business, technology, and regulation. This requires long-term cultivation in the industry to accumulate reusable models, technical frameworks, and methodologies to ensure precise matching of system design with business requirements.

- **Stable and Reliable Project Delivery Capability.** Fintech software development projects are large in scale, have long cycles, complex technical architectures, and require long-term stable operation. Service providers need full-stack technical reserves, large-team collaboration capabilities, and high-quality production capabilities to meet the high operational management standards of various banks.

- **Comprehensive Understanding of Regulation, Security, and Compliance.** Banks have strict requirements for regulatory compliance, data security, and independent controllability. Service providers are required to meet high-spec standards in architecture design, data security, and audit compliance to ensure systems pass multiple rounds of regulatory and third-party testing.

- **Customer Resources and Ecosystem Synergy.** Bank digitalization favors service providers capable of offering long-term services, emphasizing business continuity, strategic synergy, system integration, and continuous operation, and will not easily replace existing partners. Service providers need to deeply understand client business and system architectures, closely collaborate with clients, and co-build cooperative ecosystems to achieve the implementation of complex projects and build sustainable competitive barriers.

Competitive Landscape and Ranking of the Hong Kong Fintech Software Development Services Market

Hong Kong is the pioneer of the digital corridor for the financial industries of Chinese Mainland and the "Belt and Road," leading in digital finance construction and promoting the development of corresponding financial infrastructure and fintech innovation service markets. Consistent with the above, fintech software development services market in the banking industry in Hong Kong is mainly driven by fintech software development service providers alongside in-house development teams within banks. In 2025, the revenue of fintech software development services providers accounted for approximately 65% of the total market size in the banking industry in Hong Kong. Similar to Chinese Mainland, the Hong Kong banking fintech software development services market is relatively fragmented, with the top five service providers occupying 29.7% of the market share.

In 2025, measured by revenue from fintech software development services, the Company was the largest service provider of fintech software development services in Hong Kong, occupying approximately 10.9% of the market share.

Top 5 Fintech Software Development Service Providers in the Banking Industry in Hong Kong by Revenue, 2025

Ranking	Company	Revenue from Fintech Software Development Services in the Banking Industry	Market Share
		(RMB Billion)	(%)
1	**The Company**	**0.49**	**10.9%**
2	Company A	0.32	7.2%
3	Company P	0.20	4.4%
4	Company O	0.17	3.8%
5	Company L	0.15	3.4%
	Sum of Top 5	**1.32**	**29.7%**
	Sum of the Others	**3.11**	**70.3%**
	Market Total	**4.43**	**100.0%**

Source: Annual reports, Expert Interviews, CIC

Notes:

(1) Company O was established in 2005 and headquartered in Hong Kong, China, and is listed on Nasdaq, mainly providing products revolving around credit cards and related payment systems, covering over 20 countries and regions with over 3,500 employees.

(2) Company P was established in 1989 and headquartered in Ireland, and listed on NYSE, mainly providing IT consulting, technical support, and related services to clients, covering over 120 countries and regions with over 784 thousand employees.

Entry Barriers and Key Success Factors in the Hong Kong Fintech Software Development Services Market

- **Accurately Understanding of Regulatory Policy.** The market for financial infrastructure and fintech innovation services in Hong Kong is currently still mainly policy-driven, and system construction must strictly meet the requirements of multiple regulatory authorities. By continuously participating in the design and implementation of financial infrastructure by regulatory authorities, accurately understanding regulatory intent, maintaining synchronized communication with regulatory authorities, and translating regulatory requirements into system design logic, relevant service providers can offer higher-quality services and form differentiated competitive barriers.

- **Technological Innovation Driving Fusion of Web2 and Web3.** In the digital finance era, platform system construction for financial institutions and regulatory authorities usually involves the adaptation and integration of traditional banking systems with Web3 components. Service providers need to bridge existing Web2 modules and key Web3 technologies through technological innovation to meet the dual requirements of compliance and innovation.

- **International Delivery and Agile Implementation Capability.** As many financial projects in Hong Kong involve cross-border collaboration, leading service providers need not only to understand regulatory and legal requirements across regions but also to meet international standards in system architecture, data governance, and privacy protection to ensure global reliable delivery. Furthermore, facing Hong Kong's highly internationalized financial market, service providers must possess advanced technical implementation capabilities such as agile R&D, minimum viable product construction, and compliant system deployment to ensure technology keeps pace with business changes and regulatory requirements.

Comparative Analysis of Key Market Players in Chinese Mainland and Hong Kong Fintech Software Development Industry, 2025

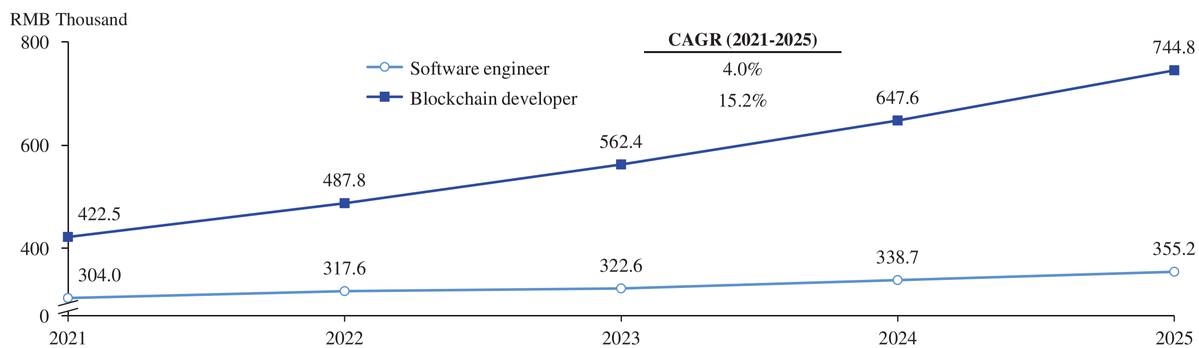
	Fintech Software Development Services								Consulting Services	System Integration Services
	Banking Technology Services							Financial Infrastructure and Fintech Innovation Services		
	Banking Product Portfolio			Digital Banking Channel Solutions		Banking Operation and Data Services				
Company Name	Core banking	Personal finance	Corporate finance	Online Banking	Mobile Banking	Integrated analytics and automation platforms	Operation management software			
The Company	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Company A	✓	×	✓	✓	✓	×	✓	✓	✓	×
Company B	✓	✓	✓	✓	✓	✓	✓	✓	✓	×
Company C	✓	✓	✓	✓	✓	✓	×	✓	✓	×
Company D	×	×	✓	×	×	×	×	×	×	✓
Company E	×	×	✓	✓	✓	✓	✓	×	✓	×
Company F	✓	✓	✓	×	✓	×	×	×	✓	×
Company G	✓	✓	✓	×	×	✓	×	×	✓	×
Company H	✓	×	✓	✓	×	✓	×	✓	×	✓
Company I	×	×	✓	✓	✓	✓	✓	✓	✓	×
Company J	×	×	✓	✓	✓	×	×	✓	✓	×
Company K	✓	✓	✓	✓	✓	✓	×	×	×	✓
Company L	×	✓	✓	×	×	×	×	✓	×	×
Company M	×	×	✓	×	×	✓	✓	×	✓	×
Company N	✓	×	✓	×	×	×	×	×	✓	×
Company O	✓	✓	✓	✓	✓	✓	×	✓	✓	×
Company P	✓	×	✓	×	×	×	✓	✓	×	×

Source: Annual reports, CIC

LABOR COST OF KEY TECHNICAL ROLES

IT labor costs in Hong Kong maintain a continuous upward trajectory. Notably, compensation growth for blockchain developers significantly outpaces the broader sector due to acute scarcity. We project this trend will persist as the structural shortage of specialized technical talent continues to lag behind industry expansion.

Labor Cost Index of IT industry in Hong Kong



Source: HKMA, SFC, PBOC, National Bureau of Statistics of China, CIC

Data sources and reliability

We have commissioned CIC to analyze and report on fintech software development services market. CIC is a market research and consultancy firm established in Hong Kong and is engaged in the provision of professional consultancy services in a wide range of industries. We have agreed to pay CIC a fee of RMB0.72 million for the preparation of the CIC report. The information referenced in this section, as well as in the "Summary", "Risk Factors", "Business", "Financial Information" and other sections of this prospectus, is intended to provide potential investors with a fuller picture of the industry in which we operate. Unless otherwise stated, all the information and forecasts contained in this section are derived from the CIC report.

The data collected by CIC has been analyzed, evaluated and verified using CIC's internal analytical models and techniques. The primary research is conducted through interviews with key industry experts and leading industry players. Secondary research involves analysis of data from publicly available sources.

The market forecasts in the CIC Report are based on the following key assumptions: (1) During the forecast period, it is expected that China's overall social, economic and political environment is expected to remain stable; (2) During the forecast period, key industry drivers are likely to continue to drive growth in fintech software development services market, such as increasing downstream demand, technological advancements, policy support, etc. and (3) During the forecast period, there will be no extreme force majeure or unforeseen industry regulations that could have a sharp or fundamental impact on the market.

LAWS AND REGULATIONS RELATED TO OUR BUSINESS IN CHINESE MAINLAND

Laws and Regulations on Corporation

Company entities established, operated, and managed within the territory of Chinese Mainland are subject to the Company Law of the People's Republic of China (《中華人民共和國公司法》) (the "**Company Law**"). The Company Law regulates the establishment, operation, corporate structure, and management of corporate entities in China. According to the Company Law, the companies established in the Chinese Mainland may take the form of limited liability company or joint stock company with limited liability. Each company has the status of a legal person and owns the assets itself. The Company Law also applies to foreign-invested companies.

Laws and Regulations on Foreign Investment

Foreign invested entities in the Chinese Mainland are also subject to the foreign investment laws and regulations including the Foreign Investment Law of the People's Republic of China (《中華人民共和國外商投資法》) (the "**Foreign Investment Law**") and the Regulations on Implementing the Foreign Investment Law of the People's Republic of China (《中華人民共和國外商投資法實施條例》). According to the Foreign Investment Law, the Chinese Mainland adopts a system of national treatment which includes a negative list with respect to foreign investment administration. The negative list will be issued by, amended, or released upon approval by the State Council, from time to time.

On September 6, 2024, the NDRC and the MOFCOM jointly issued the Special Administrative Measures for Access of Foreign Investment (Negative List) (2024 Edition) (《外商投資准入特別管理措施(負面清單) (2024年版)》) (the "**Negative List**"). The Negative List uniformly sets forth the ownership requirements, requirements for senior executives, and other special administrative measures for the access of foreign investment. Fields not on the Negative List shall be administered under the principle of equal treatment for both domestic and foreign investment.

On December 25, 2025, the MOFCOM and the NDRC promulgated the Catalog of Industries for Encouraging Foreign Investment (2025 Version) (《鼓勵外商投資產業目錄 (2025年版)》) (the "**Encouraging Catalog**"). The Encouraging Catalog lists the industries that encourage foreign investment.

Pursuant to the Measures for the Reporting of Foreign Investment Information (《外商投資信息報告辦法》), where a foreign investor carries out investment activities in Chinese Mainland directly or indirectly, the foreign investor or the foreign-invested enterprise shall submit the investment information in a timely manner to the competent commerce department.

Laws and Regulations on Overseas Investment

According to the Administrative Measures for Overseas Investment (《境外投資管理辦法》) the MOFCOM and the provincial-level competent departments of commerce shall respectively implement the administration of filing and approval according to the different circumstances of enterprises' overseas investments. Where an enterprise's overseas investment involves sensitive countries and regions or sensitive industries, it shall be subject to approval management. Overseas investment by enterprises under other circumstances shall be subject to record-filing management.

According to the Administrative Measures for Overseas Investment of Enterprises (《企業境外投資管理辦法》), domestic enterprises (the "**Investors**") carrying out overseas investments shall complete the formalities such as approval and filing of overseas investment projects, report relevant information, and cooperate with supervision and inspection.

According to the State Council Provisions on Outbound Investment (《國務院關於對外投資的規定》) issued by the State Council on June 1, 2026, which will take effect on July 1, 2026, if an investor fails to fulfill the approval or record-filing procedures for outbound investment as required, the approval or record-filing authority shall order the investor to rectify the non-compliance, confiscate any illegal gains, and impose a fine of not less than 1‰ but not more than 5‰ of the investment amount. If the investor refuses to rectify, the authority shall order the suspension of the investment activity and the disposal of shares and assets within a specified period, and impose a fine of not less than 5‰ but not more than 10‰ of the investment amount. The directly responsible supervisors and other directly responsible personnel shall each be fined not less than RMB20,000 but not more than RMB50,000. From the effective date of the penalty decision, the relevant competent authorities may refuse to accept any approval or record-filing application submitted by the violating party for a period of three years, or prohibit the violating party from engaging in outbound investment activities for a period of not less than one year but not more than three years.

Laws and Regulations on Cyber Security , Data Security and Personal Information Protection

In accordance with the Law of the Cybersecurity Law of the People's Republic of China (《中華人民共和國網絡安全法》), Network operators must comply with applicable laws and regulations and fulfill their obligations to safeguard network security in conducting business and providing services. Network operators must take technical and other necessary measures as required by laws to safeguard the operation of networks, respond to network security events effectively, prevent illegal and criminal activities in the cyberspace, and maintain the integrity, confidentiality and usability of network data. Chinese Mainland adopts graded system for cybersecurity protection, under which network operators are required to perform the obligations of security protection to ensure that the network is free from interference, disruption or unauthorized access, and prevent network data from being disclosed, stolen or tampered.

In accordance with the Administrative Measures for the Hierarchical Protection of Information Security (《信息安全等級保護管理辦法》) and Information security technology — Classification guide for classified protection of cybersecurity (《信息安全技術網絡安全等級保護定級指南》), the hierarchical protection of the information security at the national level shall follow the principle of "independent grading and independent protection". Accordingly, the security protection grade of the information system shall be determined by entities operating and using an information system in accordance with the applicable rules.

In accordance with the State Security Law of the People's Republic of China (《中華人民共和國國家安全法》), the PRC government shall develop network and information security assurance system, enhance network and information security assurance capabilities, strengthen innovative research and development and application of network and information technologies and realize the security and controllability of network and information core technologies, critical infrastructure and information systems and data in key areas; the PRC government shall also enhance network management, prevent, deter and punish network criminal acts such as cyber-attacks, network intrusion, network theft and illegal spread of harmful information in order to safeguard the sovereignty, security and development interests of the state cyberspace.

In accordance with the Ninth Amendment to the Criminal Law of the People's Republic of China (《中華人民共和國刑法修正案(九)》), a network service provider is subject to criminal liability if such network service provider fails to perform such obligation to manage information network security as specified by laws and administrative regulations, and refuses to make corrections when is ordered by a supervisory authority to do so, and involves any of the specified serious cases.

In accordance with the Data Security Law of the People's Republic of China (《中華人民共和國數據安全法》), Chinese Mainland protects the rights and interests of individuals and organizations relating to data, encourages the lawful, reasonable and effective use of data, guarantees the orderly and free flow of data in accordance with the law, and promotes the development of the digital economy with data as a key element. Chinese Mainland shall establish a data classification and grading protection system, formulate the important data catalogs to enhance the protection of important data and establish national core data management system to provide stricter protection of national core data. Processors of data shall establish a sound data security management system throughout the whole process, organize data security education and training, and take corresponding technical measures and other necessary measures to ensure data security, in accordance with the provisions of laws and regulations. To carry out data processing activities by making use of the Internet or any other information network, the aforesaid obligations for data security protection shall be performed on the basis of the graded protection system for cybersecurity. Processors of important data shall specify the person responsible for data security and management agencies, implement data security protection responsibilities, periodically conduct risk assessments of such data processing activities as provided and submit risk assessment reports to the relevant authorities.

On August 20, 2021, the SCNPC promulgated the Personal Information Protection Law (《中華人民共和國個人信息保護法》). The Personal Information Protection Law aims to protect the rights and interests of personal information, regulate the processing of personal information, safeguard the orderly and free flow of personal information in accordance with the law, and promote the rational use of personal information. The Personal Information Protection Law establishes a comprehensive system of rules for the processing of personal information, including that the processing of personal information shall have a clear and reasonable purpose, that the processing of sensitive information is subject to additional protection, that the provision of personal information to outsiders and the entrusted processing of personal information requires the signing of a special agreement to ensure security, that the preservation, deletion, disclosure and automated decision-making of personal information should comply with special rules, and that processors of personal information should have appropriate organizational, institutional and technical measures in place. Processing of personal information in violation of the provisions of the Personal Information Protection Law or failure to comply with the relevant personal information protection obligations will result in the relevant entity being subject to warnings, fines, suspension of business for rectification, revocation of business permits and business licenses, and/or even being pursued for criminal liability.

On July 30, 2021, the State Council promulgated the Regulations for Safe Protection of Critical Information Infrastructure (《關鍵信息基礎設施安全保護條例》) (the "**Safe Protection Regulations**"). Pursuant to the Safe Protection Regulations, critical information infrastructure refers to important network infrastructure and information system in public telecommunications, information services, energy sources, transportation and other critical industries and domains, in which any destruction or data leakage will have severe impact on national security, the nation's welfare, the people's living and public interests. The Regulations for Safe Protection of Critical Information Infrastructure stipulate that the aforementioned competent authorities and supervision and administration authorities of important industries and fields are the authorities responsible for critical information infrastructure security protection. Such agencies shall be responsible for organizing the determination of critical information infrastructure in the industry and field concerned according to the determination rules, inform the operators of the determination results in a timely manner, and notify the public security department under the State Council of the same. An operator shall assume strict operator responsibilities after being recognized as a critical information infrastructure operator.

According to the Cybersecurity Review Measures (2021) (《網絡安全審查辦法(2021)》), critical information infrastructure operators who purchase network services that affect or may affect national security shall report to the cybersecurity review office for a cybersecurity review. Online platform operators possessing personal information of more than 1 million users must report to the cybersecurity review office for a cybersecurity review before going public abroad.

On March 22, 2024, the CAC promulgated the Provisions on Facilitating and Regulating Cross-Border Data Flows (《促進和規範數據跨境流動規定》). The Provisions on Facilitating and Regulating Cross-Border Data Flows update the Measures for Cross-border Data Transfer Security Assessment and the Measures for the Standard Contract for the Cross-border Transfer of Personal Information previously implemented by the CAC. This provision first specifies the criteria for declaring important data for cross-border transfer security assessment. Secondly, it specifies the conditions for data cross-border transfer that are exempted from declaring the security assessment of cross-border data transfer, signing and filing a Standard Contract for the Cross-border Transfer of Personal Information, and applying for Personal Information Protection Certification. Third, it establishes a negative list system for pilot free trade zones. Fourth, adjusting the conditions for data cross-border transfer that should be declared for the security assessment of cross-border data transfer, signing and filing a Standard Contract for the Cross-border Transfer of Personal Information, and applying for Personal Information Protection Certification. Fifth, the validity period of the results of the security assessment of cross-border data transfer should be extended, and the provision that data processors may apply for an extension of the validity period of the assessment results should be made.

On September 24, 2024, the State Council issued the Regulations on Network Data Security Management (《網絡數據安全管理條例》). The regulation introduces several key obligations, including requiring network data handlers to specify the purpose and method of personal information processing, as well as the types of personal information involved, before any personal information is handled. It also clarifies definitions for important data, outlines the obligations of those handling important data, establishes broader contractual requirements for data sharing between data handlers, and introduces a new exemption for regulatory obligations regarding cross-border data transfers. The regulation also provides that Network data processors conducting any data processing activities that affect or may affect national security shall undergo national security review in accordance with relevant national regulations.

Laws and Regulations on Intellectual Property Rights

Trademarks

Pursuant to the Trademark Law of the People's Republic of China (《中華人民共和國商標法》) and the Implementation Provisions of the Trademark Law of the People's Republic of China (《中華人民共和國商標法實施條例》), registered trademarks in Chinese Mainland include commodity trademarks, service trademarks, collective trademarks and certification trademarks. The Trademark Office of China National Intellectual Property Administration handles trademark registrations and grants a term of ten years to registered trademarks, and another ten years if requested upon expiry of the first or any renewed ten-year term.

Patents

According to the Patent Law of the People's Republic of China (《中華人民共和國專利法》) and the Implementation Regulations for the Patent Law of the People's Republic of China (《中華人民共和國專利法實施細則》), patents are divided into 3 categories, i.e. invention patents, utility model patents and design patents. The validity period of patents for inventions is 20 years, while the validity period of patents for utility models is 10 years, and the validity period of patents for designs is 15 years, all starting from the date of application. The patent right enjoyed by the patentee shall be protected by law. No one is allowed to use the patent without the permission or authorization of the patentee, otherwise, the use of the patent will constitute patent infringement.

Software Registration

In accordance with the Regulations on the Protection of Computer Software (《計算機軟件保護條例》), Chinese citizen, legal person or other organization is entitled under the copyright of the software he/it has developed, including the right of publication, right of acknowledgment, right of alteration, right of reproduction, right of distribution, right of leasing, right of dissemination, right of translation and other rights that software copyright owners shall have, regardless of whether such software has been published.

In accordance with the Measures for Registration of Computer Software Copyright (《計算機軟件著作權登記辦法》), software copyrights, exclusive software copyright licensing contracts and transfer contracts shall be registered, and the National Copyright Administration shall be the competent authority for the administration of software copyright registration and has certified the China Copyright Protection Centre as the institution responsible for software registration. Applications that comply with the rules shall be granted registration, and a corresponding registration certificate shall be issued by the China Copyright Protection Centre.

Laws and Regulations on Foreign Exchange

According to the Regulations on Foreign Exchange Administration of the People's Republic of China (《中華人民共和國外匯管理條例》), RMB is freely convertible into other currencies for current accounts such as trade-related income and expenses and payments of interest and dividends. While for capital items such as direct equity investment, loan and divestment, the conversion of RMB into other currencies and the remittance of the converted foreign currencies outside China shall be subject to prior approval of the SAFE or its local branches.

Pursuant to the Circular of the 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簡化和改進直接投資外匯管理政策的通知》), which was issued by the SAFE on February 13, 2015, implemented on June 1, 2015 and partially abolished on December 30, 2019, banks shall, on behalf of SAFE, directly examine and handle foreign exchange registration under domestic direct investment and overseas direct investment, and SAFE and its branches shall exercise indirect supervision over foreign exchange registration of direct investment through banks.

The Circular of the SAFE on Reforming the Management Approach Regarding the Settlement of Foreign Exchange Capital of Foreign-invested Enterprises (《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》) (the "**Circular 19**"), allows foreign-invested enterprises to make equity investments by using RMB fund converted from foreign exchange capital. Under the Circular 19, the foreign exchange capital in the capital account of foreign-invested enterprises upon the confirmation of rights and interests of monetary contribution by the local foreign exchange bureau (or the book-entry registration of monetary contribution by the banks) can be settled at the banks based on the actual operation needs of the enterprises. The proportion of discretionary settlement of foreign exchange capital of foreign-invested enterprises is currently 100%. SAFE can adjust such proportion in due time based on the circumstances of the international balance of payments. Furthermore, the Circular 19 and the Circular of the SAFE on Reforming and Regulating Policies on the Management of the Settlement of Foreign Exchange of Capital Accounts (《國家外匯管理局關於改革和規範資本項目結匯管理政策的通知》) (the "**Circular 16**") which was issued by the SAFE on June 9, 2016, last amended and implemented on December 4, 2023, stipulate that foreign-invested enterprises shall not use the RMB funds obtained from foreign exchange capital for payment outside of the business scope of the enterprises, investment in securities or financial schemes other than wealth management products and structured deposits with risk rating results not higher than Level 2, granting loans to non-connected enterprises or constructing or purchasing real estate that is not for self-use.

The Circular of the SAFE on Further Promoting the Facilitation of Cross-border Trade and Investment (《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》), canceled restrictions on the domestic equity investment by non-investment foreign-invested enterprises with their capital funds. The non-investment foreign-invested enterprises shall be allowed to use capital funds for domestic equity investment in accordance with the laws under the premise of not violating the Negative List and the authenticity and compliance of their domestic invested projects.

According to the Circular of the SAFE on Optimizing Administration of Foreign Exchange to Support the Development of Foreign-related Business (《國家外匯管理局關於優化外匯管理支持涉外業務發展的通知》), eligible enterprises are allowed to make domestic payments by using their income under capital accounts, such as capital funds, foreign debts and the proceeds from overseas listing, without submitting the evidentiary materials concerning authenticity of such capital for banks in advance; provided that their capital use is authentic and in line with provisions, and in compliance with the prevailing administrative regulations on the use of income under capital accounts. The bank in charge shall conduct spot checks in accordance with the relevant requirements.

Pursuant to the Circular of the SAFE on Relevant Issues Concerning the Administration of Foreign Exchange for Overseas Listing (《國家外匯管理局關於境外上市外匯管理有關問題的通知》), the domestic companies shall register the overseas listing with the foreign exchange control bureau located at its registered address in 15 working days after completion of the overseas listing and issuance. The funds raised by the domestic companies through overseas listing may be repatriated to China or deposited overseas, provided that the intended use of the fund shall be consistent with the contents of the document and other public disclosure documents.

Laws and Regulations on Taxation

The PRC Enterprise Income Tax

Under the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法》) (the "**EIT Law**"), which was first promulgated on March 16, 2007 and amended on February 24, 2017 and December 29, 2018, and its implementing rules, enterprises are classified as resident enterprises and non-resident enterprises. PRC resident enterprises typically pay an enterprise income tax at the rate of 25%. High and new technology enterprises which are supported by the State may enjoy a reduced EIT rate of 15%.

Pursuant to the EIT Law, the expenses of an enterprise for the research and development of new technologies, new products and new process may be additionally calculated and deducted when calculating the taxable amount of incomes. The implementation rules of the EIT Law specifies that, the term "additional deduction of research and development expenses" means that, where the research and development expenses that are actually incurred for the purpose to develop new technologies, new products and new crafts and do not constitute intangible assets are recorded into the current profit or loss, such expenses shall be deducted from the taxable income for the current year at 50% of the actual amount incurred in the current year and on an actual basis as required.

According to the Announcement of the MOF and the STA on Further Improving the Pre-tax Deduction Policy for R&D Expenses (2023) (《財政部稅務總局關於進一步完善研發費用稅前加計扣除政策的公告(2023)》), where R&D expenses actually incurred by an enterprise when it conducts any R&D activity have not been included in the current profit and loss, from January 1, 2023 onwards, 100% of the amount of R&D expenses actually incurred in this year shall be deducted from the amount of taxable income in this year, and where intangible assets have been formed, 200% of the costs of the intangible assets shall be amortized before tax.

VAT

Pursuant to the Provisional Regulations on the VAT of the People's Republic of China (《中華人民共和國增值稅暫行條例》) promulgated by the State Council, last amended and implemented on November 19, 2017, and the Detailed Implementing Rules of the Provisional Regulations on the VAT of the People's Republic of China (《中華人民共和國增值稅暫行條例實施細則》) promulgated by the MOF on December 15, 1993, last amended on October 28, 2011 and implemented on November 1, 2011 (collectively, the "**VAT Law**"), all taxpayers selling goods, providing processing, repairing or replacement services, sales of services, intangible assets and immovable assets and importing goods within the Chinese Mainland shall pay the VAT. Unless provided otherwise, for general the VAT taxpayers selling services and intangible assets, the VAT is 6%.

The Notice of the MOF and the STA on Adjusting the VAT (《財政部、國家稅務總局關於調整增值稅稅率的通知》), which was promulgated by the MOF and the STA on April 4, 2018 and came into effect on May 1, 2018, adjusts the applicable rate of the VAT and stipulates that for a taxpayer who engages in a taxable sales activity for the VAT purpose or importation of goods, the previous applicable tax rates of 17.0% and 11.0% would be adjusted to 16.0% and 10.0%, respectively.

According to the Announcement on Relevant Policies for Deepening the VAT Reform (《關於深化增值稅改革有關政策的公告》) promulgated by the MOF and the STA and the GAC on March 20, 2019 and effective from April 1, 2019, the VAT rates of 16% and 10% on sales, imported goods shall be adjusted to 13% and 9%, respectively. And in accordance with the Notice of Ministry of Finance and State Administration of Taxation on Value-added Tax Policies for Software Products (《關於軟件產品增值稅政策的通知》) which was promulgated by the MOF and the SAT on October 13, 2011 and came into effect on January 1, 2011, a VAT general taxpayer selling software products developed and produced by itself shall be subject to levying and collection of VAT at the tax rate of 13%, and the policy of forthwith levy and forthwith refund shall be implemented for the portion of VAT actually paid which exceeds 3%.

Dividends Distribution

Pursuant to the Individual Income Tax Law of the People's Republic of China (《中華人民共和國個人所得稅法》), which was most recently amended on August 31, 2018, and the Implementation Provisions of the Individual Income Tax Law of the People's Republic of China (《中華人民共和國個人所得稅法實施條例》), which was most recently amended on December 18, 2018, dividends distributed by PRC enterprises are subject to individual income tax levied at a flat rate of 20%. For a foreign individual who is not a resident of Chinese Mainland, the receipt of dividends from an enterprise in Chinese Mainland is normally subject to individual income tax of 20% unless specifically exempted by the tax authority of the State Council or reduced by relevant tax treaty.

Pursuant to the EIT Law and the Implementing Regulations of the PRC Enterprise Income Tax Law (中華人民共和國企業所得稅法實施條例), which was promulgated by the State Council on December 6, 2007, last amended on December 6, 2024 and effective on January 20, 2025, enterprises are classified into resident enterprises and non-resident enterprises, and a non-PRC resident enterprise is subject to a reduced 10% enterprise income tax on PRC-sourced income, including dividends paid by a PRC resident enterprise that issues and lists its shares in Hong Kong.

Enterprise investors

The principal laws, rules and regulations governing dividend distributions by foreign- invested enterprises in Chinese Mainland are the Company Law and the Foreign Investment Law and its Implementing Regulations. Under these requirements, foreign-invested enterprises may pay dividends only out of their accumulated profit, if any, as determined in accordance with PRC accounting standards and regulations. When the PRC Company distributes the after-tax profits of the current year, it shall allocate 10% of the profits into the statutory reserve fund. If the accumulated amount of the statutory reserve fund reaches 50% of the registered capital, the Company is released from the obligation of withholding statutory reserve fund. Where the statutory common reserve fund of the company is not sufficient to recover its losses in the previous years, the profits of the current year shall be used to make up the loss before the withdrawal of the statutory common reserve fund in accordance with the above provisions. After making allocation to the statutory provident fund of the Company from its after-tax profits, the Company may, subject to resolutions adopted at the general meeting, also allocate funds from the after-tax profits to the discretionary provident fund. The residual after-tax profits after a company has made up its losses and accrued reserve can be distributed by the company in proportion to the shares held by its shareholders, except as otherwise provided for in the company's articles of association. The company shall not distribute any profits in respect of the shares held by it.

In accordance with the EIT Law and its implementation rules, a uniform enterprise income tax rate of 25% is imposed on all resident enterprises in China, including foreign- invested enterprises; a non-resident enterprise is generally subject to enterprise income tax at a rate of 10% on PRC-sourced income (including dividends received from a PRC resident enterprise that issues shares in Hong Kong), if it does not have an establishment or premise in Chinese Mainland or has an establishment or premise in Chinese Mainland but its PRC-sourced income has no real connection with such establishment or premise. The aforesaid income tax payable for non-resident enterprises is deducted at source, where the payer of the income is required to withhold the income tax from the amount to be paid to the non-resident enterprise when such payment is made or due.

The Circular on Issues relating to the Withholding of Enterprise Income Tax by PRC Resident Enterprises on Dividends Paid to Overseas Non-Resident Enterprise Shareholders of H Shares (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》), which was issued by the STA on November 6, 2008, further clarifies that a PRC-resident enterprise must withhold enterprise income tax at a rate of 10% on the dividends distributed to overseas non-resident enterprise shareholders of H Shares in 2008 and any subsequent year. In addition, the Response to Questions on Levying Enterprise Income Tax on Dividends Derived by Non-resident Enterprise from Holding Stock such as B Shares (《國家稅務總局關於非居民企業取得B股等股票股息徵收企業所得稅問題的批覆》), which was issued by the STA on July 24, 2009, further provides that any PRC-resident enterprise whose shares are listed on overseas stock exchanges must withhold and remit enterprise income tax at a rate of 10% on dividends distributed to overseas non-resident enterprise shareholders of H Shares in 2008 and any subsequent year. Such tax rates may be further modified pursuant to the tax treaty or agreement that China has entered into with a relevant country or area, where applicable.

Pursuant to the Arrangement between the Mainland and the Hong Kong Special Administrative Region on the Avoidance of Double Taxation and the Prevention of Fiscal Evasion (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》), which was signed on August 21, 2006, the Chinese Government may levy taxes on the dividends paid by a Chinese company to Hong Kong residents (including natural persons and legal entities) in an amount not exceeding 10% of the total dividends payable by the Chinese company. If a Hong Kong resident directly holds 25% or more of the equity interest in a Chinese company, then such tax shall not exceed 5% of the total dividends payable by the Chinese company. The Fifth Protocol of the Arrangement between the Mainland of China and the Hong Kong Special Administrative Region on the Avoidance of Double Taxation and the Prevention of

Fiscal Evasion (《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》第五議定書), which came into effect on December 6, 2019, added a criterion for the qualification of entitlement to enjoy treaty benefits. Although there may be other provisions under the Arrangement, the treaty benefits under the criteria shall not be granted in the circumstance where the main purposes for the arrangement or transactions which will bring any direct or indirect benefits under this Arrangement, after taking into account all relevant facts and conditions, are reasonably deemed to be obtaining such benefits, except when the grant of such benefits under such circumstance is consistent with relevant objective and goal under the Arrangement. The application of the dividend clause of tax agreements is subject to the statutory requirements of PRC tax law documents, such as the Notice of the STA on the Issues Concerning the Enforcement of the Dividend Clauses of Tax Treaties (《國家稅務總局關於執行稅收協定股息條款有關問題的通知》).

Non-resident investors residing in jurisdictions which have entered into treaties or adjustments for the avoidance of double taxation with Chinese Mainland might be entitled to a reduction of the PRC enterprise income tax imposed on the dividends received from PRC companies. The People's Republic of China currently has entered into avoidance of double taxation treaties or arrangements with Hong Kong, Macau, and a number of countries and regions including Australia, Canada, France, Germany, Japan, Malaysia, the Netherlands, Singapore, the United Kingdom and the United States. Non-PRC resident enterprises entitled to preferential tax rates in accordance with the relevant taxation treaties or arrangements are required to apply to the PRC tax authorities for a refund of the enterprise income tax in excess of the agreed tax rate, and the refund application is subject to approval by the PRC tax authorities.

Laws and Regulations on Labor, Social Insurance and Housing Accumulation Funds

Labor

According to the Labor Law of the People's Republic of China (《中華人民共和國勞動法》) promulgated by the SCNPC on July 5, 1994 and amended on December 29, 2018 after it came into effect on January 1, 1995, and implemented on the same day, the Labor Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》) promulgated by the SCNPC on June 29, 2007 and implemented on January 1, 2008, and then amended on December 28, 2012 and implemented on July 2013, and the Implementation Regulations of the Labor Contract Law of the People's Republic of China (《中華人民共和國勞動合同法實施條例》), which was promulgated by the State Council on September 18, 2008 and came into effect on the same day, an employer and an employee shall enter into a written labor contract when establishing an employment relationship. The employer shall, in accordance with the provisions of the labor contract and relevant laws and regulations, pay the labor remuneration to the employee in full and in a timely manner. At the same time, the wages of workers must not be lower than the local minimum wage.

Social Insurance and Housing Accumulation Funds

As required under the Regulation of Insurance for Labor Injury (《工傷保險條例》) first 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》) came into effect on January 1, 1995, the Decisions on the Establishment of a Unified Program for Basic 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, the Interim Regulations Concerning the Collection and Payment of Social Insurance Premiums (《社會保險費徵繳暫行條例》) amended by the State Council and coming into effect on March 24, 2019 and the Social Insurance Law of the People's Republic of China (《中華人民共和國社

會保險法》) which was released by the SCNPC on October 28, 2010, came into force on July 1, 2011 and was then amended on December 29, 2018, enterprises are obliged to provide their employees in Chinese Mainland with welfare schemes covering basic pension insurance, unemployment insurance, maternity insurance, work injury insurance and basic medical insurance. These payments are made to local administrative authorities and any employer that fails to contribute may be fined and ordered to make up within a prescribed time limit.

Pursuant to the Interpretation II of the Supreme People's Court on Several Issues Concerning the Application of Law in the Trial of Labor Dispute Cases (《最高人民法院關於審理勞動爭議案件適用法律問題的解釋(二)》), which took effect on September 1, 2025, any agreement between an employer and an employee or any commitment made by an employee to the employer stating that social insurance premiums need not be paid shall be deemed invalid by the people's court. If an employer fails to pay social insurance premiums in accordance with the law, and the employee requests to terminate the labor contract and claims economic compensation pursuant to Article 38(3) of the Labor Contract Law, the people's court shall support such claims in accordance with the law. In the circumstances described in the preceding paragraph, if the employer subsequently pays the social insurance premiums in accordance with the law and requests the employee to return the compensation already paid for the social insurance premiums, the people's court shall support such requests in accordance with the law.

Pursuant to the Regulation on the Administration of Housing Accumulation Funds (《住房公積金管理條例》) released by the State Council on April 3, 1999 and came into force on the same day, which latest amended by the State Council and coming into effect on March 24, 2019, an employer shall pay the housing accumulation funds for its employees in accordance with the relevant provisions of the state.

Laws and Regulations on Leasing

On December 1, 2010, the Ministry of Housing and Urban-Rural Development promulgated the Administrative Measures on Leasing of Commodity Housing (《商品房屋租賃管理辦法》), which became effective on February 1, 2011. According to such measures, the lessor and the lessee are required to complete property leasing registration and filing formalities within 30 days from execution of the property lease contract with the development authorities or real estate authorities of the municipality or county where the leased property is located. If a company fails to do as aforesaid, it may be ordered to rectify within a stipulated period, and if such company fails to rectify, a fine ranging from RMB1,000 to RMB10,000 may be imposed on each lease agreement.

Laws and Regulations on Overseas Listing

On February 17, 2023, with the approval of the State Council, the CSRC promulgated the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) (the "**Trial Measures**") and five relevant guidelines, which came into force on March 31, 2023. According to the Trial Measures, (i) PRC domestic companies that seek to offer or list securities overseas, both directly and indirectly, should fulfill the filing procedure and submit relevant information to the CSRC; if a domestic company fails to complete the filing procedure or conceals any material fact or falsifies any major content in its filing documents, it may be subject to administrative penalties, such as order to rectify, warnings and fines, and its controlling shareholders, de facto controllers, the person directly in charge and other directly liable persons may also be subject to administrative penalties, such as warnings and fines; (ii) direct overseas offering and listing by domestic companies refers to the overseas offering and listing of the companies limited by shares registered and established in Chinese Mainland; and (iii) any companies limited by shares registered and established in Chinese Mainland are required to file with the CSRC within three business days after their application document of overseas listing is submitted. Failure to complete the filing under the Trial Measures may subject a PRC domestic company to a rectification order issued by the CSRC, warnings, and a fine of RMB1 million to RMB10 million.

The CSRC and other three relevant government authorities jointly promulgated the Provisions on Strengthening the Confidentiality and Archives Administration of Overseas Securities Offering and Listing by Domestic Companies (《關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定》) (the "**Provisions on Confidentiality**") on February 24, 2023, and came into effect on March 31, 2023. Pursuant to the Provisions on Confidentiality, when a domestic company provides or publicly discloses the documents and materials involving state secrets and working secrets of state organs to the relevant securities companies, securities service institutions, overseas regulatory authorities and other entities and individuals, or provides or publicly discloses such the documents and materials through its overseas listing subjects, it shall report to the competent department with the examination and approval authority for approval, and file with the same level secrecy administration department. Domestic companies providing accounting archives or copies thereof to entities and individuals such as securities companies, securities service institutions and overseas regulatory authorities shall perform the relevant procedures according to relevant regulations. The working papers formed within the territory of the People's Republic of China by the securities companies and securities service institutions that provide related services for the overseas offering and listing of domestic enterprises shall be kept within the territory of the People's Republic of China. Cross-border transferring of such working papers shall go through the examination and approval formalities in accordance with the relevant regulations.

LAWS AND REGULATIONS RELATED TO OUR BUSINESS IN HONG KONG

Laws and Regulations Relating to our Business

There is no specific statutory requirement for us to obtain any license to carry out our business in Hong Kong other than the requirement to register our business in accordance with the Business Registration Ordinance (Chapter 310 of the Laws of Hong Kong). Below is a summary of the laws and regulations in Hong Kong which are relevant to our business.

Business Registration Ordinance (Chapter 310 of the Laws of Hong Kong)

We are subject to the Business Registration Ordinance. The Business Registration Ordinance requires every entity that carries on a business in Hong Kong to apply for business registration within one month from the date of commencement of the business, and to display the valid business registration certificate at the place of business. Any person who fails to apply for business registration or display a valid business registration certificate at the place of business shall be guilty of an offence, and shall be liable to a fine of HK$5,000 and to imprisonment for one year.

Supply of Services (Implied Terms) Ordinance (Chapter 457 of the Laws of Hong Kong)

The Supply of Services (Implied Terms) Ordinance which aims to consolidate and amend the law with respect to the terms to be implied in contracts for the supply of services (including a contract for the supply of a service whether or not goods are also transferred or to be transferred, or bailed or to be bailed by way of hire under the contract) provides that:

(a) under section 5, where the supplier is acting in the course of a business, there is an implied term that the supplier will carry out the service with reasonable care and skill; and

(b) under section 6, where the supplier is acting in the course of a business, the time for service to be carried out is not fixed by the contract, is not left to be fixed in a manner agreed by the contract or is not determined by the course of dealing between the parties, there is an implied term that the supplier will carry out the service within a reasonable time.

Where a supplier is dealing with a party to a contract for supply of service who deals as a consumer, the supplier cannot, by reference to any contract term, exclude or restrict any liability of his arising under the contract by virtue of the Supply of Services (Implied Terms) Ordinance. Otherwise, where any right, duty or liability would arise under a contract for the supply of a service by virtue of the Supply of Services (Implied Terms) Ordinance, it may (subject to the Control of Exemption Clauses Ordinance (Chapter 71 of the Laws of Hong Kong)) be negatived or varied by express agreement, or by the course of dealing between the parties, or by such usage as binds both parties to the contract.

Control of Exemption Clauses Ordinance (Chapter 71 of the Laws of Hong Kong)

The Control of Exemption Clauses Ordinance (Chapter 71 of the Laws of Hong Kong), which aims to limit the extent to which civil liability for breach of contract, or for negligence or other breach of duty, can be avoided by means of contract terms and otherwise, among others, provides that:

(a) under section 7, a person cannot by reference to any contract term or to a notice given to persons generally or to particular persons exclude or restrict his liability for death or personal injury resulting from negligence and in the case of other loss or damage, a person cannot exclude or restrict his liability for negligence except in so far as the term or notice satisfies the requirement of reasonableness;

(b) under section 8, as between contracting parties where one of them deals as consumer or on the other's written standard terms of business, as against that party, the other cannot by reference to any contract term (i) when himself in breach of contract, exclude or restrict any liability of his in respect of the breach, or (ii) claim to be entitled to render a contractual performance substantially different from that which was reasonably expected of him, or (iii) claim to be entitled in respect of the whole or any part of his contractual obligation, to render no performance at all, except in so far as the contract term satisfies the requirement of reasonableness;

(c) under section 9, a person dealing as a consumer cannot by reference to any contract term be made to indemnify another person (whether a party to the contract or not) in respect of liability that may be incurred by the other for negligence or breach of contract, except in so far as the contract term satisfies the requirement of reasonableness.

Sections 7, 8 and 9 of the Control of Exemption Clauses Ordinance do not apply to, among others, any contract so far as it relates to the creation or transfer of a right or interest in any patent, trade mark, copyright, registered design, technical or commercial information or other intellectual property, or relates to the termination of any such right or interest.

In relation to a contract term, the requirement of reasonableness for the purpose of the Control of Exemption Clauses Ordinance is satisfied only if the court or arbitrator determines that the term was a fair and reasonable one to be included having regarded to the circumstances which were, or ought reasonably to have been, known to or in the contemplation of the parties when the contract was made.

Law and Regulations on Artificial Intelligence

In Chinese Mainland, several laws and regulations on artificial intelligence have been enacted, including the Interim Measures for the Administration of Generative Artificial Intelligence Services (《生成式人工智能服務管理暫行辦法》) (the "**Interim Measures**") and the Measures for Identification of Artificial Intelligence-Generated Synthetic Contents (《人工智能生成合成內容標識辦法》).

Article 2 of the Interim Measures stipulates that it applies to generative artificial intelligence services provided to the onshore public ("**境內公眾**"); the development and application of generative artificial intelligence technology by enterprises that do not provide generative artificial intelligence services to the onshore public are not subject to the provisions of the Interim Measures.

Article 17 of the Interim Measures provides that, any provider of GenAI services with attribute of public opinions or capable of social mobilization ("**具有輿論屬性或者社會動員能力**") shall conduct security assessment in accordance with the relevant provisions of the State, and complete the formalities for algorithm filing, change or deregistration in accordance with the Administrative Provisions on the Recommendation of Internet-based Information Service Algorithms.

In Hong Kong, there is currently no legislation which specifically regulates the use of Artificial Intelligence ("**AI**"). The Hong Kong authorities are now relying on existing legislations (including the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong) ("**PDPO**")) with sector-specific guidelines from regulators to address the risks associated with the use of AI.

Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong)

The PDPO places a statutory duty on data users to comply with the requirements of the six data protection principles contained in Schedule 1 to the PDPO. The PDPO provides that a data user shall not do an act, or engage in a practice, that contravenes a data protection principle unless the act or practice, as the case may be, is required or permitted under the PDPO.

The six data protection principles are:

- Principle 1 — purpose and manner of collection of personal data;
- Principle 2 — accuracy and duration of retention of personal data;
- Principle 3 — use of personal data;
- Principle 4 — security of personal data;
- Principle 5 — information to be generally available; and
- Principle 6 — access to personal data.

The PDPO also gives data subjects certain rights, *inter alia*:

- the right to be informed of whether it is obligatory or voluntary for him/her to supply the data and the purpose for which the data is to be used;
- the right to be informed by a data user whether the data user holds personal data of which the individual is the data subject; and
- the right to request access to and to request correction of his/her personal data.

Non-compliance with a data protection principle may lead to a complaint to the Privacy Commissioner for Personal Data. A claim for compensation may also be made by a data subject who suffers damage by reason of a contravention of a requirement under the Personal Data (Privacy) Ordinance.

In the conduct of our Group's ordinary course of business, our Group does not collect, use or process personal information or data of our customers and/or their customers and users. The services provided under our generative AI Platform (i.e. FINNOSmart) is customizing and finetuning the open-source AI model so that the AI model can suit our customers' specific needs. For example, if our customer (for example, a bank) wishes to have an AI tool for fraud detection, it will provide us with masked historical data which does not show any personal data of its end customers and we will use such masked data to train, customize and finetune the AI model so that it can recognize the pattern of fraudulent transactions. After the finetuning, the AI tool will be delivered to the bank for its own usage.

Law and Regulations on Income Tax

Inland Revenue Ordinance (Chapter 112 of the Laws of Hong Kong)

We are subject to the profits tax regime under the Inland Revenue Ordinance. The Inland Revenue Ordinance is an ordinance for the purposes of imposing taxes on property, earnings and profits in Hong Kong. The Inland Revenue Ordinance provides, among others, that persons, which include corporations, partnerships, trustees and bodies of persons, carrying on any trade, profession or business in Hong Kong are chargeable to tax on all profits arising in or derived from Hong Kong from such trade, profession or business (excluding profits arising from the sale of capital assets). For the year of assessment 2018/19 onwards, the applicable rates for corporation which is a trade, profession or business in Hong Kong are (a) 8.25% on the assessable profits up to HK$2,000,000; and (b) 16.5% on any part of assessable profits over HK$2,000,000. The Inland Revenue Ordinance also contains provisions relating to, among others, permissible deductions for outgoings and expenses, set-offs for losses and allowances for depreciation.

Law and Regulations on Intellectual Property

Copyright Ordinance (Chapter 528 of the Laws of Hong Kong)

Pursuant to the Copyright Ordinance, a person may incur civil liability for "secondary infringement" if that person possesses, sells or lets for hire, distributes or deals with a copy of a work which is, and which he knows or has reason to believe to be, an infringing copy of the work for the purposes of or in the course of any trade or business without the consent of the copyright owner.

Laws and Regulations on Employment

Employment Ordinance (Chapter 57 of the laws of Hong Kong)

The Employment Ordinance provides for, amongst other things, the protection of the wages of employees, the regulation of general conditions of employment, and for matters connected therewith. The Employment Ordinance provides, among others, the following entitlements or protections to an employee: (a) end of year-end payments; (b) maternity and paternity protection; (c) rest days; (d) protection against anti-union discrimination; (e) severance payments; (f) long service payments; (g) employment protection; (h) sickness allowance; (i) holidays with pay; and (j) annual leave with pay.

Under section 25 of the Employment Ordinance, where a contract of employment is terminated, any sum due to the employee shall be paid to him/her as soon as it is practicable and in any case not later than seven days after the day of termination. Under section 63C of the Employment Ordinance, any employer who willfully and without reasonable excuse contravenes section 25 of the Employment Ordinance commits an offence and is liable to a maximum fine of HK$350,000 and imprisonment for three years.

Further, under section 25A of the Employment Ordinance, if any wages or any sum referred to in section 25(2)(a) of the Employment Ordinance are not paid within seven days from the day on which they become due, the employer shall pay interest at a specified rate on the outstanding amount of wages or sum from the date on which such wages or sum become due up to the date of actual payment. Under section 63CA of the Employment Ordinance, any employer who willfully and without reasonable excuse contravenes section 25A of the Employment Ordinance commits an offence and is liable on conviction to a maximum fine of HK$10,000.

Minimum Wage Ordinance (Chapter 608 of the Laws of Hong Kong)

The Minimum Wage Ordinance establishes a statutory minimum wage regime to provide for a minimum wage at an hourly rate for employees employed under a contract of employment under the Employment Ordinance (Chapter 57 of the laws of Hong Kong), save for stipulated exceptions.

As of January 1, 2023, the minimum wage rate was HK$37.5 per hour. With effect from May 1, 2026, the minimum wage rate is currently set at HK$43.1 per hour. Any provision of the employment contract which purports to extinguish or reduce the right, benefit or protection conferred on the employee by this Minimum Wage Ordinance is void.

The Minimum Wage Commission must report on any recommended changes in statutory minimum wage at least once in every two years to the Chief Executive in Hong Kong, and the Chief Executive may adjust the statutory minimum wage having regard to such recommendation.

Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong)

Under the Mandatory Provident Fund Schemes Ordinance, employers are required to enroll their regular employees (except for certain exempted persons) aged 18 or above but under 65 years of age and employed for a continuous period of 60 days or more in a Mandatory Provident Fund ("**MPF**") scheme within the first 60 days of employment.

Section 7A of the Mandatory Provident Fund Schemes Ordinance requires an employer who is employing a relevant employee must, for each contribution period occurring after December 1, 2000 (a) from the employer's own funds, contribute to the relevant registered scheme the amount determined in accordance with Mandatory Provident Fund Schemes Ordinance; and (b) deduct from the employee's relevant income for that period as a contribution by the employee to that scheme the amount determined in accordance with Mandatory Provident Fund Schemes Ordinance.

For both employees and employers, it is mandatory to make regular contributions into an MPF scheme. For an employee (other than a casual employee), subject to the maximum and minimum levels of income (HK$30,000 and HK$7,100 per month, respectively on or after June 1, 2014), an employer will deduct 5% of the relevant income on behalf of an employee as mandatory contributions to a registered MPF scheme with a ceiling of HK$1,500 on or after June 1, 2014. Employer will also be required to contribute an amount equivalent to 5% of an employee's relevant income to the MPF scheme, subject only to the maximum level of income (HK$30,000 on or after June 1, 2014).

OTHER APPLICABLE LAWS AND REGULATIONS

U.S. Outbound Investment Rule

The U.S. outbound investment restrictions (the "**Outbound Investment Rule**" or "**OIR**"), implemented by the U.S. Department of the Treasury pursuant to Executive Order 14105 and codified under 31 CFR Part 850, impose certain restrictions on outbound investments by U.S. persons in entities located in countries of concern, including the People's Republic of China (including Hong Kong SAR and Macau SAR). The rule regulates certain "covered transactions," including equity investments, certain debt financings, greenfield investments, joint ventures and limited partner investments undertaken by U.S. persons, where the investment target is a "covered foreign person" engaged in specified "covered activities."

Covered activities under the OIR currently focus on three technology sectors considered sensitive to U.S. national security: (i) semiconductors and microelectronics, (ii) quantum information technologies, and (iii) AI. Depending on the nature of the activity and the technical thresholds involved, covered transactions may either be prohibited outright or subject to post-transaction notification requirements.

With respect to AI specifically, the Final Rule targets: (a) the development of AI systems designed for certain sensitive end uses, including military, government intelligence or mass surveillance applications; or (b) the development of frontier AI systems trained using large quantities of computing power above specified thresholds — namely, training runs exceeding 10^{25} computational operations (FLOPs) for prohibited transactions, or above 10^{23} FLOPs for notifiable transactions. Importantly, the OIR only applies where a U.S. person undertakes a covered investment transaction involving a foreign person engaged in such covered activities.

Our Directors are of the view that the OIR is not applicable to us for the following reasons:

(i) We do not engage in the development, manufacture, or commercialization of semiconductors, microelectronics, or quantum information technologies, and therefore do not fall within the semiconductor or quantum sectors covered by the OIR.

(ii) Although we develop and deploy AI capabilities through our FINNOSmart platform in the course of our business operations, such activities do not constitute "covered activities" under the OIR for the following reasons:

  (a) Our AI capabilities delivered through FINNOSmart, a generative AI platform designed specifically for the financial services industry. Its use cases are limited to regulated financial-domain applications, including intelligent customer service, compliance review, fraud investigation support, real-time compliance monitoring, automated regulatory reporting, and AI-assisted application development. We do not develop AI systems for any military, government intelligence, mass surveillance, or other sensitive end uses specified under the OIR;

  (b) We do not independently develop or train any AI foundation models. FINNOSmart is built on fine-tuned open-sourced foundation models, and our role is limited to fine-tuning these models with bank-specific data for deployment in customers' on-premises or private cloud environments. We do not train foundation models from scratch;

(c) The training or fine-tuning of our AI models and banking-specific SLMs does not involve computational operations exceeding 10^{23} FLOPs. This falls well below both the notifiable threshold (10^{23} FLOPs) and the prohibited threshold (10^{25} FLOPs) specified under the OIR. The computing infrastructure used by us does not involve advanced chips at the level specified under relevant U.S. export control regulations; and

(d) Our products and services may integrate certain third-party AI model capabilities through API access, but we do not independently develop, modify, or train such third-party models, and such application-level use does not constitute the "development" or "training" of AI systems within the meaning of the OIR.

(iii) No U.S. persons (including U.S. citizens, permanent residents, U.S.-located employees, contractors or advisors) have participated in the development, training, fine-tuning, deployment, or operation of any AI model or AI system of our Group.

(iv) We have not, during the Track Record Period and up to the Latest Practicable Date, directly or indirectly made any investment in any semiconductor, quantum, AI or other sensitive technology company subject to the OIR, whether by way of equity investment, partnership interest, fund investment, loan or otherwise. We have no plan, arrangement or commitment to engage in any transaction that may fall within the prohibited or notifiable categories under the OIR.

The OIR imposes obligations solely on "U.S. persons" as defined thereunder. As we do not constitute a "covered foreign person" under the OIR, any investment in our Shares by a U.S. person would not constitute a "covered transaction" subject to the OIR, and no restriction, prohibition or notification obligation would arise under the OIR in connection with such investment. Accordingly, our Directors are of the view that the OIR does not apply to our existing shareholders or prospective investors, regardless of whether they are U.S. persons, and is not expected to have any impact on our business operations, the Global Offering or the Listing.

OVERVIEW

Our history can be traced back to 2003 when Mr. Chow, our founder, established our Company. Over years of development, we are now an established fintech service provider in the banking industry based in the Greater Bay Area, delivering fintech software development services, consulting services, and system integration services to banks, regulatory authorities and other financial institutions across Hong Kong, Chinese Mainland, and Southeast Asia to support their continuous digital transformation.

In February 2012, our Company was converted into a joint stock company from a limited liability company. Since May 2015, our A Shares have been listed on the ChiNext of the Shenzhen Stock Exchange (stock code: 300468.SZ).

OUR KEY MILESTONES

The following is a summary of the key milestones in our corporate and business development:

2003	• We were founded in the PRC
2004	• We were recognised as a software enterprise (軟件企業) by Shenzhen Software Industry Association (深圳市軟件行業協會)
2005	• We developed our offshore development capabilities, facilitating the development of cross-border delivery
2007	• We were first recognised as a High-tech Enterprise in Shenzhen by Shenzhen Municipal Bureau of Technology and Information (深圳市科技和信息局)
2009	• We were recognised as a National High-tech Enterprise by Shenzhen Municipal Bureau of Industry and Information Technology (深圳市工業和信息化局), Shenzhen Municipal Finance Bureau (深圳市財政局) and State Taxation Administration Shenzhen Tax Bureau (國家稅務總局深圳市稅務局)
	• We established our Hong Kong subsidiary, Forms Syntron Information (HK) Limited
2012	• We were reformed as a joint stock company
2015	• Our A Shares were listed on the ChiNext of the Shenzhen Stock Exchange (stock code: 300468.SZ)
2016	• The construction of our headquarter building in Nanshan district in Shenzhen was completed
2019	• Our business further expanded to Southeast Asia
2021	• We successfully delivered our digital currency solutions in Project mBridge
2022	• We established our innovation centre, FINNOSpace, in Hong Kong
2023	• We jointly released the banking copilot and the compliance-focused Web3 platform for financial institutions with a global technology company providing widely used software products and services, applying LLM to real business scenarios and developing the underlying technology needed for virtual asset custody and trading, respectively

2024
- We were selected as one of the four technology partners of the Hong Kong Monetary Authority for the first cohort of GenA.I. Sandbox
- We were awarded Project Ensemble and e-HKD Sandbox hosting and supporting services by Hong Kong Monetary Authority

2025
- We were selected as one of the technology partners of the Hong Kong Monetary Authority for the second cohort of GenA.I. Sandbox
- We were awarded the "Shanghai Stock Exchange Eagle, Golden Quality" Corporate Governance Award (「上證鷹·金質量」公司治理獎) by Shanghai Securities News

OUR MAJOR SUBSIDIARY

As of the Latest Practicable Date, the following entity was our major subsidiary which had made a material contribution to our results of operation during the Track Record Period:

Name of subsidiary	Place of incorporation	Date of incorporation	Equity interest attributable to our Group	Principal business activities
Forms Syntron Information. . . .	Hong Kong	February 18, 2009	100%	Fintech software development services, consulting services, and system integration services

MAJOR SHAREHOLDING CHANGES OF OUR COMPANY

Early Development of Our Company

Our predecessor, Forms Syntron Information (Shenzhen) Co., Ltd (四方精創資訊(深圳)有限公司), was established as a limited liability company on November 21, 2003 by Mr. Chow through Allied Info Inc (聯合資訊有限公司) which was owned as to 50% by Mr. Chow and as to 50% by Mr. Teng Hsiu Shen with an initial registered capital of RMB1,000,000. Between 2003 and 2012, our Company underwent several rounds of capital increase, equity transfers and capitalisation of reserves, upon completion of which its registered capital increased to RMB57,404,000.

Conversion to a Joint Stock Company

In February 2012, our Company was converted from a limited liability company to a joint stock limited company, and our name was changed to Shenzhen Forms Syntron Information Co., Ltd. (深圳四方精創資訊股份有限公司). Following the conversion, the registered capital of our Company was increased to RMB75,000,000.

A-Shares Listing

On May 27, 2015, we completed the listing of our A Shares on the ChiNext of the Shenzhen Stock Exchange (stock code: 300468.SZ) (the "**A-Share Listing**"). We issued a total of 25,000,000 A Shares, representing 25% of the then enlarged share capital immediately following the completion of the A-Share Listing. Upon completion of the A-Share Listing, our registered share capital increased to 100,000,000 Shares. The shareholding structure of our Company was as follows:

Name of Shareholder	Number of Shares Held	Approximate Percentage of Holding
Best Alliance	27,742,500	27.74%
Systex Solutions (HK) Limited	19,912,500	19.91%
Best Will	9,952,500	9.95%
Best Smart Group Holdings Limited	6,570,000	6.57%
Shenzhen Weisheng Jingke Investment Co., Ltd. (深圳威升精科投資有限公司)	2,175,000	2.18%
Shenzhen Xin Fang Jing Ke Investment Co., Ltd. (深圳信方精科投資有限公司)	2,160,000	2.16%
Shenzhen Guanwei Xinke Investment Co., Ltd. (深圳冠維新科投資有限公司)	2,152,500	2.15%
Shenzhen Jian Fang Xin Ke Investment Co., Ltd. (深圳建方新科投資有限公司)	2,145,000	2.15%
Shenzhen Juntlu Jingke Investment Co., Ltd (深圳俊圖精科投資有限公司)	1,095,000	1.10%
Grandco Asia Investment Limited (弘高亞太投資有限公司)	1,095,000	1.10%
Remaining Shareholders	25,000,000	25.00%
Total	**100,000,000**	**100.00%**

Placement of A Shares in 2022

As approved by the extraordinary general meetings in September 2020 and August 2021, and the CSRC in March 2021, the Company conducted a placement of its A Shares to raise funds for our open intelligent financial microservices platform project (the "**2022 A Shares Placement**"). The 2022 A Shares Placement was completed in March 2022.

A total of 20,725,388 A Shares were issued to 11 investors under the 2022 A Shares Placement, with net proceeds raised of approximately RMB388.6 million. Following the completion of the 2022 A Shares Placement, the Company's total issued share capital increased to RMB304,016,446.

ADOPTION OF RESTRICTED SHARE INCENTIVE PLAN

Our Company adopted three Restricted Share Incentive Plans on January 8, 2016, February 8, 2017 and September 22, 2017, respectively. The purpose of the Restricted Share Incentive Plans is to improve our Group's incentive mechanism and to attract and retain talents to achieve a sustained and healthy development of our Group in order to realize our Group's long-term objectives. Our Company repurchased and cancelled certain unvested restricted A Shares previously granted under the Restricted Share Incentive Plans from August 2016 to April 2021. The Restricted Share Incentive Plans had been fully completed. All the awards under the Restricted Share Incentive Plans were granted, vested and exercised or cancelled and there are no Shares reserved for grant of awards to future grantees.

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

We had not carried out any major acquisitions, disposals or mergers during the Track Record Period and up to the Latest Practicable Date.

LISTING OF OUR A SHARES ON THE CHINEXT OF THE SHENZHEN STOCK EXCHANGE AND REASONS FOR THE LISTING ON THE STOCK EXCHANGE

Since our listing on the ChiNext of the Shenzhen Stock Exchange on May 27, 2015 and as of the Latest Practicable Date, our Directors confirm that we have complied with all rules of the ChiNext of the Shenzhen Stock Exchange and other applicable securities laws and regulations of the PRC in any material respects, and, to the best knowledge of our Directors having made all reasonable enquiries, there was no material matter that should be brought to the investors' attention in relation to our compliance record on the ChiNext of the Shenzhen Stock Exchange. Based on the filings on the website of the Shenzhen Stock Exchange and the information available in the public domain, our PRC Legal Adviser is of the view that the Company had complied with all applicable securities laws and regulations in the PRC in relation to its listing on the Shenzhen Stock Exchange in all material respects for the two years ended December 31, 2024 and 2025, and up to the date of submission of its H Share Listing application to the Hong Kong Stock Exchange, since the Company has not been subject to any material administrative penalties or regulatory measures imposed by the CSRC, Shenzhen Stock Exchange or other PRC securities regulatory authorities. Based on the independent due diligence conducted by the Joint Sponsors, nothing has come to the Joint Sponsors' attention that would cause them to disagree with the Directors' confirmation with regard to the compliance records of the Company on the Shenzhen Stock Exchange.

In line with our overall development strategy and operational needs, our Company seeks to be listed on the Hong Kong Stock Exchange to further enhance our comprehensive competitiveness and deepen our strategic layout in Chinese Mainland and Belt and Road markets. For details, see "Business — Our Strategies" and "Future Plans and Use of Proceeds".

PUBLIC FLOAT

Rule 19A.13A(2) of the Listing Rules require that there must be an open market in the securities for which listing is sought. Where a new applicant is a PRC issuer with other listed shares at the time of listing, this will normally mean that the portion of H shares for which listing is sought that are held by the public, at the time of listing, must: (a) represent at least 10% of the issuer's total number of issued shares in the class to which H shares belong (excluding treasury shares); or (b) have an expected market value of not less than HK$3,000,000,000.

So far as our Directors are aware and to the best knowledge of our Directors, immediately following the completion of the Global Offering, the Shares held by our core connected persons will not be counted towards the public float for the purpose of Rule 8.08(1) (as amended and replaced by Rule 19A.13A) of the Hong Kong Listing Rules. Shares held by our core connected persons immediately following the completion of the Global Offering include: (i) a total of 98,106,603 A Shares held by Mr. Chow (indirectly through Best Alliance and its client account at a financial institution), who is our executive Director, and (ii) 621,901 A Shares held by Mr. Chan Wing Fat, our executive Director.

To the best knowledge of our Directors, immediately following the completion of the Global Offering (assuming no changes are made to the issued share capital of our Company between the Latest Practicable Date and the Listing Date except for the Global Offering), the total number of H Shares to be issued pursuant to the Global Offering, represents no less than 10% of the total issued share capital of our Company and are expected to be held by the public. This satisfies the prescribed percentage of H Shares required to be held by the public of 10% under Rule 19A.13A(2)(a) of the Listing Rules, thereby satisfying Rule 8.08(1) (as amended and replaced by Rule 19A.13A) of the Listing Rules.

FREE FLOAT

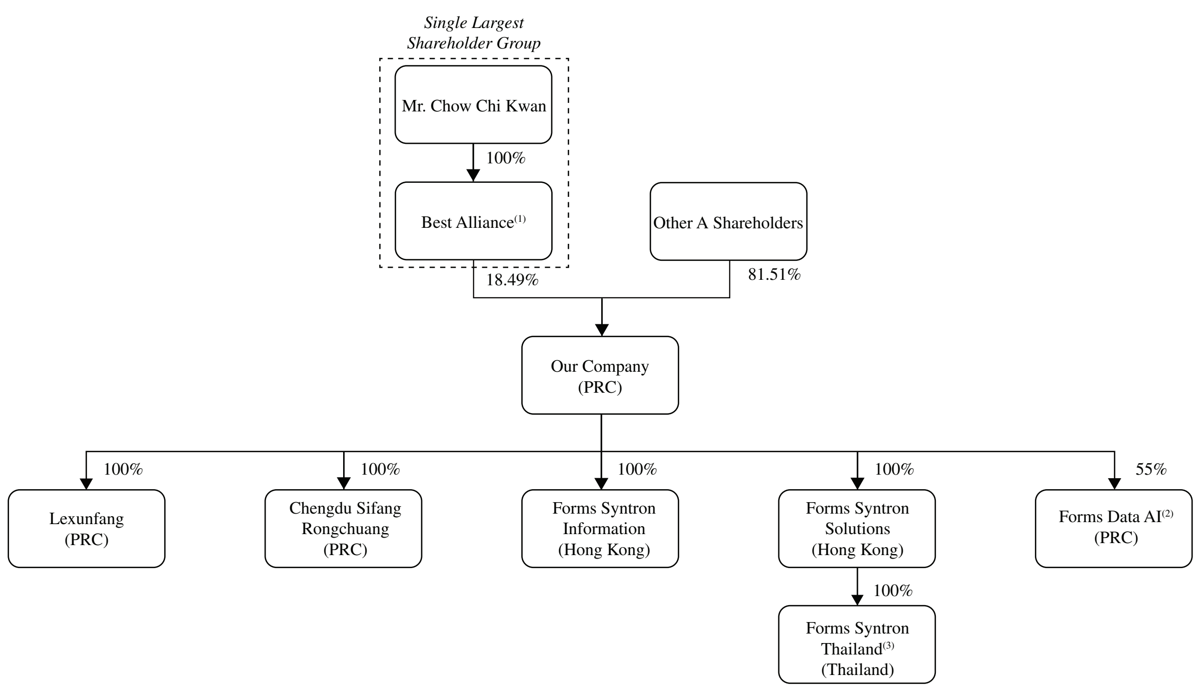
Rule 19A.13C(2) of the Hong Kong Listing Rules provides that, where a new applicant is a PRC issuer with other listed shares at the time of listing, this will normally mean that the portion of H shares for which listing is sought that are held by the public and not subject to any disposal restrictions (whether under contract, the Hong Kong Listing Rules, applicable laws or otherwise), at the time of listing, must: (a) represent at least 5% of the total number of issued shares in the class to which H shares belong at the time of listing (excluding treasury shares), with an expected market value at the time of listing of not less than HK$50,000,000; or (b) have an expected market value at the time of listing of not less than HK$600,000,000.

Assuming that the final Offer Price is fixed at the maximum Offer Price of HK$16.00 per Offer Share, save for 7,431,200 H Shares (representing 1.15% of our total issued Shares immediately upon completion of the Global Offering) to be issued to the cornerstone investors that are subject to disposal restrictions for a period of six months from the Listing Date, the remaining 51,529,900 H Shares with an expected market capitalization of approximately HK$824.5 million, which is higher than HK$600 million under Rule 19A.13C of the Listing Rules, will not be subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise) at the time of the Listing. Our Company will satisfy the free float requirement under Rule 19A.13C of the Listing Rules.

OUR SHAREHOLDING AND CORPORATE STRUCTURE

Shareholding and Corporate Structure Immediately Before the Global Offering

The following chart sets forth the shareholding and beneficial ownership structure of our Group immediately prior to the completion of the Global Offering (assuming that no changes are made to the issued share capital of our Company between the Latest Practicable Date and the Listing):



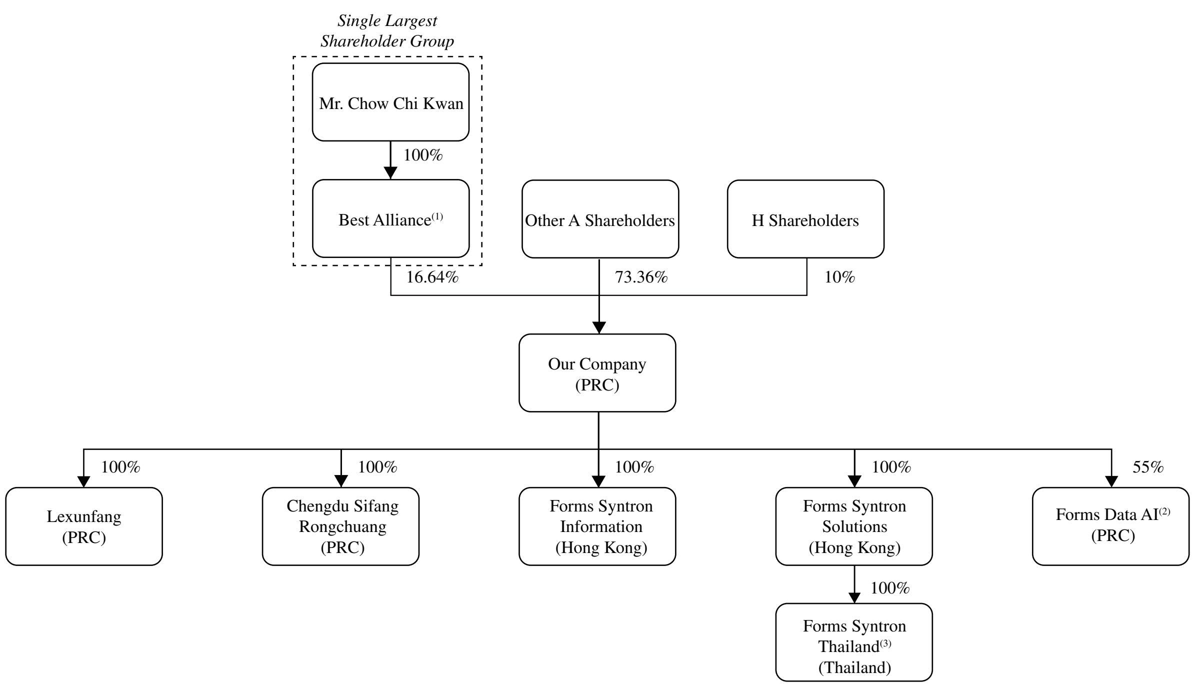
(1) As of the Latest Practicable Date, Mr. Chow was interested in all the Shares held by Best Alliance, which was wholly-owned by Mr. Chow. Best Alliance directly held 18.44% interests in our Company and held 0.05% interests in our Company through its client account with a financial institution.

(2) As of the Latest Practicable Date, Forms Data AI was owned as to 55% by our Company and as to 45% by Shenzhen Deep Intelligence Data Storage Technology Co., Ltd. (深圳深智數存科技有限公司), a company owned as to (i) 86.67% by Fan Chunman (范春曼) (directly and indirectly through a wholly-owned company Guangzhou Minren Technology Co., Ltd. (廣州敏稔科技有限公司)), and (ii) 13.33% by Putian Huite Sports Goods Co., Ltd. (莆田市輝特體育用品有限公司), which is in turn owned as to 80% by Xu Weipeng (許偉鵬) and as to 20% by Cai Yuanlian (蔡元連). Each of Fan Chunman (范春曼), Xu Weipeng (許偉鵬) and Cai Yuanlian (蔡元連) is an Independent Third Party.

(3) Forms Syntron Thailand is owned by Forms Syntron Solutions as to 39,998 shares, and by Mr. Chow and Mr. Chan Wing Fat as to one share each, both of whom hold the shares on behalf of Forms Syntron Solutions.

Shareholding and Corporate Structure Immediately Following the Global Offering

The following chart sets forth the shareholding and beneficial ownership structure of our Group immediately following the completion of the Global Offering (assuming that no changes are made to the issued share capital of our Company between the Latest Practicable Date and the Listing):



(1)–(3) See "— Our Shareholding and Corporate Structure — Shareholding and Corporate Structure Immediately Before the Global Offering" in this section.

OVERVIEW

We are an established fintech service provider in the banking industry based in the Greater Bay Area, delivering fintech software development services, consulting services, and system integration services to banks, regulatory authorities and other financial institutions across Chinese Mainland and Hong Kong to support their continuous digital transformation.

Our comprehensive service offerings comprise three principal segments:

(i) **Fintech Software Development services**:

- ***Banking technology services***: We provide integrated software systems and services for banks covering (a) banking product portfolio for personal finance, corporate finance and core banking, (b) digital banking channel solutions enabling omni-channel experience across online, mobile and branch touchpoints, and (c) banking operations and data services that apply analytics to enhance process efficiency, risk management and decision-making.

- ***Financial infrastructure and fintech innovation services***: We build foundational platforms for our customers to modernize payment, clearing and settlement for a digital and tokenized financial system, including (a) financial infrastructure services that support payment and settlement systems for regulatory authorities and financial infrastructure operators, and (b) fintech innovation services that design and deploy new digital financial systems using blockchain and AI for financial institutions and regulatory authorities.

(ii) **Consulting services**: We provide advice on fintech strategy, architecture and implementation to banks, regulatory authorities, and financial infrastructure operators. Our standalone deliverables include solution blueprints, feasibility studies, and proofs-of-concept. These deliverables enable customers to advance their technology initiatives independently, without requiring subsequent software development services from us.

(iii) **System Integration services**: We deliver end-to-end implementation for financial institutions and other companies, including procurement management, hardware acquisition, third-party software licensing, installation, integration and testing.

Our innovation is driven by two proprietary technology platforms: FINNOSafe, our compliant Web3 tokenization platform, and FINNOSmart, an enterprise-grade generative AI platform ensuring data sovereignty. As of the Latest Practicable Date, our technical depth is validated by seven granted patents, 358 software copyrights, and various certifications including CMMI Maturity Level 5 and ISO27001.

During the Track Record Period, we have demonstrated a strategic focus on enhancing profitability, as reflected in our financial performance. Our total revenue was RMB730.4 million and RMB740.4 million in 2023 and 2024, respectively, while our profit for the year was RMB47.4 million and RMB67.4 million in 2023 and 2024, respectively. Our revenue decreased by 14.8% from RMB740.4 million in 2024 to RMB631.1 million in 2025. This decline was the result of a deliberate strategic shift to optimize profitability by prioritizing core, high-margin business activities. This strategy has resulted in an increase in our gross profit, which grew from 33.1% in 2024 to 37.8% in 2025. Our net profit was RMB47.4 million, RMB67.4 million, RMB74.3 million, RMB12.9 million and RMB10.6 million in 2023, 2024 and 2025 and the three months ended March 31, 2025 and 2026, respectively.

Our strategic focus during the Track Record Period is demonstrated by the rapid growth in our high-value service offerings:

- ***Financial infrastructure services***: Since 2021, we have provided software development services and ongoing operational support for 13 key projects across 5 major financial infrastructure operators in Hong Kong.

- ***Blockchain empowered services***: We have achieved significant breakthroughs in our digital finance offerings. Since 2023, we have successfully delivered 21 projects based on our FINNOSafe Web3 platform. These projects cover a diverse range of applications, including Web3 financial infrastructure, digital currency wallets, retail digital currency scenarios, and the tokenization of real-world assets.

- ***AI empowered services***: Leveraging our FINNOSmart platform, we have implemented generative AI systems for 7 financial institutions, enabling them to innovate their service offerings and enhance operational efficiency.

We have over 20 years of industry experience and long-standing customer relationships, supported by robust regulatory and technology expertise. As a partner in banking digitalization, a contributor to Hong Kong's financial infrastructure, a proponent of compliant Web3 adoption, and an adopter of AI in banking, we play an active role in the development of global on-chain finance and Hong Kong's digital finance transformation. During the Track Record Period, revenue derived from Hong Kong represented 60.4%, 59.8%, 80.3%, 86.9% and 81.3% of our total revenue for the years ended December 31, 2023, 2024, 2025 and for the three months ended March 31, 2025 and 2026, respectively.

Market Development and Opportunities

According to CIC, the fintech software development services market in Chinese Mainland and Hong Kong has experienced rapid growth, expanding from RMB118.3 billion in 2021 to RMB151.8 billion in 2025, representing a CAGR of 6.4%. Driven by the ongoing digital transformation of financial institutions and the accelerated deployment of new technologies, this market is projected to reach RMB310.5 billion in 2030, with an accelerated CAGR of 15.4% from 2025 to 2030. The banking industry accounts for more than 68% of the market. Measured by revenue, the market size reached RMB87.5 billion in 2025 and is expected to reach RMB186.5 billion in 2030, representing a CAGR of 16.3% from 2025 to 2030, where banking industry accounts for 60%−70% of the market. Within the fintech software development services in the banking industry in Chinese Mainland and Hong Kong, we obtain the market share of 1.1% in terms of revenues in 2025, ranking 17^{th}.

Geographic growth projections of the fintech software development services market are summarized below:

Region	2025 Market Size	2030 Projected Market Size	CAGR (2025E-2030E)
	(RMB)	(RMB)	
Chinese Mainland	141.2 billion	266.6 billion	13.5%
Hong Kong	10.6 billion	44.0 billion	32.9%

According to CIC, while Chinese Mainland dominates the overall market, Hong Kong's fintech software development services market is entering a phase of rapid growth and has reached a significant inflection point in 2024, transitioning from steady development to rapid expansion. The market size reached RMB10.6 billion in 2025 and is projected to expand to RMB44.0 billion by 2030, representing a CAGR of 32.9% from 2025 to 2030. Hong Kong's market share is projected to increase from 7.0% in

2025 to 14.2% by 2030, reflecting the acceleration of digital finance development in the region. This acceleration is driven by Hong Kong's strategic positioning as a leading hub for regulated fintech innovation and its role as a bridge between Chinese Mainland, Southeast Asia, and the global market.

Hong Kong is playing a leading role in the next generation of digital finance transformation driven by Web3 and AI. On one hand, leveraging its position as an international financial gateway, Hong Kong is developing replicable models for digital finance implementation through regulatory sandboxes, central bank digital currency initiatives, and compliant asset tokenization projects. On the other hand, drawing on its deep integration with Chinese Mainland, Hong Kong has established a comprehensive digital finance ecosystem and is positioning itself as a central hub to actively extend its influence to Southeast Asia and other Belt and Road economies. Through these efforts, Hong Kong is driving the adoption of digital finance infrastructure, technology standards, and governance practices. By facilitating regulatory alignment and fostering collaborative innovation, Hong Kong is not only connecting various stakeholders but also enabling regional partners to participate, co-create, and share in digital finance development. In doing so, Hong Kong is reinforcing its role as a pioneer and a facilitator in the digital finance corridor, fostering ecosystem growth and positioning itself as a key hub for collaboration between Chinese Mainland, Southeast Asia, the Middle East, other Belt and Road countries, and the global market.

The fintech software development services market is driven by several key factors.

- **Bridging Legacy and Digital Systems**: Financial institutions in Chinese Mainland and Hong Kong are undergoing a structural transition from traditional to digital finance, requiring both compatibility with existing core banking systems and support for emerging digital finance architectures.

- **Technology Innovations**: Advances in blockchain, artificial intelligence, and other emerging technologies are driving deeper integration with financial systems, improving service quality and expanding capabilities.

- **Government Policies**: Clear government and regulatory policies continue to accelerate the development of digital finance.

OUR STRENGTHS

We believe that the following competitive strengths contribute to our continuous success and differentiate us from our competitors:

Established Fintech Service Provider in the Banking Industry

According to CIC, we were the largest fintech service provider to Hong Kong banks by revenue in 2025. We have evolved from a software developer into an established fintech service provider which is leading the market with Web2 traditional banking technology, next generation financial infrastructure and fintech innovation characterized by compliant Web3 and generative AI technologies.

We promote Hong Kong's digital finance transformation and are positioned to capture the substantial growth that this market offers. We were selected as an official technology partner for both the first and second cohorts of the GenA.I. Sandbox, an initiative jointly announced by the Hong Kong Monetary Authority and Hong Kong Cyberport Management Company Limited.

Hong Kong functions as a leading hub for regulated digital finance innovation that links the Chinese Mainland, Southeast Asia and global markets. CIC projects that the market size of fintech software development services will increase at a compound annual growth rate of 13.5% in the Chinese

Mainland and 32.9% in Hong Kong between 2025 and 2030, while the Southeast Asia market will expand at 42.9%. Benefiting from Hong Kong's internationally aligned regulatory framework, explicit policy support for compliant Web3 and AI initiatives, and sustained governmental commitment to comprehensive banking digitalization, we are well placed to seize regional digital finance innovation opportunities. For example, we successfully delivered a cloud-native, new-generation digital core banking system for a leading national bank in Thailand. Moreover, we developed a blockchain-based proof-of-concept solution for a securities borrowing and lending system, which was deployed on a pilot basis in Malaysia as the first proof-of-concept of its kind in ASEAN.

Comprehensive Industry Know-How and Regulatory Compliance Expertise

We deliver end-to-end compliant technology services across banking products and operations, covering customer acquisition and onboarding, transaction execution, settlement, and regulatory compliance. Our service offerings span deposit and loans systems, payment and settlement rails, credit origination and risk control, and financial market systems, delivered through full-cycle consulting, solution design, implementation, and managed support.

Our self-developed, compliance-focused FINNOSafe Web3 platform underpins end-to-end digital money and asset tokenization solutions, providing full token lifecycle management for regulated financial institutions. FINNOSafe supports the onboarding of issuers and on-chain issuance, subscription, transfer, redemption, and delivery-versus-payment settlement of tokenized money and asset, under a centralized infrastructure and has been implemented in multiple projects with regulatory authorities and commercial banks to facilitate the bridging between Web2 and Web3 in regulated environments.

We operate a cross-border delivery model that combines the Hong Kong team's industry know-how and regulator-facing experience with robust development and delivery capabilities across the Greater Bay Area. We believe it is important to bridge the understanding of the Hong Kong market into true know-how and regulatory insight that can be embedded into our Shenzhen-Hong Kong R&D workforce. With more than 95% research and development workforce located in Chinese Mainland, we drive more than 80% revenue from Hong Kong in 2025. This integration converts customer requirements into practical, compliant, and resilient solutions, leveraging geographic strengths for speed, scalability, and cost efficiency while aligning with local market needs.

Accumulated Customer Base Spanning Regulatory Authorities and Banking Institutions

We serve every principal layer of the banking ecosystem: regulatory authorities, domestic and international commercial banks, and financial infrastructure operators. Our customer portfolio covers Hong Kong's leading commercial and digital banks, PRC state-owned banks, and city commercial banks. We began delivering services in the Chinese Mainland in 2003 and entered the Hong Kong market in the same year, giving us more than two decades of continuous involvement in the region's evolving banking landscape. During this period, Hong Kong regulatory authorities have entrusted us on industry-recognized initiatives, and we are now one of the very few technology providers that concurrently support multiple core regulatory authorities and infrastructure operators. We successfully participated in Project mBridge and were selected by the Hong Kong Monetary Authority as a technology partner for both cohorts of the GenA.I. Sandbox.

This industry coverage model creates a closed-loop feedback mechanism that provides early visibility of policy direction, market development roadmaps and front-line business requirements. Collaboration with regulatory authorities and financial infrastructure operators generates clear network effects among commercial banks, which in turn promote the adoption of our compliant solutions that require minimal customization to enable rapid, low-risk deployment at scale.

Our accumulated customer base fosters a virtuous cycle of trust, adoption and collaboration, allowing us to anticipate industry shifts and to translate market insight into future-ready, practical and compliant solutions. The retention rate across all service categories was 77.8%, 55.6%, 94.4%, 88.9% and 52.6% in 2023, 2024 and 2025 and the three months ended March 31, 2025 and 2026, respectively.

Solid R&D Capabilities and Recognized Technology Leadership

We possess research and development capabilities that enable customers to connect traditional finance with the digital asset economy by adopting emerging technologies such as blockchain based tokenization and artificial intelligence in a safe and compliant manner. Our financial infrastructure and fintech innovation services support the digital transformation of licensed financial institutions and regulatory authorities in Hong Kong and other markets through the deployment of our proprietary FINNOSafe and FINNOSmart platforms along with our experience in delivering industry-wide infrastructure projects.

Our technical reserves are extensive. As of Latest Practicable Date, we had accumulated 358 software copyrights and 340 software product registrations in Chinese Mainland, of which 82 software copyrights and 73 software product registrations relate to blockchain technology. As of March 31, 2026, technical personnel constituted over 90% of our workforce, providing us with a deep pool of talent that combines financial domain knowledge and technological expertise.

Our capabilities have been recognized by industry participants and regulatory authorities. In 2023, we jointly launched the Banking Copilot with Microsoft to automate compliance review procedures and such solution has subsequently evolved into FINNOSmart Agent, which assists banks in improving fraud investigation efficiency and customer experience. We are designated as a National High Tech Enterprise and were awarded the IFTA FinTech and Innovation Awards 2022/2023 — Corporate Achievements — Fintech Solutions (Blockchain, Cryptocurrency and CEP) Platinum Award, by Institute of Financial Technologists of Asia.

An Experienced and Stable Management Team Rooted in the Greater Bay Area with Cross-Border Industry Capabilities

We are led by an experienced management team with strong international connectivity. Our founder and chairman, Mr. Chow, has maintained continuous collaboration with Hong Kong financial institutions since 2003, with deep insight into the strategic priorities of domestic and international banks and the transformation of financial markets. Our director and CEO of Forms Syntron Information, Mr. Chan Wing Fat, has led banking consulting and industry development since 1996, including senior roles at IBM China/Hong Kong Limited, bringing a composite finance-and-technology background, trusted institutional relationships, and a global perspective to our growth.

We have a highly stable, consistent, professional, and diverse management team, possessing extensive fintech, strategy, operations, and management experience. Our management team has an averaging tenure in our group for over 15 years. Our Board and leadership combine global vision with local experience, as five out of our seven directors are Hong Kong residents, with extensive experience in international capital markets. Our core management and technical team includes professionals with multinational backgrounds and expertise in global fintech consulting, enabling effective cross-border collaboration with our integrated Shenzhen-Hong Kong workforce, and alignment with international regulatory practice.

OUR STRATEGIES

We bridge traditional finance with compliant Web3 and artificial intelligence technologies, combining regulatory rigor with technological innovation to drive digital finance transformation. Our aim is to become the preferred partner for financial institutions, delivering diversified growth and establishing market leadership within a regulated environment. To achieve this, we are executing the following strategies:

Expand Market Reach and Optimize Revenue Quality

We are simultaneously expanding our geographic footprint and evolving our business model to drive sustainable, high-quality growth.

- ***Geographic and Customer Diversification:*** Leveraging our established capabilities in technology, compliance, and enterprise-grade delivery, we are expanding into emerging markets, specifically Belt and Road regions, such as Southeast Asia.

- ***Deepening Customer Relationships:*** We aim to increase wallet share among existing customers. By aligning with our customers' strategic roadmaps, we deliver customized, high-value services that deepen customer penetration and drive digital transformation and continuous solution iteration.

- ***Explore Higher-margin Revenue Model:*** We are evolving toward a higher-margin, recurring revenue structure. This involves transforming our innovation assets into standardized, composable, and scalable platforms.

Strengthen Regulatory Collaboration on Financial Infrastructure

We are committed to solidifying our role as a foundational technology enabler for digital financial infrastructure.

- ***Infrastructure Leadership:*** We will thrive to continue to support regulatory authorities on financial infrastructure implementation, translating these engagements into enduring institutional trust and first-mover advantages.

- ***Strategic Alignment:*** Aligned with Hong Kong's "Fintech 2030" vision, we are deepening our involvement in key fintech initiatives such as Project mBridge, e-HKD, and Project Ensemble. These engagements reinforce our leadership in the next generation financial infrastructure.

- ***Global Export of Standards:*** We intend to export Hong Kong's compliant technological frameworks to international markets, supporting the development of their financial infrastructures while extending our global influence.

Scale Compliant Web3 and Tokenization Solutions

We are systematically scaling our Web3 business to connect traditional finance with the digital asset economy.

- ***The FINNOSafe Platform:*** We are leveraging our proprietary FINNOSafe platform to deliver enterprise-grade tokenization infrastructure. This platform supports the entire digital asset value chain including issuance, distribution, custody, and settlement for regulated tokenized money and tokenized real-world assets.

- ***Bridging Traditional Finance and Web3:*** Leveraging our expertise in regulatory compliance, we collaborate with regulatory authorities and financial infrastructure operators to ensure compliant connectivity between traditional financial systems and compliant Web3 finance.

- ***Ecosystem Development:*** We support the establishment of Web3 ecosystem in Hong Kong. A cornerstone of this initiative is the Blockchain Valley@Cyberport, a co-creation centre established with leading industry participants to aggregate global innovation, talent, and capital.

Growth Driven by AI

We are enabling financial institutions to adopt enterprise-grade artificial intelligence for enhanced end-customer experience, better operational efficiency and more effective risk management.

- ***The FINNOSmart Platform:*** Central to this strategy is the evolution of FINNOSmart, our industry-specific, generative AI platform. We are enhancing capabilities to fine-tune SLMs for specific financial use cases.

- ***Data Sovereignty and Security:*** FINNOSmart offers deployment options via on-premises data centres or private clouds. This architecture eliminates sensitive data egress, ensures regulatory compliance and reduces total cost of ownership.

- ***Composable AI Agents:*** We are developing composable, secure and auditable AI agents for high-impact scenarios, including intelligent customer service, real-time compliance monitoring, and automated regulatory reporting.

Cultivate a Multidisciplinary Talent Pool

We are building a talent pool that bridges the gap between legacy systems and digital platforms.

- ***Cross-Disciplinary Expertise:*** We are actively recruiting and developing talent proficient in the intersection of finance, compliance and technology, including blockchain and AI. This multi-disciplinary expertise ensures our technical architecture effectively supports the transformation of traditional financial institutions.

- ***Expertise:*** Through the formation of professional team with expertise, we are continuously exploring emerging technologies by validating new concepts via proof-of-concept initiatives, and rapidly cultivating new growth engines.

- ***Cultivation of Young Talents:*** We are developing future talent through internship and graduate development programs focusing on financial infrastructure, Web3 and artificial intelligence.

OUR SERVICES

Our service offerings are organized into three principal categories: (i) fintech software development services, (ii) consulting services, and (iii) system integration services.

The table below sets forth our revenue breakdown by business line in an absolute amount and as a percentage of our total revenue for the periods indicated:

	Year ended December 31,						Three Months ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentage)									
							(unaudited)			
Fintech software development services										
Banking technology services										
— Banking product portfolio	361,755	49.5	343,839	46.5	251,346	39.8	50,326	38.3	64,031	40.9
— Digital banking channel solutions	146,789	20.1	146,221	19.7	138,572	22.0	33,322	25.3	35,099	22.5
— Banking operation and data services	124,069	17.0	135,391	18.3	95,242	15.1	16,895	12.8	22,109	14.1
	632,613	86.6	625,451	84.5	485,160	76.9	100,543	76.4	121,239	77.5
Financial infrastructure and fintech innovation services	67,306	9.2	94,970	12.8	119,918	19.0	26,430	20.1	31,249	20.0
Subtotal	**699,919**	**95.8**	**720,421**	**97.3**	**605,078**	**95.9**	**126,973**	**96.5**	**152,488**	**97.5**
Consulting services	**29,987**	**4.1**	**19,487**	**2.6**	**24,046**	**3.8**	**4,601**	**3.5**	**3,561**	**2.3**
System integration services	**528**	**0.1**	**468**	**0.1**	**1,944**	**0.3**	**—**	**—**	**283**	**0.2**
Total	**730,434**	**100.0**	**740,376**	**100.0**	**631,068**	**100.0**	**131,574**	**100.0**	**156,332**	**100.0**

Fintech Software Development Services

Our fintech software development services provide software development, implementation, and maintenance services designed for financial institutions and regulatory authorities. These services are engineered to deliver scalable, secure, and compliant solutions that support our customers' core business operations and strategic initiatives. Our fintech software development services comprise two key categories: (i) banking technology services, which deliver integrated software systems and services that enable financial institutions to strengthen their competitive position through enhanced customer experiences and operational efficiency; and (ii) financial infrastructure and fintech innovation services, which provide foundational technology platforms and solutions that enable financial institutions and regulatory authorities to build, deploy, and operate next-generation financial infrastructure supporting digital financial systems. Together, these two service categories form an integrated service offering that addresses our customers' software development and maintenance needs, from traditional banking solutions to digital finance infrastructure. During the Track Record Period, our revenue derived from fintech software development services amounted to RMB699.9 million, RMB720.4 million, RMB605.1 million, RMB127.0 million and RMB152.5 million for the years ended December 31, 2023, 2024, 2025 and for the three months ended March 31, 2025 and 2026, respectively.

The demand for our fintech software development services is principally driven by the following key factors:

- ***Ongoing transformation of the financial services industry:*** Financial institutions are actively upgrading legacy systems to enhance scalability, resilience and operational efficiency. The digital transformation of financial institutions and regulatory authorities further accelerates this upgrade cycle.

- ***Evolving regulatory requirements:*** The dynamic regulatory environment requires financial institutions to promptly adapt their systems to meet evolving regulatory requirements. These regulatory changes create sustained demand for software development in areas such as regulatory reporting, anti-money laundering, risk management, and cybersecurity.

- ***Rising expectations for customer experience:*** The adoption of online and mobile banking has elevated end-customer expectations for banking services. Financial institutions are therefore enhancing digital channel solutions to deliver superior user experiences, such as seamless omni-channel experiences and personalized user interfaces.

- ***Adoption of emerging technologies:*** The deployment of technologies such as blockchain and AI within regulated financial environments introduces compliance and operational complexities. This increases the need for enterprise-grade platforms that provide secure, auditable integrations between existing systems and evolving technologies.

Banking Technology Services

We provide software development services for banks to manage their end-to-end business operations and address regulatory requirements. Our services are designed to form the technological backbone of modern banking, enabling our customers to innovate with agility, improve operational efficiency, and deliver desirable experiences to their end-customers. Our banking technology services cover three tiers of banking architecture: (i) banking product portfolio, which includes the core banking system, personal finance solution and corporate finance solution that form the foundation of banking operations; (ii) digital banking channel solutions, which create a seamless, consistent, and secure omni-channel experience for end-customers across online banking and mobile banking; and (iii) banking operation and data services, which leverage data analytics and AI to optimize back-end processes, enhance risk management, and provide data-driven insights for strategic decision-making. Together, these three tiers provide an integrated, end-to-end suite of services that covers the full spectrum of a bank's technology needs. During the Track Record Period, our revenue derived from banking technology services amounted to RMB632.6 million, RMB625.4 million, RMB485.2 million, RMB100.5 million and RMB121.2 million for the years ended December 31, 2023, 2024, 2025 and for the three months ended March 31, 2025 and 2026, respectively.

Banking Product Portfolio

Banking operations require a unified platform that consolidates its core banking functions and enables customization for rapid business adaptation. Its core banking system provides a unified, digital core platform that manages essential end-customer accounts, transactions, banking products and general ledger for commercial banks. In addition to these core capabilities, banks also require digital platforms to serve individual and corporate end-customers with personal wealth management and corporate treasury operations. Our banking product portfolio enables banks to innovate their product offerings, serving both individual and corporate end-customers. It covers the personal finance solution and the corporate finance solution. During the Track Record Period, our revenue derived from banking product portfolio amounted to RMB361.8 million, RMB343.8 million, RMB251.3 million, RMB50.3 million and RMB64.0 million for the years ended December 31, 2023, 2024, 2025 and for the three months ended March 31, 2025 and 2026, respectively.

Case Study 1: Intelligent Loan System

Background

Our customer is a leading provincial rural commercial united bank in Chinese Mainland. Its legacy loan system, built over a decade ago, was optimized for traditional offline operations and could not support 24/7 operations or meet the evolving demands of mobile-first, scenario-based and intelligent financial services. The system's deployment and maintenance approach also constrained the customer's ability to adapt to its complex multi-entity structure.

Solution

We developed a configurable loan system for the customer which supports 24/7 operations. The system enables loan product creation by parameters configuration, such as interest rates and terms. This system enables loan applicant credit assessment, using big data analytics. The system provides seamless access by bank operation staff and end-customers through web, mobile and WeChat channels. The system supports the usage of multi-data centers. It enables the usage of alternative data center in case of disaster and supports dynamic scalability. It also supports the launch of new loan products.

Benefit

1. Digitalization of the personal loan business for the bank.

2. Multi-channel access to the loan system for the end-customers.

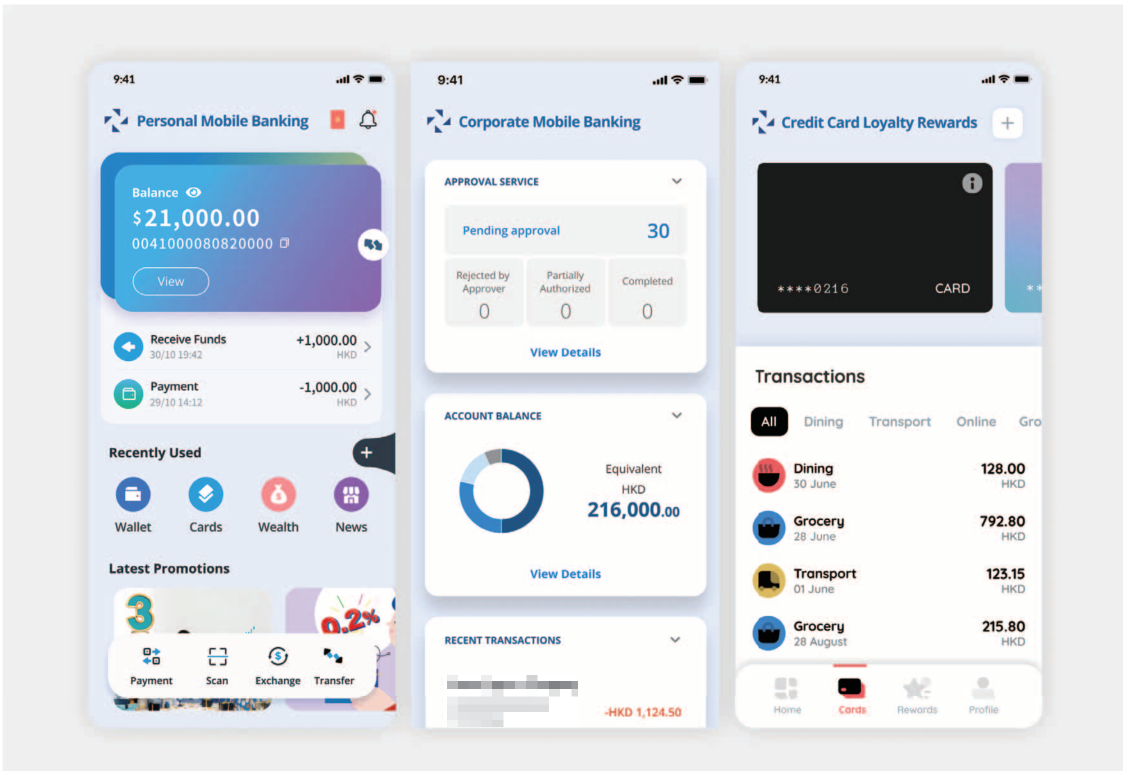
3. Disaster resilience and dynamic scalability.

Digital Banking Channel Solutions

Our digital banking channel solutions enable banks to deliver financial services across online banking, mobile banking, and other touchpoints. During the Track Record Period, our revenue derived from digital banking channel solutions amounted to RMB146.8 million, RMB146.2 million, RMB138.6 million, RMB33.3 million and RMB35.1 million for the years ended December 31, 2023, 2024, 2025 and for the three months ended March 31, 2025 and 2026, respectively.

Our online banking solution provides a web-based platform for banks to serve individual and corporate end-customers. For individual end-customers, it delivers 24/7 financial services through web interfaces, enabling them to manage accounts, execute domestic and cross-border transfers, apply for credit cards and loans, and access investment and insurance products. For corporate end-customers, the solutions include specialized modules for transaction authorization and cash and treasury management. Our solution incorporates multi-factor authentication and real-time anomaly detection to enhance security, uses advanced encryption to protect end-customers' data, and connects to corporates' existing systems through APIs to integrate business and financial operations.

Our mobile banking solution provides a mobile financial services gateway for banks to serve individual end-customers through smartphone applications. It delivers fundamental banking services including account management, fund transfers, credit card services, and wealth management. The solution also includes modules for loans, financing, insurance, cross-border payments, and multi-currency management, along with value-added services such as merchant discounts and lifestyle services integration. The platform incorporates biometric authentication including facial recognition, real-time risk control through device fingerprinting and behavior analysis, and connects to external services such as billing services through APIs. Below sets forth the screenshots of personal mobile banking and corporate mobile banking:



Case Study 2: Online Banking Platform for a Hong Kong Commercial Bank

Background

Our customer is a Hong Kong top-tier commercial bank. It expected us to provide a unified digital platform to centralize management across multiple digital channels and product modules. They also expected the solution to support the full range of corporate banking functions required for group companies across multiple regions.

Solution

We developed a multi-channel digital banking platform, which serves these group companies across multiple regions. The platform incorporates advanced cash pooling, bill pooling, and supply chain capabilities to help end-customers manage cash, credit facilities and batch payment processes, enhancing capital efficiency and reducing financial costs. It supports multi-level user authorization management and real-time transaction monitoring to ensure corporate financial security and operational compliance. The platform supports operations across Hong Kong and nine Southeast Asian markets with 24/7 online banking, mobile banking, and direct connection with end-customer's IT systems. The platform enables corporate end-customers to conduct end-to-end operations such as account opening and cross-border remittances without visiting a physical branch, significantly improving service efficiency.

Benefit

1. Centralized management of corporate banking services across multiple digital channels and markets.

2. Improved end-customer experience.

3. Reduced operational costs.

Banking Operation and Data Services

Our banking operation and data services support the back-end operation of banks. It includes provision of (i) integrated analytics and automation platforms and (ii) software which enables digital daily management of bank's operation. Integrated analytics and automation platforms enable banks to transition from experience-based to data-driven decision-making. The platform integrates and processes data from multiple sources. It then uses this data to generate reports or analytics based on the designated purpose, such as anti-fraud and operational management. Through advanced analytics, we enable banks to turn complex data into evidence-based recommendations, anticipate end-customers' needs, and automate workflows to reduce manual effort and errors. Banking operation and data services also provide software that enables digital daily management of bank's operation. During the Track Record Period, our revenue derived from banking operation and data services amounted to RMB124.1 million, RMB135.4 million, RMB95.2 million, RMB16.9 million and RMB22.1 million for the years ended December 31, 2023, 2024, 2025 and for the three months ended March 31, 2025 and 2026, respectively.

Case Study 3: Regulatory Reporting Platform for an Overseas Branch of a State-Owned Bank

Background

Our customer is a major overseas branch of a state-owned bank, with core businesses in corporate finance, cross-border operations, retail banking, and financial markets trading. The branch serves as a bridge in bilateral trade and economic cooperation between the two regulatory authorities. The branch sought to optimize its data integration and regulatory reporting processes.

Solution

To assist the branch in enhancing data integration and reporting efficiency, we deployed a unified regulatory reporting platform. The platform features unified data collection, cleansing and validation capabilities, and is architected to meet multiple regulatory reporting requirements. The system integrates data from disparate sources across the branch's operations, standardising data formats and applying consistent validation rules to ensure accuracy and consistency. The implementation delivers improvements in reporting quality and operational efficiency.

Benefit

1. Enabled the digitalization of the regulatory reporting operation.

2. Reduced labor efforts.

Financial Infrastructure and Fintech Innovation Services

Our financial infrastructure and fintech innovation services support the digital transformation of regulated financial institutions and regulatory authorities in Hong Kong and other markets. We provide regulatory authorities, commercial banks and financial infrastructure operators with technology solutions for tokenized money, tokenized assets, generative AI and next-generation financial infrastructure, leveraging our proprietary FINNOSafe and FINNOSmart platforms and our experience in delivering industry-wide infrastructure projects. Our services enable customers to integrate existing core banking, payment, settlement and regulatory reporting systems with emerging technologies such as blockchain, tokenization and AI, in a manner aligned with regulatory requirements.

We have participated in multiple financial infrastructure initiatives including a securities issuance and settlement system, a domestic instant payment system, a cross-border clearing system, Project mBridge, the e-HKD Pilot Programme, Project Ensemble and GenA.I. Sandboxes. These engagements have further supported our position as an established fintech service provider in the banking industry in Hong Kong for digital financial infrastructure and fintech innovation services.

During the Track Record Period, our financial infrastructure and fintech innovation services have been a significant growth driver, reflecting growing demand from banks and financial infrastructures operators for tokenized money, tokenized asset and generative AI-enabled solutions. During the Track Record Period, our revenue derived from financial infrastructure and fintech innovation services amounted to RMB67.3 million, RMB95.0 million, RMB119.9 million, RMB26.4 million and RMB31.2 million for the years ended December 31, 2023, 2024, 2025 and for the three months ended March 31, 2025 and 2026, respectively.

Financial Infrastructure Services

In Hong Kong, we have accumulated extensive experience through our participation in the design, development and enhancement of major financial infrastructure platforms.

Hong Kong Instant Payment System

We have provided comprehensive services covering interface design, message transformation and operational resilience arrangements for an instant payment system operator. The instant payment system enables individuals and businesses to make real-time 24/7 payments, supporting multiple currencies for both domestic and cross-border transactions. Our services are designed to help the instant payment system operator achieve high availability, low latency, and exception handling processes.

Securities Issuance and Settlement System

We have provided comprehensive architecture and implementation services for a securities issuance and settlement system in Hong Kong. Our offerings enable the system operator to support participant connectivity, securities lifecycle event processing, and integration with participants' treasury, risk, and back-office systems. This experience is directly relevant to the evolution of the securities issuance and settlement towards supporting tokenized securities and more advanced DvP mechanisms.

Cross-border Clearing System

We have supported a clearing bank in enhancing its clearing and settlement transaction systems for cross-border and offshore currency flows. Our services include integration with participating banks, support for multiple clearing channels, and alignment with evolving standards for message formats, risk controls, and regulatory reporting.

Fintech Innovation

Our fintech innovation services empower regulatory authorities, commercial banks and financial infrastructure operators to design, test and scale new forms of digital financial services built on compliant blockchain based, tokenization and AI technologies. Leveraging our FINNOSafe and FINNOSmart platforms, we support customers in developing solutions for tokenized money and tokenized assets, programmable payments, 24/7 settlement, and generative AI-enabled compliance and customer engagement, from initial concept through pilot to production rollout. By working on globally renowned initiatives such as Project mBridge, e-HKD, Project Ensemble and GenA.I. Sandboxes, we provide architecture design, sandbox environment and implementation toolkits that align innovation with regulatory and operational requirements.

Project mBridge is a multi-jurisdiction initiative by the Bank of International Settlement Innovation Hub and four central banks, including the HKMA. Project mBridge explores the use of distributed ledger technology to enable cross-border wholesale settlement across multiple CBDCs, focusing on improving efficiency and reducing frictions through interoperable design. During the Track Record Period, we participated in Project mBridge from the proof-of-concept to minimum-viable-product phases, where we provided consulting services and fintech software development services. As of the Latest Practicable Date, our engagements with the regulatory authorities under Project mBridge remain ongoing. Our engagement in Project mBridge is of strategic importance to our business, revenue, and operations. In addition to the revenue generated during the Track Record Period, the project enabled us to develop reusable integration components for cross border settlement solutions, thereby strengthening our capabilities and enhancing our competitive position.

The e-HKD Pilot Programme is an HKMA initiative to evaluate potential use cases, design considerations, and implementation issues for a retail CBDC in Hong Kong. During the Track Record Period, we provided the HKMA with technical support and hosting services for the e-HKD+ programme. As of the Latest Practicable Date, our engagements with the HKMA under the e-HKD+ programme remain ongoing. Our participation in the e-HKD Pilot Programme carries strategic significance to our business, revenue, and operations. By developing key integration and compliance solutions, we have not only gained practical experience but also developed reusable components that will support future projects involving tokenized money and tokenized assets. This enhances our competitive position as a trusted expert in the digital currency field. Beyond the revenue contributed during the Track Record Period, the programme has also provided a solid basis for our future development. The expertise we gained enables us to deliver tokenization solutions more efficiently, which we believe will be a key driver of our future revenue streams.

Project Ensemble is an HKMA initiative focused on tokenization-related use cases, including exploring tokenized instrument settlement arrangements through a sandbox approach with participating institutions. Project Ensemble has commenced the pilot phase in 2025. During the Track Record Period, we participated in the sandbox delivery and subsequent pilot phases for multiple use cases, where we provided consulting services and fintech software development services. As of the Latest Practicable Date, our engagements with the HKMA under Project Ensemble remain ongoing. Our engagement in Project Ensemble has generated substantial benefits for our business, revenue, and operations. In addition to the revenue generated during the Track Record Period, the project enabled us to shorten the time to market for several FINNOSafe modules, including token management, token custody services, and cross-chain DvP design. These modules have since been reused in multiple commercial tokenization projects in 2025 and will continue to support future projects.

The GenA.I. Sandbox is an initiative jointly announced by the HKMA and Hong Kong Cyberport Management Company Limited to facilitate responsible experimentation and adoption of generative AI by banks. The initiative sets out governance expectations on data security, model risk, explainability, auditability, and operational controls. During the Track Record Period, we served as an official technology partner to the HKMA and Cyberport. As of the Latest Practicable Date, our engagements under the GenA.I. Sandbox remain ongoing. We provided technical support on managing the usage of Cyberport's AI Supercomputing Centre. Our engagement in the GenA.I. Sandbox is important to our business, revenue, and operations. Our participation has supported subsequent commercial implementations for more than three financial institutions using our FINNOSmart platform.

We consider our participation in these initiatives to be commercial in nature rather than experimental, on the basis that: (i) we generated revenue from each of the four initiatives during the Track Record Period; and (ii) following our participation in these initiatives, we obtained three, nine, five and four similar commercial projects relating to Project mBridge, the e-HKD Pilot Programme, Project Ensemble and the GenA.I. Sandbox, respectively.

These engagements have further supported our position as an established fintech service provider in the banking industry in Hong Kong for digital financial infrastructure and fintech innovation services. These initiatives improved our credibility with financial institutions and enhanced our ability to attract new clients by demonstrating our technological capabilities. Our engagement in these initiatives also provides us with early visibility into emerging infrastructure standards and supervisory expectations. Leveraging the experience accumulated from these initiatives, we have developed reusable architectural components and product modules that can be applied in subsequent engagements with similar requirements, thereby improving delivery efficiency and scalability. According to CIC, we are the only one fintech software development service provider participating in all the above projects.

We have also established a portfolio of innovation assets through our fintech innovation services. These assets comprise reusable platforms, components and architectures developed using compliant blockchain, tokenization and AI technologies. They enable us to shorten delivery cycles and enhance auditability in regulated environments. Apart from our FINNOSafe and FINNOSmart platforms, our key innovation assets also include: (i) standardized workflows for each step of issuance of tokenized assets; (ii) compliance-oriented frameworks for logging, auditing and access management; (iii) integration connectors that bridge blockchain technologies with existing banking systems; and (iv) GenA.I. guardrail components designed for compliant deployment in financial institutions.

Blockchain Empowered Services

Our blockchain empowered services support regulatory authorities and regulated financial institutions in adopting compliant Web3 technologies for tokenized money and tokenized asset solutions. These services address the growing market demand for efficient cross-border payments by regulated tokenized money, and end-to-end asset tokenization. Our primary customers include commercial banks, financial infrastructure operators, and regulatory authorities participating in projects such as Project mBridge, e-HKD, and Project Ensemble. Our core offering is integrated solutions that combine our project experience and the FINNOSafe tokenization platform, providing a comprehensive technology stack for enterprise-grade tokenized asset operations.

FINNOSafe is our compliant Web3 tokenization platform, built on blockchain technology to support the entire digital asset value chain. Digital asset value chain refers to the end-to-end process through which an authorized issuer structures and issues a tokenized instrument, distributes it to eligible participants, manages post-issuance lifecycle events and conducts transfer and settlement in a controlled environment with compliance controls and auditability. FINNOSafe supports this value chain by providing five core capabilities: (i) onboarding services for issuers and participants, with role-based access and control rights; (ii) token services, including token issuance, distribution, redemption and other lifecycle management; (iii) compliance and audit services, offering configurable checks and logs for regulatory compliance, with reporting and reconciliation interfaces; (iv) wallet services, providing integration interfaces to connected with end-customers' custody arrangements and key management controls; and (v) transaction services, supporting reconciled settlement with interfaces to existing banking systems.

FINNOSafe incorporates several architectural features to deliver these capabilities. The platform embeds compliance rules into smart contracts to automate the asset lifecycle, including issuance, distribution, transfer, lock-up management, redemption and custody. It supports dynamic pre-trade compliance checks and integrates KYC/AML and KYT functions to align with regulatory requirements across jurisdictions. The platform's modular architecture separates the tokenization system, smart contracts and compliance modules, which improves scalability and allows independent upgrades. FINNOSafe also includes an integration layer which enables secure connections with customers' existing banking systems, facilitating low-disruption adoption of blockchain technology.

FINNOSafe is applied in two principal scenarios: tokenized money solutions and tokenized asset solutions. Tokenized money solutions involve tokenized representations of money used for payment and settlement, including tokenized deposits, wholesale tokenized money and digital currency applications. Tokenized asset solutions involve tokenized representations of financial assets or real-world assets, such as tokenized bonds, funds or other financial instruments. In both scenarios, FINNOSafe is configured to support the full value chain through its onboarding, token, compliance, wallet and transaction services.

Case Study 1: Enabling Tokenization of a Regulatory Authority and a Commercial Bank

Background

An overseas commercial bank expected to issue tokenized deposit for end-customers to subscribe its tokenized financial assets. From a regulatory authority's level, the authority also needs a platform to settle subscription of such tokenized financial assets on-chain.

Solution

At the regulatory authority level, we deployed a tokenized financial infrastructure solution to provide a platform integrating with participating banks and relevant payment and settlement systems.

The platform supported DvP and PvP settlement in tokenized form, and allowed programmable workflows for lifecycle events, corporate actions and collateral management in a controlled regulatory environment.

At the commercial bank's level, we tailored FINNOSafe to address their needs. FINNOSafe makes it possible from a technical perspective for tokenized deposits to be used to subscribe tokenized money market fund units which it issued. It enables the orchestration of complex tokenized asset workflows across multiple participating financial institutions, with programmable settlement logic, fine-grained access controls, and comprehensive audit trails to meet regulatory expectations. It also enables near real-time subscription, redemption and transfer of tokenized money market fund units with atomic DvP settlement.

Benefit

1. Unlocked the usage of deposit tokenization.

2. Enabled the issuance of tokenized financial assets.

AI Empowered Services

Our AI empowered services provide financial institutions with generative AI solutions designed specifically for banks and other financial institutions. The services address the growing demand for intelligent automation in compliance and risk management, while enhancing end-customer experience and operational efficiency. Our customers include commercial banks participating in projects such as the HKMA GenA.I. Sandbox.

FINNOSmart, the platform behind our AI empowered services, focuses on reducing compliance and operational costs, improving risk and fraud controls, and enhancing digital customer experiences through safe and compliant AI-driven automation. FINNOSmart combines a banking specific SLM with a composable agentic AI framework.

The banking specific SLM is a fine-tuned foundation model trained with individual bank's data, enabling the deployment and management of fine-tuned AI models. The SLM can be deployed in customers' on-premises or private cloud environments for lower latency, tighter data control, and secured deployment, with embedded controls for access management, logging, and policy enforcement to ensure compliance with regulatory requirements.

The composable agentic AI framework provides reusable components such as knowledge modules, supporting financial institutions to build and deploy AI agents for specific business tasks. This framework enables AI agents to perform operations by invoking back-end systems and APIs, such as account inquiries, transaction retrieval, or approval workflow, enhancing AI agents' capability from simple information responses to autonomous digital workers.

FINNOSmart and our AI technologies are applied across our business lines:

(i) **Fintech Software Development Services:** We use FINNOSmart to support the preparation of documentation, generation of sample programming codes, suggestion of coding improvement, preparation of test cases and drafting of testing reports.

(ii) **Consulting Services:** We use FINNOSmart to accelerate consulting deliverables, including requirements analysis, document preparation and prototype demonstrations. Our consulting engagements may also include AI strategy and governance advisory, as well as implementation planning for AI deployments.

(iii) **System Integration Services:** We are able to integrate and deploy FINNOSmart on third-party AI components, such as large language models, GPU infrastructure and AI tooling for both training, inferencing and agent deployment.

Case Study 2: Fraud Investigation Report GenAI Assistant

Background

When it comes to fraud investigations, financial institutions often face challenges, including fragmented evidence collection across multiple systems, intensive analysis effort required to structure case narratives, stringent requirements for data privacy and on-premise processing, and heightened expectations for explainability, auditability, and reliable decision support.

Solution

As a technology partner, we collaborated with a leading local bank in Hong Kong under the HKMA GenA.I. Sandbox to co-create and deploy a "Fraud Investigation Report GenA.I. Assistant" that supports fraud data processing, investigation workflows, decisioning support, and investigation report drafting. The solution leverages the computing resources provided by the HKMA in the Sandbox programme to fine-tune a bank-specific SLM, and is designed to run locally within the bank's premises to ensure data security. We adopt a RAG approach that grounds AI outputs on internal knowledge sources (e.g., fraud typologies, operating procedures, investigation playbooks, and approved report templates), enabling investigators and compliance officers to trace generated statements back to verifiable references for audit readiness.

Benefit

1. Efficiently prepared fraud investigation report.

2. Reduced labor efforts.

Consulting Services

Our consulting services provide regulatory authorities, commercial banks, and financial infrastructure operators with end-to-end advice on financial technology strategy, architecture, and implementation. We offer standalone deliverables including solution blueprints, feasibility studies, or proofs-of-concept. These deliverables enable customers to advance their technology initiatives independently, without requiring subsequent software development services from us. During the Track Record Period, our revenue derived from consulting services amounted to RMB30.0 million, RMB19.5 million, RMB24.0 million, RMB4.6 million and RMB3.6 million for the years ended December 31, 2023, 2024, 2025 and for the three months ended March 31, 2025 and 2026, respectively.

We combine banking and finance expertise with technology implementation capabilities to advise on digital transformation across traditional banking domains and emerging technologies, addressing the transition from legacy systems to modern architectures. Our inhouse consulting teams bring together strategy consultants, solution architects, subject-matter experts, and senior engineers, enabling coverage of business, technology, regulatory, and operational perspectives within a single engagement. To improve efficiency, our customers may procure our fintech software development and system integration services following our consulting engagements.

System Integration Services

Our system integration services provide end to end implementation, including procurement management, hardware acquisition, third party software licensing, installation, integration, and testing. Compared with our other business lines, the value of our system integration services lies in our integration capabilities rather than in proprietary software or consulting deliverables. Where required by customers, we provide system integration services following fintech software development engagements to improve efficiency and mitigate implementation risks. We also offer system integration services on a standalone basis.

Our system integration services are operating in a highly competitive upstream market with transparent pricing and relatively lower technical complexity. As such, this business segment typically carries lower gross margins and serves primarily as a complementary service offering rather than a primary profit driver.

During the Track Record Period, our revenue derived from system integration services amounted to RMB0.5 million, RMB0.5 million, RMB1.9 million, nil and RMB0.3 million for the years ended December 31, 2023, 2024, 2025 and for the three months ended March 31, 2025 and 2026, respectively.

Our Historical Development and Strategic Shift

Since our establishment in 2003, our principal business has been fintech software development services. In our early years, we operated in both the Chinese Mainland and overseas markets, with a larger proportion of our revenue generated from the Chinese Mainland. Over time, we expanded our overseas presence, and in 2018, revenue from overseas customers exceeded 50% of our total revenue for the first time.

Our early operations focused on banking technology services. We subsequently expanded into financial infrastructure and fintech innovation services. In 2016, we initiated research and development in blockchain technology, which supported our involvement in compliant Web3 initiatives. In 2021, we started participating in financial infrastructure projects, which enhanced our competitive position in serving downstream financial institutions. In 2023, we launched Banking Copilot in collaboration with Microsoft, which subsequently evolved into our FINNOSmart platform.

During the Track Record Period, increasing competition in the Chinese Mainland fintech market put pressure on industry profit margins. In the fourth quarter of 2024, our management initiated a strategic shift to allocate more resources to our core, higher-margin segments. These include fintech services with high entry barriers, primarily financial infrastructure and fintech innovation services for large commercial banks, regulatory authorities, and major financial infrastructure operators. We have adopted a disciplined approach to pricing across both of our revenue models. Under the time-and-material model, when bidding for framework agreements, we set our rate card with reference to a comprehensive assessment of our cost structure to maintain an adequate gross margin, and we do not seek to win bids through price undercutting. Under the project-based model, we assess the expected implementation costs before providing a quotation or entering commercial negotiations. Our pricing incorporates appropriate contingency allowances for execution risks and reflects the targeted profit margins. This strategy has resulted in an increase of profit margin which grew from 33.1% in 2024 to 37.8% in 2025. It also led to an increase in our revenue derived from our operations in Hong Kong, which grew from RMB442.9 million to RMB506.7 million during the same period.

Impact of the Pandemic on Our Business Operations and Financial Performance

Our Directors are of the view that the COVID-19 pandemic did not have any material impact on our business operations or financial performance during the Track Record Period and up to the Latest Practicable Date.

Key Operating Metrics

The table below sets forth the breakdown of our revenue derived from contracts under different recognition methods:

	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
			(RMB in thousand)		
Over time (time-and-material contracts and annual maintenance contracts)	**627,189**	**631,233**	**541,549**	**118,310**	**136,790**
Fintech software development services	603,952	614,702	523,937	114,072	134,270
Consulting services	23,237	16,531	17,612	4,238	2,520
System integration services	0	0	0	0	0
At a point of time (project-based contracts)	**103,245**	**109,143**	**89,519**	**13,264**	**19,542**
Fintech software development services	95,967	105,719	81,141	12,901	18,218
Consulting services	6,750	2,956	6,434	363	1,041
System integration services	528	468	1,944	0	283
Total Revenue	**730,434**	**740,376**	**631,068**	**131,574**	**156,332**

Revenue recognized over time mainly consists of revenue generated under the time-and-material contracts. Revenue recognized at a point of time corresponds to revenue generated under the project-based model.

The table below sets forth selected key operating metrics of our project-based contracts, presented by business line:

	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
Number of bids	121	139	184	36	24
Fintech software development services	121	136	181	36	24
Consulting services	0	3	2	0	0
System integration services	0	0	1	0	0
Bid success rate	76.9%	64.7%	62.0%	63.9%	54.2%
Fintech software development services	76.9%	64.0%	61.3%	63.9%	54.2%
Consulting services	—	100.0%	100.0%	—	—
System integration services	—	—	100.0%	—	—
Number of ongoing projects at the beginning of the year/period	123	177	206	206	147
Fintech software development services	120	177	202	202	142
Consulting services	3	0	4	4	5
System integration services	0	0	0	0	0
Number of newly awarded projects	249	297	221	45	15
Fintech software development services	242	290	198	42	13
Consulting services	6	6	10	3	0
System integration services	1	1	13	0	2
Number of projects completed	195	268	280	26	31
Fintech software development services	185	265	258	26	29
Consulting services	9	2	9	0	0
System integration services	1	1	13	0	2

	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
Number of ongoing projects at the end of the year/period	177	206	147	225	131
Fintech software development services	177	202	142	218	126
Consulting services	0	4	5	7	5
System integration services	0	0	0	0	0
Outstanding balance of contract value at the beginning of the year/period *(RMB million)*	115.5	117.8	117.2	117.2	95.8
Fintech software development services	114.1	117.8	112.1	112.1	92.8
Consulting services	1.4	0	5.1	5.1	3.0
System integration services	0	0	0	0	0
Contract value of newly awarded projects *(RMB million)*	106.8	110.5	77.8	14.1	19.8
Fintech software development services	101.1	101.9	71.2	11.9	19.5
Consulting services	5.2	8.1	4.5	2.2	0
System integration services	0.6	0.5	2.1	0	0.3
Contract value of completed projects during the year/period *(RMB million)*	104.6	111.2	99.1	13.3	21.5
Fintech software development services	97.4	107.6	90.5	12.9	20.1
Consulting services	6.6	3.1	6.5	0.4	1.1
System integration services	0.6	0.5	2.1	0	0.3
Total revenue recognized at the end of the year/period *(RMB million)*	103.2	109.1	89.5	13.3	19.5
Fintech software development services	96.1	105.7	81.1	12.9	18.2
Consulting services	6.6	3.0	6.4	0.4	1.0
System integration services	0.5	0.5	1.9	0	0.3
Outstanding balance of contract value at the end of the year/period *(RMB million)*	117.8	117.2	95.8	117.9	94.1
Fintech software development services	117.8	112.1	92.8	111.0	92.1
Consulting services	0	5.1	3.0	6.9	2.0
System integration services	0	0	0	0	0

(1) The difference between "Contract value of completed projects" and "Total revenue recognized" mainly arises from VAT and the fact that contract values are not always fully recognized as revenue, as the contract scope may be adjusted after signing or the relevant milestones may not be met. In such cases, although revenue is not recognized, the contract value reflects the maximum amount set out in the contract.

Our number of bids increased from 139 in 2024 to 184 in 2025, primarily due to: (i) our pursuit of new customers and projects; and (ii) a shift in customer procurement practices toward open tendering following changes in regulatory requirements. Our number of bids decreased from 36 in the three months ended March 31, 2025 to 24 in the three months ended March 31, 2026, primarily due to: (i) a reduction in the number of tenders issued by target customers in Chinese Mainland, as certain customers had issued a higher volume of tenders in the three months ended March 31, 2025 in connection with their technology upgrade initiatives, with bid volumes returning to normal levels in the three months ended March 31, 2026; and (ii) a strategic shift in our business focus toward overseas markets, where customers are generally acquired through direct engagement rather than competitive bidding.

Our bid success rate decreased from 76.9% in 2023 to 64.7% in 2024, primarily because we participated in more competitive bids for new customers and projects. This increased bid volume reduced our overall success rate. Our bid success rate decreased from 63.9% in the three months ended

March 31, 2025 to 54.2% in the three months ended March 31, 2026, primarily due to: (i) the relatively small number of bids in each of the two periods, where a slight change in the number of successful bids has a large impact on the success rate; and (ii) intensified competition in the Chinese Mainland fintech market, where we have maintained a disciplined approach to pricing and do not seek to win bids through price undercutting, which has had an adverse effect on our success rate.

Our number of newly awarded projects increased from 249 in 2023 to 297 in 2024, primarily due to an increase in the number of newly awarded projects under our fintech software development services. This increase is driven by increased demand from the parent company of the Customer B group for three product lines, which resulted in more contracts being awarded. The number decreased to 221 in 2025, primarily due to a decrease in the number of newly awarded projects under our fintech software development services, as (i) the demand from the parent company of Customer B group for these three product lines decreased in 2025, primarily due to the completion of the product life cycle with functionalities migrated to new products and the conclusion of specific themed events, for which such products were developed; and (ii) a subsidiary within the Customer B Group adopted a single comprehensive contract to cover its overall requirements in 2025, whereas in 2024 and prior years it entered into multiple smaller contracts. This change reduced the total number of contracts awarded. Our number of newly awarded projects decreased from 45 in the three months ended March 31, 2025 to 15 in the three months ended March 31, 2026, primarily due to a change in the scope and scale of contracts awarded by certain customers. In particular, a major customer in Chinese Mainland discontinued certain product lines in 2026, which had previously generated a relatively high volume of smaller-scale contracts. The discontinuation of these product lines resulted in no new projects being awarded in respect of such product lines during the three months ended March 31, 2026.

Our number of projects completed increased from 195 in 2023 to 268 in 2024, primarily due to an increase in the number of projects completed under our fintech software development services. This increase is driven by the increased demand from the parent company of the Customer B group for three product lines mentioned above, which resulted in more projects being completed during the year. Our number of projects completed increased from 26 in the three months ended March 31, 2025 to 31 in the three months ended March 31, 2026. The modest increase primarily reflects the completion and revenue recognition in the three months ended March 31, 2026 of certain projects that were in progress during 2025.

Time-and-Material Model(1)

	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
Number of customers(2)	15	15	17	16	16
Fintech software development services	14	12	15	13	15
Consulting services	2	4	4	4	3
System integration services	0	0	0	0	0
Average revenue per customer(3) *(RMB'000)*	40,530	40,801	31,444	7,278	8,440
Customer retention rate(4)	72.2%	73.3%	100.0%	100.0%	82.4%

(1) The calculation of operating metrics in this table excludes the same customers as those excluded from the calculation of retention rate. See "Glossary of Technical Terms — retention rate".

(2) Number of customers is calculated on a consolidated basis. Breakdown of customers by business segments can overlap because framework agreement with customers may cover service offerings of one or more business segments. Prior to the exclusion described in note (1) above, the total number of customers under the time-and-material model was 26, 25, 21, 17 and 19 in 2023, 2024 and 2025 and the three months ended March 31, 2025 and 2026, respectively.

(3) Average revenue per customer is calculated as total revenue derived under the time-and-material model for the relevant period divided by the total number of customers during the same period.

(4) Customer retention rate is calculated as the number of customers who contributed revenue to us under time-and material model in both the prior year and the current year divided by the total number of customers in the prior year.

Our average revenue per customer decreased from RMB40,801 thousand in 2024 to RMB31,444 thousand in 2025, mainly due to lower revenue generated under the time-and-material model in 2025 and an increase in the number of customers within the time-and-material model. The decrease in revenue reflected the strategic shift we initiated in 2024 to allocate more resources to our core, higher-margin segments, which reduced the revenue contribution from certain lower-margin time-and-material engagements. The increase in customer count was driven by our expansion in financial infrastructure services, through which we added new time-and-material customers during the year. Our average revenue per customer increased from RMB7,278 thousand in the three months ended March 31, 2025 to RMB8,440 thousand in the three months ended March 31, 2026, primarily driven by increased demand from our customers during the period.

Our customer retention rate under the time-and-material model increased from 73.3% in 2024 to 100.0% in 2025, primarily due to our enhanced efforts to deepen engagement with existing customers during 2025. Given that our time-and-material customer base is relatively small and has historically exhibited a low churn rate, no customer attrition occurred under this model during the year. Our customer retention rate under the time-and-material model decreased from 100.0% in the three months ended March 31, 2025 to 82.4% in the three months ended March 31, 2026, primarily because certain customers who had contributed revenue under the time-and-material model in 2025 did not have engagements with us in the three months ended March 31, 2026.

We secure time-and-material contracts primarily through three channels: (i) retaining existing time-and-material customers. For the years ended December 31, 2023, 2024, 2025 and for the three months ended March 31, 2025 and 2026, our customer retention rate under time-and-material contracts was 72.2%, 73.3%, 100.0%, 100.0% and 82.4%, respectively; (ii) converting project-based customers into time-and-material engagements. In 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, the conversion rate of project-based customers to time-and-material engagements was 10.0%, 27.3%, 0%, 0% and 0%, respectively. The conversion rate for the three months ended March 31, 2025 and 2026 was 0% in both periods, as the conversion from project-based to time-and-material engagements typically involves a period of relationship development and commercial negotiation, and such transitions are unlikely to occur within a single quarter; (iii) acquiring new time-and-material customers through marketing and business development efforts, see "— Marketing and Sales".

In 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, the retention rate of our customers across all service categories is 77.8%, 55.6%, 94.4%, 88.9% and 52.6%, respectively.

Customers engaging in one-off, pilot-based or regulatory-driven projects are treated the same as other customers under our calculation basis.

The overall customer retention rate decreased from 77.8% in 2023 to 55.6% in 2024, and then increased to 94.4% in 2025. The lower retention rate in 2024 was primarily attributable to the relatively large number of new customers acquired in 2023, whose initial engagements were predominantly project-based in nature. As these projects were completed in 2023 without generating continuing revenue in 2024, these customers were treated as not retained under our calculation basis. Given our small customer base, this led to a substantial decline in the retention rate. The recovery in 2025 was mainly because fewer new customers were onboarded in 2024, which enabled us to focus more on strengthening relationships with our existing customer base. As a result, a significantly higher proportion of our customers in continued to engage our services in 2025, driving the retention rate to its highest level during the Track Record Period.

The overall customer retention rate decreased from 88.9% in the three months ended March 31, 2025 to 52.6% in the three months ended March 31, 2026, primarily because certain customers who had contributed revenue in 2025 did not generate revenue in the three months ended March 31, 2026. Under the time-and-material model, certain customers who had contributed revenue under this model in 2025 did not have engagements with us in the three months ended March 31, 2026. Under the project-based model, certain customers who had contributed revenue under this model in 2025 did not have project acceptances in the three months ended March 31, 2026.

While our overall customer retention rate reflects the continuity of our customer base across all service categories, it should be interpreted in the context of our revenue model. Our overall retention rate is more susceptible to fluctuation because it includes project-based engagements, which are discrete in nature and do not necessarily give rise to recurring revenue once a project is completed. As a result, a customer who engages us on a project-based basis in one year may not generate revenue in the following year even where the underlying commercial relationship remains intact, and would therefore be treated as not retained under our calculation basis.

To provide a more meaningful indicator of contractual continuity, we also disclose our customer retention rate specifically under the time-and-material model. A substantial portion of our revenue is generated under time-and-material model. Time-and-material engagements are structured as ongoing service arrangements rather than discrete deliverables, and are therefore more reflective of recurring business. For the years ended December 31, 2023, 2024, 2025 and for the three months ended March 31, 2025 and 2026, our customer retention rate under time-and-material contracts was 72.2%, 73.3%, 100.0%, 100% and 82.4%, respectively, demonstrating a consistently higher degree of contractual continuity compared to our overall retention rate of 77.8%, 55.6%, 94.4%, 88.9% and 52.6% for the same periods. The relative stability of the time-and-material retention rate, particularly in 2024 and the three months ended March 31, 2026 when the overall retention rate declined significantly, reflects the more recurring nature of these engagements and provides a more reliable indicator of the underlying continuity of our customer relationships.

Below sets forth the breakdown of the number of customers by type, and their respective revenue contribution during the Track Record Period:

	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
Number of bank customers	22	14	17	14	17
Revenue contribution of bank customers *(RMB million)*	656.2	642.8	518.6	107.0	131.2
Number of regulatory authority and financial infrastructure operator customers	1	2	5	4	3
Revenue contribution of regulatory authority and financial infrastructure operator customers *(RMB million)*	57.9	86.2	105.0	24.5	24.6
Number of non-bank financial institution customers	2	0	1	0	1
Revenue contribution of non-bank financial institution customers *(RMB million)*	4.7	0	0.8	0	0.2
Number of non-financial institution customers	23	23	29	9	9
Revenue contribution of non-financial institution customers *(RMB million)*	11.6	11.4	6.7	0.1	0.3
Number of total customers	48	39	52	27	30
Revenue contribution of total customers *(RMB million)*	730.4	740.4	631.1	131.6	156.3

REVENUE MODEL

To accommodate the diverse needs of our customers, our services across all business lines are delivered under two revenue models.

Time-and-Material Model

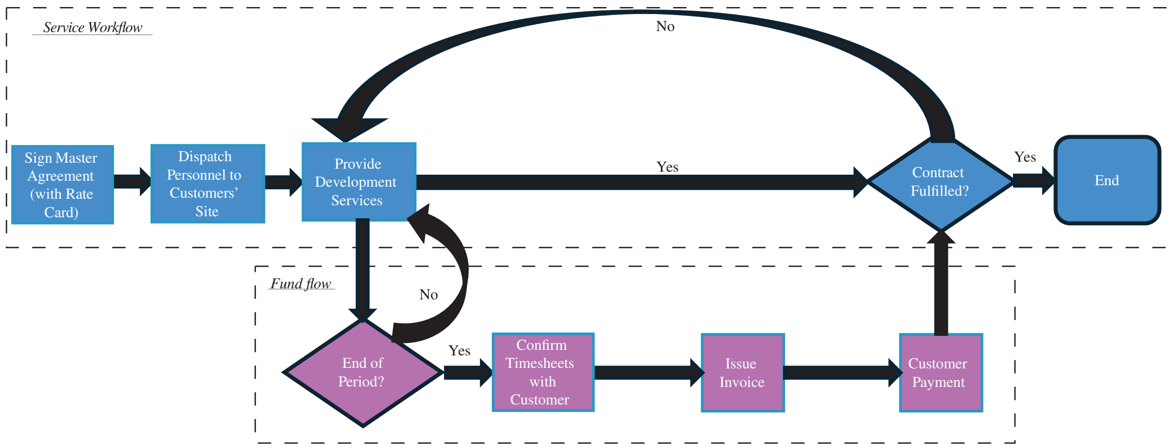
We use a time-and-material model for certain types of services across both fintech software development and consulting services. Under this model, the nature and scope of tasks are defined by the customer based on their ongoing needs rather than through a pre-agreed scope. We provide qualified personnel who meet the customer's specified technical capabilities, and resource allocation is determined according to the customer's actual requirements. We charge customers based on actual time spent by our personnel at pre-agreed rates specified in a rate card, which sets fee rates by job title and seniority. The pricing of the rate card is determined through mutual negotiation with each customer. We typically bill customers on a monthly basis supported by timesheets, and there are no pre-estimated project fees. We maintain regular communication with customers to understand their upcoming requirements and resource forecasts, enabling us to continuously assess and maintain our delivery capability to ensure timely response to customer demands.

The settlement process for our time-and-material model consists of three stages: (i) we provide our customers with a timesheet recording their man-day usage in the previous month and the amount to be charged. The customers either confirm the timesheets within three months or provide feedback only when discrepancies arise, in which case timesheets are deemed accepted if no objection is raised. If the customers consider there are discrepancies, we will discuss with them to reconcile the differences based on our agreements. Such discrepancies may arise from issues related to attendance records, work performance, or compliance with development standards, but are generally immaterial in magnitude; (ii) we issue invoices to customers in accordance with the contract or, where applicable, as negotiated with the customer. Customers are required to make payment within a specified period after receiving our invoice, typically within two months; and (iii) in the third stage, the customers settle the payment.

The revenue recognition for our time-and-material model follows two possible situations: (i) if a customer has confirmed the timesheet before we close our monthly accounts, we recognize revenue based on the confirmed amount; (ii) if the customer has not yet confirmed the timesheet by the time we close our monthly accounts, we recognize revenue based on the timesheet we issued, and adjust the revenue in the month when we receive the customer's confirmation. Any discrepancies between our preliminary timesheets and the amount confirmed by the customer are recorded as adjustments to revenue and accounts receivable when final confirmation is obtained. As of July 31, 2026, the revenue adjustments attributable to the years ended December 31, 2023, 2024 and 2025 and the three months ended March 31, 2026 amounted to approximately RMB0.1 million, nil, RMB0.1 million and RMB0.2 million, respectively. As of the Latest Practicable Date, revenue recognized as of March 31, 2026 based on timesheets pending customer confirmation amounted to RMB7.1 million. The average number of days between the issuance of monthly timesheets and revenue recognition in 2023, 2024 and 2025 and the three months ended March 31, 2025 and 2026, were 21.6 days, 19.6 days, 21.8 days, 20.0 days and 22.5 days, respectively.

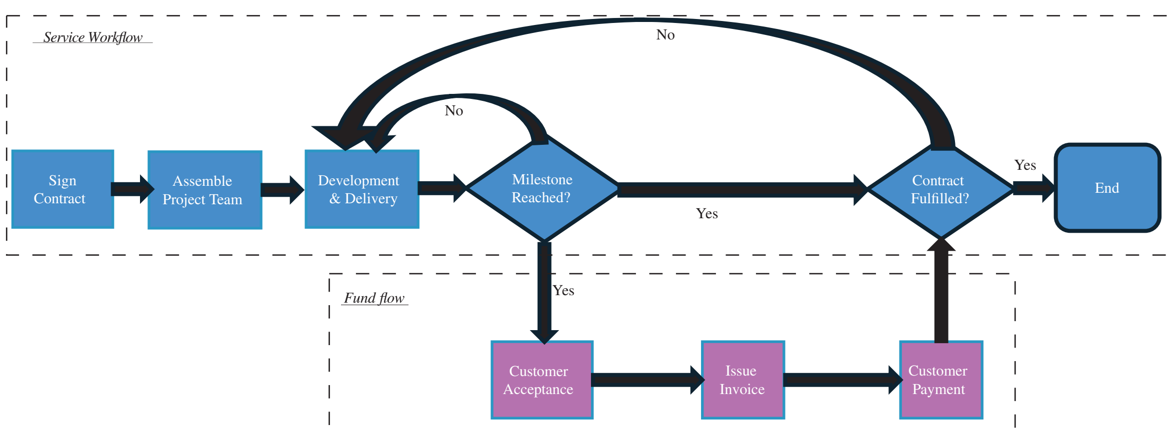
According to CIC, fintech software development services in the banking industry are typically complex and lengthy, making it difficult to clearly define the scope and requirements before the project commences. Traditional project-based model is incapable of addressing the inherent uncertainty and complexity. The time-and-material model aligns with the iterative nature of agile development where requirements evolve over time. In addition, the time-and-material model is built on transparency and trust, fostering long-term and stable cooperative relationships between the services providers and the clients. This makes the time-and-material model a widely accepted approach in the industry.

The chart below shows the typical service workflow and fund flow under time-and-material model:



Project-Based Model

Our project-based model, which applies across all of our business lines, encompasses services with agreed scopes and deliverables, as compared to tasks under the time-and-material model. The price is specified in the project contract. For these projects, we typically adopt a milestone-based payment schedule that aligns payments with the completion criteria of predefined stages. A typical billing structure includes (i) an initial advance payment upon contract execution, (ii) a substantial payment upon delivery and acceptance of services, and (iii) a final settlement after the warranty and maintenance period ends. While a common payment schedule may consist of a 30% advance, 60% upon acceptance, and a 10% final settlement, all contractual terms are subject to commercial negotiation and may vary to meet specific customer needs. Revenue of the entire project is recognized upon the delivery and acceptance of services. The average duration of our project-based engagements during the Track Record Period was approximately 7.9 months, measured from the commencement of each engagement to customer acceptance. The chart below shows the typical service workflow and fund flow under project-based model:



Below sets forth the details of ongoing and completed loss-making projects under project-based model during the Track Record Period:

	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
Completed loss making projects	28	32	65	4	22
Ongoing loss making projects[1]	0	69	57	74	53
Revenue contribution of ongoing loss-making projects as of July 31, 2026 *(RMB in thousand)*[2]	0	20,158	14,049	23,486	9,701
Revenue contribution of completed loss making projects *(RMB in thousand)*	22,555	9,181	14,014	365	5,880
Loss incurred by completed loss making projects *(RMB in thousand)*	7,201	4,289	5,623	87	5,423
Estimated loss of ongoing loss-making projects *(RMB in thousand)*[3]	0	9,166	12,347	3,389	(1,709)

(1) Ongoing loss-making projects are measured by the number of contracts for which impairment losses on contract costs were recognized in the respective period. The same contract may therefore be counted in more than one year or period where impairment losses were recognized across multiple years or periods over the course of the engagement. Accordingly, the number of ongoing loss-making contracts in any given year or period may include the same contract counted more than once, and therefore the sum across all years or periods does not represent the total number of distinct ongoing loss-making contracts during the Track Record Period.

(2) Revenue contribution of ongoing loss-making projects as of July 31, 2026 represents the aggregate revenue recognized as of July 31, 2026 from contracts classified as ongoing loss-making in the respective year or period, including contracts that were also classified as ongoing loss-making in one or more prior years or periods. See note (1) above.

(3) Estimated loss refers to the loss expected to be incurred on unfinished loss-making projects. Contract cost represents capitalized costs incurred to fulfill a contract that: (i) relate directly to an identifiable contract, (ii) generate or enhance resources to be used in satisfying future performance obligations, and (iii) are expected to be recoverable. The estimated loss is measured as the impairment loss recognized on contract costs (net of any subsequent reversals) during the reporting period. We have made impairment provisions in respect of such estimated losses incurred during the Track Record Period, which amounted to nil, RMB9.2 million, RMB12.3 million, RMB3.4 million in 2023, 2024, 2025 and the three months ended March 31, 2025. For the three months ended March 31, 2026, we recorded a net reversal of previously recognized impairment losses of RMB1.7 million, reflecting that reversals of impairment losses exceeded impairment losses recognized on the ongoing loss-making projects during the period. At the end of each reporting period, an estimated loss is recognized when the carrying amount of the related contract costs exceeds the net amount of: (i) the remaining consideration expected to be received for the related goods or services, less (ii) any directly related costs that have not yet been recognized as expenses.

Our loss-making contracts during the Track Record Period were primarily due to: (i) cost overruns caused by factors such as scope changes or underestimation of project costs. Such underestimation may result from information gaps at the time of bidding, the complexity of project requirements, changes in labour costs, or project delays and the additional resources required due to external uncertainties; and (ii) strategic considerations, including projects pursued to maintain existing customer relationships or to explore new business opportunities where short-term profitability was intentionally subordinated to longer-term commercial objectives.

In terms of nature and scope, these loss-making contracts span our fintech software development services and consulting services, with the majority of them concentrated in the banking technology services sub-business line within our fintech software development services.

During the Track Record Period, the loss-making projects in 2023 were primarily attributable to banks and non-financial institutions, while those in 2024 and 2025 and the three months ended March 31, 2026 were mainly attributable to banks.

A significant portion of these losses has been concentrated with Customer B during the Track Record Period. The proportion of losses attributable to Customer B, calculated as the losses from completed projects for Customer B as a percentage of the total losses from all completed loss-making projects, was 4.4%, 48.6%, 55.0%, 19.8% and 98.9% in 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, respectively. The concentration of losses with Customer B was primarily attributable to both of the factors described above. In respect of cost overruns, Customer B typically breaks down some of its requirements into numerous small sub-projects, each with a contract value ranging from a few thousand to tens of thousands of RMB. At the sub-project level, costs are highly sensitive to scope changes initiated by the customer, which can result in cost overruns and losses on individual sub-contracts. In respect of strategic considerations, certain projects for Customer B were undertaken to maintain and deepen our relationship with this key customer, where short-term profitability was intentionally subordinated to longer-term commercial objectives.

To prevent the recurrence of loss-making situations, we have implemented the following measures: (i) exercising strict control over strategic commitments, including reducing the scale of engagements with customers that have been persistently loss-making or discontinuing strategic commitments that lack viable commercial prospects; (ii) optimizing resource allocation to enhance cost efficiency and reduce customer maintenance costs; (iii) negotiating more appropriate and flexible budgeting arrangements with customers for subsequent projects; and (iv) discontinuing subsequent phases of loss-making projects where appropriate. We have established procedures to monitor the expected profit or loss of our ongoing project-based engagements. At the commencement of each engagement, the business development and delivery teams jointly estimate the total resources expected to be deployed based on the agreed scopes and deliverables. During the implementation phase, the business development and delivery teams periodically compile data on the resources deployed to date and the estimated resources required to complete the engagement, based on which the finance and accounting department performs the relevant calculations. Based on the calculations performed by the finance and accounting department, the relevant teams monitor whether the resources deployed to date are consistent with the progress of each engagement. Where a material deviation is identified, particularly where an engagement is expected to incur a loss, the relevant teams will investigate the underlying causes, take appropriate remedial measures, which may include: (i) recovering the additional costs through pricing adjustments in future engagements with the same customer; and (ii) carrying forward the additional scope of work to a subsequent engagement with corresponding pricing adjustments. Where neither of the above is practicable, we continue to perform the engagement until customer acceptance. Where necessary, the issue will be escalated to senior management for review and appropriate action. We apply the above remedial measures to Customer B on the same basis as our other customers. However, given the strategic importance of Customer B, we have maintained a relatively higher tolerance for loss-making engagements and applied remedial measures with greater flexibility. Revenue generated from Customer B amounted to RMB242.5 million and RMB247.1 million in 2023 and 2024, respectively, representing 33.2% and 33.4% of our total revenue, respectively. In 2025, revenue generated from Customer B decreased to RMB91.1 million, representing 14.4% of our total revenue. For the three months ended March 31, 2026, revenue generated from Customer B amounted to RMB19.1 million, representing 12.2% of our total revenue. The decline in the revenue contribution of Customer B as a percentage of our total revenue in 2025 and the three months ended March 31, 2026 was primarily due to (i) reduced demand from Customer B following the discontinuation of certain products; and (ii) our withdrawal from certain low-margin engagements with Customer B. We continue to maintain our business relationship with Customer B and intend to seek new business opportunities with Customer B going forward.

PRICING STRATEGY

We apply a consistent pricing strategy for our fintech software development services and consulting services due to their similar cost structures, which are primarily composed of labor costs. We deliver our services under the two business lines through a combination of the time-and-material model and the project-based model, with pricing determined based on a comprehensive assessment of estimated costs, potential project delivery risks, the competitive landscape and the strategic value of the engagement. Under time and material model, we focus on the scale of work. The selection between the two models is typically influenced by factors such as the customer's preference, the clarity of project requirements, whether the risks are manageable, and our existing or historical business relationship with the customer.

Our pricing strategy for system integration services differs from our other business lines due to its distinct cost structure, which is primarily composed of procurement costs for third-party hardware and software. We typically deliver our system integration services under the project-based model, entering into a fixed-price contract with our customer. Pricing is determined on a case-by-case basis through a comprehensive assessment of factors, including (i) total project costs, comprising procurement costs and our delivery costs; (ii) project risks; (iii) the competitive landscape; (iv) our target profit margin; and (v) the strategic value of the engagement to us.

RESEARCH AND DEVELOPMENT

Our commitment to innovation is central to our strategy and success. We have a dedicated R&D workforce that drives our technological advancement and ensures our solutions remain at the forefront of the fintech services in the banking industry. Our R&D efforts are structured to identify emerging trends, develop emerging technologies, and continuously enhance our existing offerings. As of March 31, 2026, our R&D workforce consists of 1,912 employees.

R&D Project Planning

Our R&D project development process is a systematic, multi-stage approach designed to translate market needs and technological opportunities into robust, commercially viable offerings. The process ensures that our R&D projects are well-vetted, strategically aligned, and responsive to customer feedback. The key stages of our R&D project planning and development lifecycle are as follows:

- **Needs Identification:** New R&D project initiatives can originate from our consulting, sales and marketing teams, focusing on market trends and customer demands, or from our R&D team, which monitors emerging technologies and seeks opportunities for innovation.

- **Needs Analysis and Consolidation:** We consolidate the needs identified from both market and technology perspectives. This involves filtering for high-priority, common requirements, analyzing pain points, and conducting competitive analysis to form a core requirements framework for the potential R&D project.

- **Project Evaluation and Approval:** We conduct a formal evaluation to assess the market prospects, technical feasibility, and resource requirements for the proposed R&D project. A project initiation report is then prepared and submitted for internal approval. Upon approval, a formal R&D project is launched.

- **Proof-of-concept:** We develop a minimum viable product (MVP) that incorporates the core business logic and addresses key technical challenges. This MVP serves to validate the proposed business and technical approach. During this phase, we may engage with potential customers to gather feedback on the MVP.

- **R&D and Testing:** Following a successful Proof-of-concept, the project moves into the full-scale development and testing phase. This stage is carried out in accordance with our standardized software development lifecycle, including rigorous quality assurance and stringent security review and testing. Towards the end of this phase, we initiate processes to secure intellectual property rights for the new R&D project.

- **Commercial Launch and Sales:** The finished R&D project is introduced to target customers and the broader market. We systematically collect customer feedback, which provide essential insights for future R&D project enhancements.

- **Product Iteration:** Based on customer feedback or internal technical requirements, the R&D project is iteratively refined and optimized. This continuous improvement cycle ensures our R&D projects adapt to changing market demands and retain their competitive edge.

Ongoing R&D Projects

We are currently engaged in a number of R&D projects aimed at enhancing our technological capabilities and expanding our product portfolio. Our key ongoing projects are focused on areas we believe are critical to the future of financial services, including AI-native applications and blockchain-based digital asset solutions. We believe these initiatives will further strengthen our market position and enable us to offer more advanced and comprehensive solutions to our customers. As of March 31, 2026, our major ongoing R&D projects include the following:

Category	Project	Description
FINNOSmart . .	Intelligent Talent Management System V2.0	An AI-powered enterprise recruitment platform that builds upon V1.0 to deliver a comprehensive end-to-end talent management solution. The system features enhanced candidate-to-role matching, automated resume screening, and intelligent data analytics capabilities, enabling enterprises to manage their recruitment processes more efficiently and cost-effectively.
	Enterprise Knowledge Base Based on Intelligent Hub Workflow V1.0	An enterprise knowledge base built on our proprietary intelligent hub workflow platform, enabling automated knowledge accumulation, hierarchical management, and efficient reuse. Equipped with an all-scenario AI office assistant, it empowers various office tasks and establishes a full-stack AI technical foundation. The system ensures end-to-end data security through access control, encryption, and auditing, forming a reusable knowledge base and AI office solution.
FINNOSafe . . .	FINNOSafe-Business Base V1.0	An enterprise-level technical infrastructure platform for digital asset issuance and trading. Utilizing a modular public service model, it provides one-stop technical support for various businesses including stablecoins and RWA. The platform features unified architecture governance, built-in compliance and risk control systems, and standardized operational management to facilitate rapid business deployment.

Category	Project	Description
	FINNOSafe-RWA Issuance Platform V1.0	A standardized asset tokenization solution for financial institutions, covering the entire lifecycle of asset ownership confirmation, issuance, custody, settlement, and yield distribution. The platform supports wallet, customer, transaction, permission, and reporting management. Compliant with international regulations and equipped with standardized smart contracts, it enables on-chain asset trading and bank tokenized deposit settlement, enhancing the efficiency and security of digital asset management.
Blockchain-Based Trusted Data Exchange Platform	Blockchain-Based Trusted Data Exchange Platform (Data Marketplace) V1.0	A data trading platform that addresses common challenges in data circulation, including transaction opacity, identity verification, and privacy protection. The platform enables data providers and buyers to publish, search, and transact data assets in a secure and transparent environment, with built-in identity management and transaction matching functions.
	Blockchain-Based Trusted Data Exchange Platform (Operations Management) V1.0	An operational management and oversight platform designed for data marketplace operators. The system provides tools for managing users and members, reviewing data products, and supervising transactions and data transfers, ensuring that all marketplace activities are conducted in a compliant, accountable, and controlled manner.
	Blockchain-Based Trusted Data Exchange Platform (Data Space) V1.0	A secure data transmission solution that provides transacting parties with a dedicated and isolated channel for transferring data assets. The platform incorporates identity verification, data integrity checks, and comprehensive activity logging, ensuring that all data transfers are secure, traceable, and protected against unauthorized access or leakage.
	Blockchain-Based Trusted Data Exchange Platform (Pre-Service) V1.0	A standardized connectivity solution that simplifies access to data marketplaces for participants. The platform provides ready-to-use software interfaces and tools covering data transmission, identity verification, privacy protection, and audit tracking, lowering the technical barrier for organizations seeking to participate in the data economy while maintaining compliance and security.
Other	Digital Collaborative Office System V3.0	An upgraded digital workspace platform based on the V2.0 iteration, featuring enhanced data security strategies and a standardized administrative approval process. It coordinates various tasks at the project level to accommodate complex cross-level business collaboration. The system fully supports mobile processing, breaks down data silos across departments, and improves approval and data processing capabilities, thereby optimizing user experience and driving refined digital enterprise management.

INTELLECTUAL PROPERTIES

Our intellectual property is the cornerstone of our business, safeguarding our proprietary technology, brand identity, and the competitive advantage derived from our extensive software development capabilities. We are committed to the rigorous protection of our intellectual property assets, which are primarily registered in Chinese Mainland and Hong Kong.

As of the Latest Practicable Date, we maintain a robust and comprehensive intellectual property portfolio that reflects our continuous investment in R&D. We possess 358 registered software copyrights and have obtained 340 software product registration certificates in Chinese Mainland. These assets are fundamental to the commercialization and deployment of our core technology solutions. Furthermore, our technological innovation is protected by seven patents in Chinese Mainland, with one additional patent currently undergoing re-examination. This active pursuit of patent protection ensures that our key technological breakthroughs are legally secured.

To protect our corporate identity and the recognition of our services in the market, we have successfully registered 40 trademarks in Chinese Mainland and 11 trademarks in Hong Kong. We own 32 domain names in total, including 6 domain names registered in Chinese Mainland and 26 domain names registered outside Chinese Mainland, which are essential for our online presence and digital operations.

We protect our intellectual property rights through a combination of legal and operational measures, including copyright, patents, trademarks, and trade secrets. We require our employees, suppliers, customers, and others who have access to our proprietary information to enter into confidentiality agreements. We also implement internal controls and technical safeguards to prevent the unauthorized use or disclosure of our intellectual property.

During the Track Record Period, we confirm that there were no material infringement claims or disputes related to intellectual property that had a significant adverse effect on our business operations, which underscores the effectiveness of our internal intellectual property management and compliance procedures. We believe that our current intellectual property portfolio is sufficient for the conduct of our business as currently operated.

DATA PRIVACY AND SECURITY

We place paramount importance on cybersecurity, data compliance, and the protection of personal information. We design, develop, and test software products according to customer requirements without participating in customer operations nor accessing customers' data. We provide our services on customers' on-premises systems, and we do not involve cross-border transfer of data, including important data and personal information controlled by customers. Our self-developed source code, financial data and other data are stored on our internal servers and in the local private cloud environment. For the Seekfunblock App, we use public cloud services provided by Tencent Cloud for system deployment and data storage, including cloud servers, database services, object storage, CAPTCHA, SMS, and instant messaging. Security protection is implemented through Tencent Cloud's host security services, web application firewall, and security groups. For the Seekfunblock App, we perform full database backups on a daily basis, retaining a maximum of seven backup versions, with backup files older than seven days automatically deleted on a rolling basis. Save for the above, we do not utilize any other public, private, or state cloud services in our operations.

Our commitment to data security of our services is underpinned by a robust framework of internal controls and management systems. We have established a comprehensive set of cybersecurity and data protection management systems and operating procedures, which collectively cover the aspects such as data classification, access control, data backup, firewalls and intrusion detection systems, regular inspections, and incident response procedures. This framework is validated by key international certifications, including ISO/IEC 20000-1:2018 and ISO/IEC 27001:2022.

We have established a comprehensive data governance framework. Our IT Service Department is overall responsible for matters related to information security, while individual department heads serve as data management leads for the information processed within their respective departments. We have also established data retention policies for the Seekfunblock App operated by our subsidiary Lexunfang. We have implemented a Personal Information Protection System that requires defining appropriate retention periods for personal data based on business needs and applicable legal requirements, and ensuring that such data is deleted or anonymized promptly upon the expiry of those periods.

With respect to data access control, we adopt strong password policies and multi-factor authentication to verify the identity of all employees accessing our internal systems and to prevent unauthorized access attempts. We also established an audit trail policy that records and reviews access activities by capturing log data related to employee logins, file access, and data modifications, enabling the timely identification and detection of anomalous or suspicious behaviors.

We established a set of measures to avoid contact with our customers' business data throughout the service process and to prevent improper use or disclosure of data by our employees. We strictly implement a data isolation mechanism, thereby ensuring production safety and confidentiality requirements. We implement logical and physical isolation between production systems, development and testing environments, office networks, and customer ODC networks. Access to computer rooms, ODC sites, and office areas is restricted to authorized personnel, while external visitors must obtain prior approval and remain under the supervision of designated internal staff. We also provide regular information security training to employees to ensure ongoing awareness of security policies and best practices.

To monitor and enforce internal control measures and ensure ongoing compliance with applicable legal and regulatory requirements, we have established and implemented internal policies such as the Daily Inspection System. Through routine inspections, we conduct information security risk assessments to identify potential security threats and vulnerabilities. For example, we regularly inspect key facilities such as computer rooms, reviewing items including the operating environment, equipment status, security systems, and physical protection measures, and maintain records of such inspections. Our Internal Audit Department oversees compliance management to ensure that our operations remain aligned with current regulatory requirements. When necessary, we also engage external legal counsel to obtain guidance on relevant regulatory requirements.

The Seekfunblock App was originally designed as a decentralized platform for talent engagement, enabling direct interaction between employers and candidates through features such as job matching, skills development, and professional networking. Due to limited market adoption, new user registrations for the App were closed in 2026. Existing registered users continue to have access to the App. While external users historically accounted for the majority of registered users, their activity levels have declined significantly. As a result, the App is now used primarily for internal employee communication and collaboration. The Seekfunblock App involves the collection and processing of personal information. The App collects personal information for specific purposes such as user registration and identity verification. The App has obtained key compliance certifications including the Multi-Level Protection Scheme Level-3 Filing Certificate. Personal information collected by the App is stored domestically in Tencent Cloud's data center and is not transferred overseas. The App discloses its personal information collection and processing practices through its Privacy Policy and obtains user consent prior to collection. This Privacy Policy, together with the Personal Information Collection List and the Third-Party Information Sharing List, sets out the scenarios, purposes, and categories of personal information that it collects and processes, and discloses the circumstances under which personal information is shared with third parties and the corresponding recipients, thereby safeguarding users' right to be informed.

After reviewing and accepting the Privacy Policy, users of the Seekfunblock App may register an account by providing their mobile phone number and completing SMS verification. Users may then access specific features such as content posting, Seekfunblock poetry, and mutual assistance. When users access these features, the App collects the minimum necessary usage records or user-generated content to operate the service, enable the relevant functions, and administer activity related rewards. When a user chooses to deactivate their account, we will, within 15 days of the completion of the deactivation process, delete personal information such as their name and identity card number and anonymize the registered mobile phone number.

The Seekfunblock App collects and processes certain the personal information. For example, it collects and processes: (i) users' mobile phone numbers for account registration; (ii) users' number of likes, number of followers, and publicly posted content to improve the display of user profiles; (iii) users' mailing addresses to send event-related rewards; and (iv) users' device identifiers and process information to maintain the security and proper functioning of the software services.

During the Track Record Period and up to the Latest Practicable Date, to the best of our Directors' knowledge, we have not been involved in carrying out activities that fall within ethically sensitive areas. We have adopted internal policies and procedures to identify, monitor, and manage potential ethical sensitivities arising from our operations, including a Code of Conduct applicable to all employees, data privacy and security policies, and oversight by the Board and Audit Committee. In addition, we maintain a whistleblowing mechanism to ensure that any potential ethical concerns can be promptly reported and addressed. Our staff are required to acknowledge their understanding of the Code of Conduct on their first day of employment and whenever updates to the Code are issued.

Our Internal Controls Consultant is of the view that there is no material deficiency identified in our internal control policies and procedures regarding data privacy and protection.

Our PRC Legal Advisors are of the view that the term "listing abroad" as stipulated in the Cybersecurity Review Measures does not apply to enterprises planning to list in Hong Kong, and we are not subject to the mandatory cybersecurity review filing requirement under the Cybersecurity Review Measures, according to a named interview with the China Cybersecurity Review, Certification and Market Regulation Big Data Center. Moreover, we have not been designated as a Critical Information Infrastructure Operator, and we have not received notice from relevant regulatory authorities indicating that: (i) the services we provide, as well as our data processing activities, affect or may affect national security; (ii) we are required to undergo a cybersecurity review; or (iii) we process core data or important data.

During the Track Record Period, we have not been subject to any investigation, penalty, or measure by regulatory authorities concerning cybersecurity or data privacy issues, nor have we experienced any reportable cybersecurity incidents that would have a material adverse effect on our business. Based on the above, our PRC Legal Advisors are of the view that, during the Track Record Period and up to the Latest Practicable Date, we have established internal control management systems for network security, data security and personal information protection, and have taken corresponding compliance measures, and we have satisfied the requirements of the PRC Cybersecurity Law, Data Security Law, and Personal Information Protection Law in all material respects. Furthermore, we have been advised by our PRC Legal Advisors that we had not experienced any material data breaches, losses, unauthorized uses, or material regulatory penalties related to data protection during the Track Record Period and up to the Latest Practicable Date, based on (i) our Directors confirm that we have not been subject to any disputes, penalties, litigation or arbitration proceedings for data protection; (ii) public searches conducted on the national and relevant local Cyberspace Administrations, the Ministry/Bureaus of Industry and Information Technology, and China Judgements Online; and (iii) compliance certificates issued by the relevant competent authorities. We recognize the importance of maintaining compliance with evolving data protection regulations and will continue to monitor changes in applicable laws and regulations, update our security measures and management practices, and strengthen our data protection impact assessment mechanisms to ensure our continued compliance.

During the Track Record Period and up to the Latest Practicable Date, we confirm that we have utilized open-source software in the PRC in compliance with the relevant license terms as follows: (a) our use is limited to compression, development, database and debugging tools as auxiliary development tools, without any modification, resale, lease or secondary distribution; (b) under our Information Security Management Policy, we maintain internal controls requiring department and IT review of software applications, prohibiting unauthorized copying, and mandating monthly asset inventory updates and license compliance audits; (c) our regular training covers compliant software installation and license boundaries, while the IT Service Department centrally manages installation and version control and prohibits unauthorized or unknown-source downloads; and (d) no disputes, third-party claims or infringement allegations have arisen from our use of open-source software.

OUR CUSTOMERS

Our customers primarily comprise financial institutions, including commercial and specialized banks, as well as non-banking financial institutions. We also serve other enterprises, including technology service providers and financial technology solution firms. In each year and period during the Track Record Period, our revenue generated from our five largest customers accounted for 90.1%, 93.7%, 89.1%, and 86.5% of our total revenue in each year and period in 2023, 2024, 2025 and the three months ended March 31, 2026, respectively, while our revenue generated from the largest customer accounted for 41.1%, 42.4%, 52.7% and 51.8% of our total revenue, respectively, for the same periods. The payments made to us by our major customers are primarily in the Renminbi and Hong Kong dollar by way of bank transfers.

During the Track Record Period, we mainly provided software development, maintenance and consulting services to our major customers. We have maintained relationships with our five largest customers in each year and period during the Track Record Period with an average tenure of 14 years. These long-standing relationships have enabled us to develop deep expertise in understanding our customers' specific requirements and operational needs. Our long-term partnerships are built on mutual benefit, which help reduce communication and coordination costs, allowing us to deliver more efficient and tailored solutions. Furthermore, we have established master agreements with our major customers and have not encountered any difficulty in renewing them. We do not anticipate any material risk of termination with any of our major customers.

Our Directors confirm that, as of the Latest Practicable Date, (i) our five largest customers in each year and period during the Track Record Period were Independent Third Parties; and (ii) none of our Directors, their close associates or Shareholders who own more than 5% of the share capital of our Company had any interest in our five largest customers in each year and period during the Track Record Period.

Below is the breakdown of our revenue derived from our five largest customers for each year and period of the Track Record Period, and their respective background information:

2023

Rank	Customer	Background	Services provided by us	Revenue	Percentage of total revenue	Year of commencement of business relationship with us	Typical credit terms
				(RMB'000)			
1	Customer A[3] . .	A commercial banking institution	Banking technology services	300,352	41.1%	2003	30 days
2	*Customer B[4] .	A state-owned commercial banking group	Banking technology services and system integration services	242,522	33.2%	2005[1]	20 working days[2]
3	Customer C[5] . .	A financial infrastructure and clearing services provider	Banking technology services and consulting services	57,874	7.9%	2021	30 days
4	Customer D[6] . .	A rural commercial banking institution	Banking technology services	33,509	4.6%	2013	Upon receipt of VAT invoice
5	Customer E[7] . .	A commercial banking institution	Banking technology services	24,125	3.3%	2011	30 days
	Total			**658,382**	**90.1%**		

* The customer is a group consolidating the transaction amounts of entities within such group.

(1) Refers to our business relationship with the parent company of the Customer B group.

(2) Refers to our typical credit terms with the parent company of the Customer B group.

2024

Rank	Customer	Background	Services provided by us	Revenue	Percentage of total revenue	Year of commencement of business relationship with us	Typical credit terms
				(RMB'000)			
1	Customer A . . .	A commercial banking institution	Banking technology services	314,154	42.4%	2003	30 days
2	*Customer B . .	A state-owned commercial banking group	Banking technology services and system integration services	247,065	33.4%	2005(1)	20 working days(2)
3	Customer C . . .	A financial infrastructure and clearing services provider	Banking technology services and consulting services	84,812	11.5%	2021	30 days
4	Customer D . . .	A rural commercial banking institution	Banking technology services	30,354	4.1%	2013	Upon receipt of VAT invoice
5	Customer E . . .	A commercial banking institution	Banking technology services	17,678	2.4%	2011	30 days
	Total			**694,063**	**93.7%**		

2025

Rank	Customer	Background	Services provided by us	Revenue	Percentage of total revenue	Year of commencement of business relationship with us	Typical credit terms
				(RMB'000)			
1	Customer A . . .	A commercial banking institution	Banking technology services	332,824	52.7%	2003	30 days
2	Customer C . . .	A financial infrastructure and clearing services provider	Banking technology services and consulting services	94,709	15.0%	2021	30 days
3	*Customer B . .	A state-owned commercial banking group	Banking technology services and system integration services	91,130	14.4%	2005(1)	20 working days(2)
4	Customer D . . .	A rural commercial banking institution	Banking technology services	22,432	3.6%	2013	Upon receipt of VAT invoice
5	Customer E . . .	A commercial banking institution	Banking technology services	20,876	3.3%	2011	30 days
	Total			561,971	89.1%		

* The customer is a group consolidating the transaction amounts of entities within such group.

(1) Refers to our business relationship with the parent company of the Customer B group.

(2) Refers to our typical credit terms with the parent company of the Customer B group.

For the three months ended March 31, 2026

Rank	Customer	Background	Services provided by us	Revenue	Percentage of total revenue	Year of commencement of business relationship with us	Typical credit terms
				(RMB'000)			
1	Customer A . . .	A commercial banking institution	Banking technology services	81,005	51.8%	2003	30 days
2	Customer C . . .	A financial infrastructure and clearing services provider	Banking technology services and consulting services	23,010	14.7%	2021	30 days
3	Customer B* . .	A state-owned commercial banking group	Banking technology services and system integration services	19,148	12.2%	2005(1)	20 working days(2)
4	Customer E . . .	A commercial banking institution	Banking technology services	6,683	4.3%	2011	30 days
5	Customer D . . .	A rural commercial banking institution	Banking technology services	5,337	3.4%	2013	Upon receipt of VAT invoice
	Total			135,183	86.5%		

* The customer is a group consolidating the transaction amounts of entities within such group.

(1) Refers to our business relationship with the parent company of the Customer B group.

(2) Refers to our typical credit terms with the parent company of the Customer B group.

(3) Customer A is a major commercial banking group listed in Hong Kong with a market capitalization of approximately HK$416.7 billion, offering comprehensive financial services to personal, corporate, and institutional clients. It provides retail banking, corporate banking, and investment services. As of December 31, 2024, Customer A reported total assets of approximately HK$4.19 trillion and a profit attributable to equity holders of approximately HK$38.2 billion. It operates a network of over 190 branches in Hong Kong and maintains a leading position in the local market across various business segments, including residential mortgages and syndicated loans. Customer A was a subsidiary of Customer B as of the Latest Practicable Date.

(4) Customer B refers to a state-owned commercial banking group headquartered in Chinese Mainland, listed in both Chinese Mainland and Hong Kong with a total market capitalization of approximately HK$1.87 trillion. Customer B provides comprehensive financial services including commercial banking, investment banking, insurance, and asset management across multiple countries and regions, offering integrated solutions for corporate finance, personal banking, and international trade settlement. As of December 31, 2024, Customer B reported total assets of approximately RMB35.06 trillion and a profit attributable to equity shareholders of approximately RMB237.8 billion. It operates a network of over 10,000 domestic branches and over 600 overseas institutions, with approximately 300,000 employees, covering 64 countries and regions. During the Track Record Period, we provided services to the parent company, one branch, and certain other entities within the Customer B group. Our revenue generated from the parent company amounted to RMB186.3 million, RMB199.3 million, RMB32.7 million and 12.5 million in 2023, 2024 and 2025 and the three months ended March 31, 2026, respectively. Our revenue generated from the aforementioned branch amounted to RMB22.9 million, RMB22.3 million, and RMB25.8 million and 3.7 million in 2023, 2024 and 2025 and the three months ended March 31, 2026, respectively. Our revenue generated from other branches and entities within the Customer B group amounted to RMB33.3 million, RMB25.5 million, and RMB32.6 million and 3.0 million in 2023, 2024 and 2025 and the three months ended March 31, 2026, respectively.

(5) Customer C operates as a financial infrastructure operator in Hong Kong with a share capital of HK$10,000. It manages payment systems and supports financial infrastructure development. Customer C operates multiple systemically important payment systems in Hong Kong, with the average daily turnover of HKD CHATS reaching approximately HK$10 trillion in 2024. Customer C plays a pivotal role in supporting the stability and efficiency of Hong Kong's financial system.

(6) Customer D is one of the largest rural commercial banking institutions in Chinese Mainland with a registered capital of RMB22 billion, focusing on financial services for agriculture, rural areas, and small businesses. As of December 31, 2024, Customer D had total assets of approximately RMB2.4 trillion, operated a network of around 4,700 branches, and employed nearly 40,000 staff, serving over 60 million customers across Sichuan province.

(7) Customer E is a Hong Kong subsidiary of a Southeast Asia's financial group, with a share capital of approximately HK$7.3 billion. As of 30 June 2024, Customer E reported total assets of approximately HK$358.9 billion and deposits from customers of approximately HK$268.1 billion. It operates a network of branches and offices across Hong Kong and employs approximately 3,400 staff. Its parent group operates six commercial banks across key markets in Asia, including Singapore, Malaysia, Indonesia, Chinese Mainland, Hong Kong, and Macau.

Customer Concentration

In each year and period during the Track Record Period, a substantial portion of our revenue were derived from our five largest customers in the respective period. According to CIC, such concentration lies in a reasonable range in the market of fintech services in the banking industry in Chinese Mainland and Hong Kong. The banking industry in Chinese Mainland and Hong Kong is relatively concentrated as well with top 5 largest banks accounted for approximately 40% of market in terms of the total assets in 2025. Moreover, large banks typically have higher expenditures on the fintech software, compared with smaller banks.

We expect our customer concentration to remain at a broadly similar level in 2026, with a modest decline. This expectation is made on the basis that we are currently in discussions with several potential new customers, some of whom are undergoing vendor onboarding procedures and contract negotiations.

Our Directors are of the view that our level of customer concentration is manageable on the basis that: (i) we have established long-term relationships with our major customers, who are leading global or regional banks and financial infrastructure operators with solid operational stability and credit profiles, which helps mitigate counterparty risks; (ii) our services support the continuity of these customers' operations, contributing to a stable service relationship with a low probability of customer attrition; (iii) we have entered into long-term agreements with our major customers, including Customer A and Customer B, both of which remain effective until 2028; and (iv) we manage our business relationships with each branch and subsidiary of our major customers independently, such that the termination of a relationship with any branch or subsidiary is unlikely to affect our overall cooperation with the customer group as a whole.

According to CIC, our high customer concentration lies in a reasonable range and represents a proactive choice during our strategic transition. According to CIC, the financial IT sector naturally exhibits relatively high concentration due to stringent vendor entry barriers, high replacement costs, and the deeply customized nature of the services, which foster highly stable, long-term partnerships. Amidst intensifying competition in the traditional banking IT market, we have strategically focused on high-value, top-tier customers to solidify our foundational revenue.

Nevertheless, we recognize the importance of customer diversification and have implemented a series of measures to mitigate our exposure to customer concentration. We have established clear targets for acquiring new customers. We are also actively increasing the revenue contribution from customers outside our five largest customers within our existing customer base. Furthermore, we are expanding into new geographic markets, including Southeast Asia and countries along the Belt and Road Initiative, to enlarge our addressable market. See "— Our Strategies — Expand Market Reach and Optimize Revenue Quality". Complementing our customer diversification initiatives, we have implemented a business diversification strategy, with a particular focus on expanding our financial infrastructure and fintech innovation services. We believe this strategy will create synergies with our customer diversification efforts and will not only broaden our customer and revenue base, but also strengthen our competitive position and our ability to attract new customers.

During the Track Record Period, we generated substantial revenue from both Customer A and Customer B. Customer A is a commercial banking group operating in Hong Kong, while Customer B is a state-owned commercial banking group headquartered in Chinese Mainland. During the Track Record Period, Customer B includes one parent company and several branches and subsidiaries. Customer A is listed on the Hong Kong Stock Exchange. The parent company of the Customer B group is a dual-listed entity, with shares traded on both the Hong Kong Stock Exchange and Shanghai Stock Exchange. Both Customer A and Customer B provide comprehensive financial services including retail banking, corporate banking, investment banking, insurance, and asset management. We have maintained cooperative relationships with Customer A since 2003 and with the parent company of the Customer B group since 2005, representing over 20 years of continuous cooperation.

Although Customer B holds over 50% equity interest in Customer A, we consider them as two separate customers for disclosure purposes based on several factors. First, according to CIC, banks in Hong Kong and Chinese Mainland have distinct software system requirements driven by different regulatory frameworks and business models, requiring fundamentally different engagement models and delivery approaches. Second, as separate listed entities, Customer A and Customer B maintain separate corporate governance structures and financial reporting requirements, and are subject to the regulatory oversight of their respective jurisdiction's regulators. This necessitates distinct engagement and performance tracking mechanisms. Third, Customer A and Customer B conduct independent bidding processes for software development projects, each with separate procurement procedures, evaluation criteria, and contractual arrangements. This ensures that projects are assessed based on their specific requirements.

The decrease of our revenue generated from Customer B in 2025 was due to our strategic shift, under which we proactively reduced our participation in certain highly competitive and low-margin projects. For the three months ended March 31, 2026, revenue generated from Customer B accounted for approximately 12.2% of our total revenue, which was generally consistent with the approximately 14.4% recorded for the year ended December 31, 2025.

We have established long-term collaborative relationships with Customer A and Customer B mainly under master agreements that provide a stable foundation for our partnerships. The contract term with the parent company of the Customer B group is three years and will expire at the end of 2028. The contract terms with the branches and subsidiaries within the Customer B group range from one to three years, with the earliest expiring in December 2026. The contract term with Customer A is also three years and will expire in July 2028. These agreements reflect their continuing demand for our services, including software development, system maintenance, upgrades, and technical support, which generate recurring revenue streams and strengthen our relationships with customers. Additionally, our deep engagement with customers positions us as their trusted partner for innovative business initiatives and digital transformation projects. This combination of long-term contractual commitments and continuous service requirements ensures stable, predictable revenue growth. Although our revenue generated from Customer B decreased from RMB247.1 million in 2024 to RMB91.1 million in 2025, we will continue to provide Customer B with services which are aligned with our strategic priorities.

During the Track Record Period and up to the Latest Practicable Date, we did not have any disputes with Customer A or Customer B, and currently there is no indication or sign that they will alter the existing relationships with us in any aspect in the near future. Based on the foregoing, our Directors are of the view, and the Joint Sponsors concur, that our business relationships with Customer A and Customer B are unlikely to be materially and adversely changed or terminated in the near future.

For risks related to the concentration of customers, see "Risk Factors — Risks Related to Our Business and Industry — We have a high level of customer concentration, with a significant portion of our revenue derived from a limited number of customers. The loss of, or a significant reduction in business from, any of these customers could have a material and adverse effect on our business and results of operations."

General Terms of Contracts with Customers

We typically provide our software development services to customers by entering into standard contracts. Our contracts are primarily structured under two models to accommodate the diverse needs of our customers: (i) the time-and-material model, and (ii) the project-based model.

Time-and-Material Model

For this model, we typically enter into a master services agreement that establishes the overarching legal, commercial, and operational terms. Specific work is commissioned through individual work requirements, which can be in a schedule or other forms. Below sets forth the salient terms of the master services agreements and individual work requirements:

Term	Description
Contract Scope	This master agreement governs the provision of professional (technical) services by us to the customer under individual schedules executed from time to time. Each schedule is agreed by the customer and us, which incorporates the agreement's terms.
Pricing	Fee for each individual work requirement is set forth in a schedule or statement of work. In practice, the fee, calculated by multiplying the rates specified on rate cards by the actual time spent, is finalized after the completion of work. See " — Revenue Model".
Payment Terms	Invoices issued either monthly or in accordance with the payment plan set out in the schedule.
Warranty & Maintenance	We will correct defects and maintain deliverables in good working order at no charge for 30 or 120 calendar days after the customer's acceptance, unless otherwise specified in the schedule.
Termination	Either party may terminate the agreement or any schedule for material breach with 30 calendar days' prior written notice; termination is avoided if the breach is cured within the notice period. The customer may terminate the agreement, any schedule(s), or any of our personnel's services on 14 calendar days' prior written notice. We may terminate the agreement on 14 calendar days' notice only if no schedules are in effect.
Term	The terms of master services agreements typically range from one to three years.

Project-based Model

Our project-based contracts are used for comprehensive software development and implementation engagements with agreed scopes. Revenue derived from these projects was recognized at a point of time, such as delivery and acceptance of the software or other time points stipulated in the contract. Sets forth below the salient terms of the project-based contracts:

- **Pricing**: Our pricing is determined based on a comprehensive assessment of the project's scope, technical complexity, risk profile, and resource requirements.

- **Payment Terms:** We generally adopt a milestone-based payment schedule that aligns payments with the achievement of predefined project stage. See "— Revenue Model" for typical milestones.

- **Delivery and Acceptance:** We are responsible for delivering, installing, and debugging the software product at the customer's designated site. The acceptance process is formally initiated after the software has been installed and has been tested without material defects for a predefined testing period.

- **Warranty and Maintenance:** We typically provide a warranty period up to 12 months, commencing from the date of delivery and acceptance. Following the expiration of the warranty period, customers may engage us for maintenance services under a separate agreement, with annual fees.

- **Termination:** Contracts may be terminated by the customer in the event of a material breach by us, such as failure to deliver a compliant software product after repeated rectification attempts. The contract specifies the conditions for termination and the corresponding liabilities, which may include liquidated damages, typically capped at a percentage of the total contract value.

- **Term**: Each project has a specified development period, which generally varies but is typically one year.

Potential Liability Exposure Arising from Performance Issues in Our Solutions

If our solutions do not function as intended, or if they encounter material performance issues, defects, or errors, we may fail to meet the expectations of our customers or their end-customers, exposing us to contractual liability. For risks relating to potential liability exposure arising from performance issues in our solutions, see "Risk Factors — Risks Related to Our Business and Industry — Our solutions may not function as intended or may encounter material performance issues, defects, or errors, which could expose us to significant liability and adversely affect our business and reputation."

Our delivery process incorporates quality assurance measures across both our time-and-material and project-based engagements. The extent of our potential exposure varies depending on the jurisdiction and the engagement model, as set out below.

Time-and-Material Model

Quality Assurance and Delivery Process

Under time-and-material engagements, quality assurance is embedded throughout the service period, during which the customer monitors our performance on an ongoing basis by reviewing, among other metrics, task completion rates, defect rates identified in code reviews, and test failure rates of our seconded personnel. If a seconded individual's performance falls below expectations, the customer is generally entitled to request a replacement at no additional charge. Where defects are primarily attributable to our personnel, we provide remediation services free of charge. Our contracts may also provide for a limited defect correction period following the customer's acceptance of deliverables. If the customer requires continued quality assurance support beyond the service and defect correction periods, it may engage our personnel on an ongoing basis.

Potential Liability Exposure

Under our time-and-material contracts with customers in the Chinese Mainland, we are required to perform services in accordance with the customer's specified technical and quality standards and deliverable requirements. We are generally required to compensate customers for losses arising from our deliverables, including but not limited to financial and third-party claims. If our deliverables fail to meet the agreed requirements upon customer verification, the customer may terminate the contract, require a refund of amounts paid, and pursue other remedies for breach under the contract. Where the customer determines, following assessment, that we are not capable of meeting its technical requirements, the customer will first require us to make adjustments. If we still fail to meet the required standard after such adjustments, the customer may terminate the contract and claim compensation for any losses incurred. Certain contracts limit our aggregate liability to the fees received thereunder, except with respect to breaches of intellectual property or confidentiality obligations. In practice, any recovery would not ordinarily be expected to exceed the actual fees billed to or transaction volume with the relevant customer under the applicable time-and-material arrangement.

Under our time-and-material contracts with overseas customers, we are required to perform services in a professional and workmanlike manner consistent with generally accepted industry standards. These contracts exclude indirect, special, and consequential damages, except in cases of gross negligence or willful misconduct, damages awarded against the customer that we are required to indemnify under such contracts, personal injury or death, breach of confidentiality obligations, or breach of certain warranties, and impose no monetary cap on our liability for direct damages. In addition, we are required to indemnify our overseas customers against all liabilities, damages, losses, and expenses arising from our failure of performance, wrongful performance, negligence or wilful misconduct in connection with the provision of our services, including claims brought by third parties.

Project-based model

Quality Assurance and Delivery Process

For project-based engagements, our delivery team conducts unit testing upon completion of development. We may also perform system integration testing, stress testing, and other types of testing as agreed in the contract, which are typically led by the customer and executed by us. The customer then initiates user acceptance testing (UAT), in which its IT and business departments participate, with representatives acting as end-users, while our delivery team provides technical support. For high-risk projects, a pilot phase may also be arranged prior to production go-live.

A project is typically structured into multiple acceptance phases, each with deliverable standards set out in the contract. The customer reviews and evaluates the deliverables at each phase against the agreed standards. If a deliverable fails an acceptance stage, we are required to remedy the deficiencies within the timeframes and defect rate thresholds specified in the contract. If the deliverable still fails to meet the required standards after remediation, the customer may seek remedies in accordance with the contract. Following final acceptance, we typically provide a warranty period of up to 12 months. After the warranty period expires, customers may engage us for maintenance services under a separate agreement for an annual fee.

Potential Liability Exposure

Under our project-based contracts with customers in the Chinese Mainland, our deliverables are subject to acceptance testing and quality requirements. We are generally required to compensate customers for losses arising from our deliverables, to the extent expressly provided in the contract. In certain circumstances, we may also be required to pay liquidated damages. Where our deliverables fail to conform to the agreed specifications or are found to contain viruses or malicious code, and we fail to remedy such failure within the specified period, the customer may terminate the contract and require us to pay liquidated damages at an agreed percentage of the total contract value. For our project-based contracts, we do not cover the ongoing operation of the production system. Our responsibility for the deliverables is completed upon acceptance testing, except for a limited warranty period following handover of the system to the client. Certain contracts also entitle the customer to require corrective measures in the event of service anomalies, and, in serious cases or where such issues are not remedied in a timely manner, the customer may impose rectification deadlines, suspend or revoke our eligibility to provide services to the customer, terminate the contract unilaterally, and report the matter to the relevant regulatory authorities. On the other hand, while our contracts do not typically include a monetary cap on liability, any recovery in practice would not ordinarily be expected to exceed the contract value.

Under our project-based contracts with overseas customers, our deliverables are subject to acceptance testing against agreed acceptance criteria. Our deliverables are deemed accepted when the customer has satisfactorily completed the acceptance tests. Where we are in continuing breach of the contract for a specified period, or where the breach is incapable of being remedied, the customer has the right to immediately terminate the contract and claim actual losses and damages, including legal costs and the costs of engaging replacement vendors, provided that the total losses and damages payable shall not exceed the contract price. We are also required to provide a free warranty period following acceptance of production roll-out, during which we must rectify any defects at no charge. We are also required to fully indemnify our overseas customers and their associated companies, on a full indemnity basis, against all losses and liabilities of any nature, whether direct or indirect, arising from any act or omission by us or our personnel, agents or other persons acting under our authority, in connection with (i) any breach of the contract, regardless of whether such breach is committed by us or our subcontractors; or (ii) any inaccuracy in our representations or warranties, as well as any loss of or damage to tangible property caused by our default or negligence.

Historical Record

During the Track Record Period and up to the Latest Practicable Date, we have not experienced any instance where our deliverables failed to meet the required standard after rectification, nor have we encountered any contract termination, customer claim or material legal dispute arising from delivery quality issues.

OUR SUPPLIERS

Our suppliers primarily comprise technology service providers, including companies specializing in software development, cloud computing, and IT consulting. In each year and period during the Track Record Period, our purchases from our five largest suppliers accounted for 83.1%, 82.6%, 84.0% and 100% of our total purchases in each year and period in 2023, 2024, 2025 and the three months ended March 31, 2026, respectively, while our purchase from the largest supplier accounted for 39.6%, 44.8%, 57.9% and 49.4% of our total purchases, respectively, for the same periods. Our purchases from our five largest suppliers accounted for 100.0% of our total purchases for the three months ended March 31, 2026, reflecting the fact that we transacted with only five suppliers during that period. The number of suppliers we engage in any given period is inherently limited, as our procurement activities are primarily driven by the specific requirements of individual engagements, and the specific suppliers we engage may vary from period to period accordingly.

For risks related to the concentration of suppliers, see "Risk Factors — Risks Related to Our Business and Industry — We experienced supplier concentration during the Track Record Period and may continue to be exposed to the risk of such concentration in the future." Our Directors are of the view that our business operations are not materially dependent on any single supplier and that any cessation or reduction of supply by an existing supplier would not materially and adversely affect our business operations.

Our Directors confirm that, as of the Latest Practicable Date, (i) our five largest suppliers in each year and period during the Track Record Period were Independent Third Parties; and (ii) none of our Directors, their close associates or Shareholders who own more than 5% of the share capital of our Company had any interest in our five largest suppliers in each year and period during the Track Record Period.

Below is the breakdown of our purchases derived from our five largest suppliers for each year and period of the Track Record Period, and their respective background information:

2023

Rank	Supplier	Background	Major products/services purchased by us	Purchases amount	Percentage of total purchase	Year of commencement of business relationship with us	Credit period/term
				(RMB'000)			
1	Supplier F[5] . . .	A cloud computing and AI services company	Technical services	4,457	39.6%	2022	Upon receipt of VAT invoice
2	Supplier D[3] . .	An IT and digital transformation services company	Technical services	1,873	16.6%	2021	30 days
3	Supplier A[1] . . .	A software and IT services provider	Technical services	1,843	16.4%	2021	30 days
4	Supplier G[6] . .	An IoT technology and smart device company	Technical services	645	5.7%	2021	20 working days
5	Supplier H[9] . .	A cybersecurity and IT consulting company	Consulting services	540	4.8%	2019	Not specified
	Total			9,358	83.1%		

2024

Rank	Supplier	Background	Major products/services purchased by us	Purchases amount	Percentage of total purchase	Year of commencement of business relationship with us	Credit period/term
				(RMB'000)			
1	Supplier F	A cloud computing and AI services company	Technical services	4,444	44.8%	2022	Upon receipt of VAT invoice
2	Supplier A	A software and IT services provider	Technical services	1,383	14.0%	2021	30 days
3	Supplier B[(2)]. . .	An IT consulting and technology services provider	Consulting services	882	8.9%	2018	30 days
4	Supplier I[(8)] . . .	A security inspection and IoT solutions company	Technical services	768	7.7%	2019	10 working days
5	Supplier D	An IT and digital transformation services company	Technical services	705	7.1%	2021	30 days
	Total			8,182	82.6%		

2025

Rank	Supplier	Background	Major products/services purchased by us	Purchases amount	Percentage of total purchase	Year of commencement of business relationship with us	Credit period/term
				(RMB'000)			
1	Supplier J[(9)] . . .	A trading and wholesale company	Hardware equipment	5,823	57.9%	2025	5 working days
2	Supplier G	An IoT technology and smart device company	Technical services	790	7.9%	2021	20 working days
3	Supplier E[(4)]. . .	An ICT and cloud services company	Telecom services and cloud services	723	7.2%	2021	30 days
4	Supplier K[(10)] . .	An investment and financial advisory company	Consulting services	661	6.6%	2025	3 days before delivery or not specified
5	Supplier L[(11)] . .	An AI technology and solutions company	Consulting services	446	4.4%	2025	30 days
	Total			8,443	84.0%		

For the three months ended March 31, 2026

Rank	Supplier	Background	Major products/services purchased by us	Purchases amount	Percentage of total purchase	Year of commencement of business relationship with us	Credit period/term
				(RMB'000)			
1	Supplier H	A cybersecurity and IT consulting company	Consulting services	334	49.4%	2019	Not specified
2	Supplier E	An ICT and cloud services company	Telecom services and cloud services	176	26.1%	2021	30 days
3	Supplier M. . . .	A cybersecurity and digital identity solutions company	Software licenses	91	13.5%	2022	30 days
4	Supplier N	An international telecommunications and ICT services company	Telecom services	66	9.8%	2026	30 days
5	Supplier O	A technology distribution and supply chain services company	Cloud services	8	1.2%	2023	30 days
	Total			676	100%		

(1) Supplier A operates in the software and information technology services industry in Chinese Mainland. Established in 2011, it is a key member of a state-owned enterprise group focused on information technology. With approximately 10,000 employees, its core business includes software development, technical consulting, and IT solutions for enterprise customers, particularly in the financial sector where it has been ranked as a leading IT solution provider for banks in China by an independent market intelligence firm. It has a registered capital of RMB500 million and has achieved CMMI Level 5 certification.

(2) Supplier B is a Hong Kong-based IT consulting and technology services provider established in 2018, with a share capital of HK$10,000. It specializes in web and app development, technology risk consulting, and digital transformation strategies for local businesses.

(3) Supplier D is a major provider of IT services and digital transformation solutions in Chinese Mainland, founded in 2005. As a publicly listed company on the Shenzhen Stock Exchange with over 90,000 employees worldwide, it reported annual revenues exceeding RMB 17 billion in recent fiscal years. Its offerings include cloud computing, AI-driven applications, enterprise software development, and system integration for clients across high-tech, finance, and other industries.

(4) Supplier E is a provider of information and communications technology (ICT) services headquartered in Hong Kong, with a share capital of approximately HKD403 million. Founded in 1994, it is a wholly-owned subsidiary of a Hong Kong-listed telecommunications company (SEHK: 1883) and employs over 2,500 staff globally. It delivers end-to-end services including private network solutions, cloud computing solutions (for which it holds ISO 27017 certification), information security solutions, and cloud data center services.

(5) Supplier F is a subsidiary of a major global technology conglomerate in Chinese Mainland, specializing in cloud computing and AI services. Established in 2008, it is a leading cloud service provider in China and the Asia-Pacific region, supporting enterprise digital transformation with a comprehensive suite of public cloud services. It has a registered capital of approximately RMB1 billion.

(6) Supplier G provides smart device manufacturing, IoT system integration, and software development across industrial and consumer markets. It was established in 2016 and operates in Chinese Mainland. It has a registered capital of RMB5 million. Publicly available information on its operational scale is limited.

(7) Supplier H is an established cybersecurity and IT consulting firm based in Hong Kong, founded in 2014 with a share capital of HK$100. With over a decade of experience, it offers specialized services such as penetration testing, vulnerability assessment, IT compliance audits, and digital forensics to clients in Hong Kong and across Asia, including financial institutions and government bodies.

(8) Supplier I is a provider of computer hardware and software development services in Chinese Mainland, established in 2009. Its service portfolio includes system integration, database design, blockchain technology, and internet information services. It has a registered capital of RMB3 million. Publicly available information on its operational scale is limited.

(9) Supplier J is a provider of intelligent robots, electronic products, and computer hardware and software in Chinese Mainland, established in 2016. Its business includes wholesale, import and export, technical development, and exhibition services. It has a registered capital of USD40 million.

(10) Supplier K is an investment and financial advisory firm in Hong Kong with a share capital of HK$1 million. Established in 2015, it focuses on providing strategic investment solutions, capital management, and corporate advisory services to customers in Asia, including banks and licensed entities.

(11) Supplier L is a private company limited by shares incorporated in Hong Kong, with a share capital of HK$500,000. Supplier L specializes in AI solutions and provides a range of services including data intelligence, cloud technology and cross-border compliance.

(12) Supplier M is a provider of identity and access management (IAM) solutions and mobile application security, established in 2000 and headquartered in Singapore, with a share capital of HK$3 million. Operating as a subsidiary of a publicly listed company on the Hong Kong Stock Exchange, it offers services including universal authentication, single sign-on, access management, and mobile app protection. It serves a wide range of clients, including financial service institutions, government agencies, and multinational corporations across Asia and other regions.

(13) Supplier N is a provider of international telecommunications services and solutions, established in 2010. Headquartered in Hong Kong, with a share capital of approximately HK$6.4 billion, it is a wholly-owned subsidiary of a major Chinese telecommunications operator. With an extensive global network comprising terrestrial and submarine cable resources and numerous overseas Points of Presence (PoPs), it delivers connectivity, cloud computing, data center, and ICT solutions to enterprises, carriers, and mobile users worldwide.

(14) Supplier O is a technology distribution and supply chain services provider operating in Chinese Mainland, with a share capital of approximately HK$1.7 billion. It entered the Chinese market in 1997 and is a subsidiary of a global technology distributor. The company offers a wide range of technology products, logistics planning, and cloud services. It has established multiple distribution centers and branches across key cities in China, serving thousands of channel partners and managing a vast portfolio of technology products from numerous renowned IT brands.

General Terms of Contracts with Suppliers

The salient terms governing our supplier contracts are summarized in the table below.

Term	Description
Contract Scope	The contract governs the procurement of technology services, including software and hardware products, customized development, testing, installation, maintenance, and training.
Pricing	The price is specified in the supplier contract, which is a fixed amount.
Payment Terms	Payment is typically made in three installments: (i) an advance payment upon contract signing and receipt of an invoice; (ii) a second payment upon project delivery and acceptance; and (iii) a final payment after the warranty period.
Warranty & Maintenance	The supplier provides a warranty period (e.g., one year) starting from the date of final acceptance. During this period, the supplier is responsible for resolving any defects or issues within a specified response time. After the warranty period, the customer may choose to engage the supplier for paid maintenance services at a pre-agreed preferential rate.
Term	The terms of supplier contracts typically range from three months to three years.

OVERLAPPING OF MAJOR SUPPLIERS AND CUSTOMERS

In each year and period during the Track Record Period, none of our top five customers were also our suppliers in the respective years or periods. See "— Our Customers."

During the Track Record Period, two of our top five suppliers was also our customers. During the Track Record Period, our purchases from such suppliers mainly are technical services, and the services we provided to them mainly are software development and related services. The table below sets forth the breakdown of our revenue derived from our top five suppliers that are also our customers in each year and period during the Track Record Period, shown by amount and as a percentage of our total revenue for the periods indicated.

	Year ended December 31,						Three months ended March 31,	
	2023		2024		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentage)							
Supplier A	2,753	0.38	2,930	0.40	0	0	0	0
Supplier D	4,116	0.56	4,141	0.56	16	0.003	6	0.004
Total	**6,869**	**0.94**	**7,071**	**0.96**	**16**	**0.003**	**6**	**0.004**

The table below sets forth the breakdown of our purchases from our top five suppliers that are also our customers during the Track Record Period, shown by amount and as a percentage of our total purchases amount for the periods indicated.

	Year ended December 31,						Three months ended March 31,	
	2023		2024		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentage)							
Supplier A	1,843	16.4	1,383	14.0	(85)	—	0	0
Supplier D	1,873	16.6	705	7.1	(59)	—	0	0
Total	**3,716**	**33.0**	**2,088**	**21.1**	**(144)**	**—**	**0**	**0**

The reason for such overlap is that Customer B may designate our development personnel to use the development sites of Supplier A and Supplier D, resulting in our procurement of their services. Similarly, we provide development sites to Supplier A and Supplier D for the same purpose in certain cities where their personnel are designated by Customer B. The purchase of such services between us and Supplier A and Supplier D was conducted on an arm's-length basis during the Track Record Period. The negative purchase amounts for Supplier A and Supplier D in 2025 reflect the reversal of accruals made in 2024. In 2024, the service fees payable to Supplier A and Supplier D were accrued based on estimated amounts. In 2025, after the actual amounts for 2024 were confirmed, the accruals were adjusted downward, resulting in a net negative amount for the period.

MARKETING AND SALES

We employ a direct sales and marketing strategy that emphasizes our deep industry expertise and specialized delivery capabilities. Our primary approach is to build direct, face-to-face relationships with target financial institutions. This allows us to understand their unique challenges and strategic objectives, and to position our solutions effectively.

We generally acquire customers through two channels: (i) competitive bidding, and (ii) direct engagement. For competitive bidding, we participate in public tenders by submitting proposals, followed by solution demonstrations when required. Upon successful bidding, we proceed to contract negotiation and execution. For direct engagement, we identify and approach potential customers through referrals from industry contacts, channel marketing and other business development activities. We work closely with customers to understand their specific needs, develop tailored proposals, and negotiate scope and terms before entering into agreements. Both channels are managed by our sales teams and supported by structured internal procedures that ensure proper governance and effective execution. We do not engage third parties in our sales process.

Our marketing and sales efforts are led by a dedicated team of professionals with extensive experience in the fintech services in the banking industry. As of March 31, 2026, our sales team consisted of 18 employees strategically located in Shenzhen, Hong Kong, Beijing, and Chengdu to ensure coverage of our major customers.

To enhance our industry presence and stay abreast of market developments, we are a member of the Shenzhen Fintech Association. To strengthen our industry presence and keep pace with market trends, we actively participate in multiple industry associations, including the Shenzhen Financial Technology Association and Financial Services Blockchain Consortium.

COMPETITION

According to CIC, the market for fintech services in the banking industry in which we operate is undergoing a structural transformation, driven by the accelerating global wave of digital finance. This structural shift, which requires the implementation of scalable and regulatory compliant technology services, brings significant market potential in Chinese Mainland and Hong Kong.

As the primary downstream demand sector for fintech software development services, the banking industry serves as the core foundation of financial system operations, according to CIC. Fintech software development services providers who proactively pursue digital finance strategies and leverage technologies such as Web3 and AI are better positioned for market share growth. In this market, we face competition from specialized infrastructure providers and diversified financial software providers. Based on revenue derived from this market in 2025, we ranked 17th in Chinese Mainland and Hong Kong fintech software development services market, according to CIC. The entry barriers include: (i) the necessity for deep industry know-how across business, technology, and regulation; (ii) the requirement for stable and reliable project delivery capability to manage large-scale, complex projects and meet the "zero-tolerance" operational standards of major banks; (iii) a comprehensive understanding of regulation, security, and compliance; and (iv) customer resources and the ability to promote ecosystem synergy for long-term service.

The Hong Kong banking fintech software development services market is transitioning to rapid growth, driven by increased regulatory investment and the integration of digital finance into long-term strategies. This market is relatively fragmented, with the top five providers accounting for 29.7% of the market share, according to CIC. We compete with two principal categories of providers in this market, which are established banking software solution providers with deep traditional banking relationships, as well as technology-driven enterprises leveraging digital platforms and ecosystem advantages. We are participating in this transition through our development and application of Web3 and AI technologies. Based on revenue from this market in 2025, we ranked 1st among all market participants, according to CIC. Key success factors in this market emphasize: (i) understanding of regulatory direction and policy frameworks to translate policy-driven requirements into compliant system design; (ii) technological innovation driving Web2 and Web3 fusion to integrate traditional IT systems with Web3 components; (iii) cross-border financial cooperation and international delivery capability to meet international standards for multi-jurisdictional projects; and (iv) the ability to implement innovative applications with agile development to shorten the customer onboarding cycle.

EMPLOYEES

As of March 31, 2026, we employ a total of 2,085 employees, including 2,008 in the Chinese Mainland and 77 in Hong Kong and other markets. The following table sets forth the number of our employees by function as of March 31, 2026.

Category	Number of Employees
R&D	
— Technology Research	226
— Software Development and Delivery[1]	1,686
Subtotal	1,912
Sales and Marketing	18
Administration	155
Total	**2,085**

(1) Software development and delivery personnel are included as R&D employees because their work primarily involves the design, development and iteration of customized software solutions requiring continuous technological innovation.

Our human resources strategy is centered on three core pillars: competitive compensation and benefits, talent development and career progression, and a strong talent retention environment.

- We provide a compensation package that is internally equitable and externally competitive, supported by regular market salary surveys. Our benefits package includes social insurance, housing provident funds, accident insurance, holiday gifts, meal subsidies, and annual health check-ups.

- We recognize the importance of continuous learning and career progression. We have established separate tracks for talents with managerial and technical skills. We support employee development through comprehensive induction, skill training, and external professional courses.

- Our retention philosophy focuses on creating an environment where employees feel valued. We provide timely recognition and appreciation, diversified incentives beyond monetary bonuses, opportunities for internal job rotation and challenging projects, and maintain regular communication channels regarding career progression.

We believe that we maintain a good working relationship with our employees, and we have not experienced any material labor disputes.

Social Insurance and Housing Provident Funds Contribution

Pursuant to the relevant PRC laws and regulations, employers are obligated to contribute to the social insurance and housing provident funds for their employees. During the Track Record Period, we (i) did not make adequate social insurances and housing provident fund contributions for certain employees; and (ii) engaged third-party human resources agencies to make social insurance and housing provident fund contributions.

During the Track Record Period, we did not make adequate contributions to the social insurance and housing provident funds with respect to certain of our employees as required by the relevant PRC laws and regulations, primarily because certain employees were unwilling to pay the social insurance and housing provident funds in full as it requires additional contributions from our employees. During the Track Record Period, the aggregate shortfall amount of social insurances and housing provident fund contributions to our employees was RMB10.4 million and RMB6.7 million, respectively. As advised by our PRC Legal Advisors, if any of the relevant social insurance authorities is of the view that the social insurance contributions we made for our employees do not comply with the requirements under the relevant PRC laws and regulations, it may order us to pay the outstanding balance within a prescribed time period plus a late fee of 0.05% of the total outstanding balance per day. The maximum aggregate potential late fees for which we may be liable in connection with the inadequate contributions to social insurance would be approximately RMB5.7 million. We undertake to promptly fulfilling our obligations as required as soon as practicable in the event that we receive the notification from the relevant government authorities, if any, to require us to rectify, make timely payments, or pay the outstanding amounts due to any deficiencies in our social insurance and housing provident funds in full cooperation with relevant competent government authorities, so that we will not receive administrative penalties due to such deficiencies. In addition, if any of the relevant housing provident fund authorities is of the view that our contributions to the housing provident funds do not satisfy the requirements under the relevant PRC laws and regulations, it may order us to pay the outstanding balance within a prescribed period. If we fail to do so within the prescribed period, the relevant housing provident fund authority may apply to a PRC court for an order of mandatory payment.

In addition, during the Track Record Period, we engaged third-party human resources agencies to make social insurance and housing provident fund contributions for a portion of our employees, primarily because they prefer their social insurance and housing provident funds to be paid at their respective places of residence for the convenience of utilizing such benefits locally. As of the Latest Practicable Date, none of our employees had their contributions made through such agencies. This practice does not constitute compliance with applicable PRC laws and regulations, as such contributions are required to be made directly by the employing entity. If this arrangement is challenged by the relevant authorities, we may be deemed to have failed to discharge our statutory obligations. We undertake to pay any additional contributions required by competent authorities within the prescribed period. We estimate that in the event we are ordered to make up for the contributions made by third-party agencies during the Track Record Period, the maximum aggregate supplementary contribution amount would be approximately RMB0.6 million.

As advised by our PRC Legal Advisors, in the absence of any material changes in the current policies, regulations, and enforcement and supervisory requirements of the relevant local authorities, and provided that no material employee complaints, claims, arbitration, or litigation arise, (i) the engagement of third-party agencies to make social insurance and housing provident fund contributions on behalf of certain employees is unlikely to have a material adverse impact on our business operations; and (ii) the risk of us being required by the relevant authorities to make centralized payments of historical shortfalls in social insurance and housing provident fund contributions, or being subject to material administrative penalties as a result, is remote, based on the following: (i) no material administrative penalty had been imposed on us in relation to our social insurance or housing provident fund contributions during the Track Record Period; (ii) the current PRC government policy against centralized collection of historical arrears; (iii) the feedback from the consultations with relevant authorities confirming that enforcement is typically complaint-driven; (iv) we were not aware of any material employee complaints or claims with respect to inadequate social insurance or housing provident fund contributions; (v) the third-party agencies engaged by us to make contributions on behalf of certain employees had confirmed in writing that no disputes had arisen in connection with such arrangements and that no administrative penalties had been imposed on them in relation to these matters during the Track Record Period; and (vi) we undertake that, in the event that the competent authorities require us to rectify our contribution practices or make supplementary payments within a stipulated time period, we will duly comply in a timely manner. As a result, we did not make any provisions in connection with the foregoing matters during the Track Record Period and up to the Latest Practicable Date. For risks relating to our social insurance and housing provident fund contributions, see "Risk Factors — Risks Relating to Legal and Compliance — We have not made adequate social insurance and housing provident fund contributions for certain employees as required by PRC laws and regulations."

Pursuant to the Interpretation II of the Supreme People's Court on Several Issues Concerning the Application of Law in the Trial of Labor Dispute Cases (最高人民法院關於審理勞動爭議案件適用法律問題的解釋(二)), which took effect on September 1, 2025, any agreement between an employer and an employee or any commitment made by an employee to the employer stating that social insurance premiums need not be paid shall be deemed invalid by the people's court. If an employer fails to pay social insurance premiums in accordance with the law, and the employee requests to terminate the labor contract and claims economic compensation pursuant to Article 38 Paragraph 3 of the Labor Contract Law, the people's court shall support such claims in accordance with the law. In the circumstances described in the preceding paragraph, if the employer subsequently pays the social insurance premiums in accordance with the law and requests the employee to return the compensation already paid for the social insurance premiums, the people's court shall support such requests in accordance with the law. Based on (i) we have not signed any agreement with our employee or our employee have not committed to give up paying their social insurance, (ii) our employees have the legal right to terminate the labor contract and claim economic compensation in accordance with the Labor Contract Law being effective since 2012, instead of the aforementioned regulation, which will not result in the Group assuming any additional liability for compensation, and (iii) as advised by our PRC Legal Advisors, the aforementioned regulation does not expand penalty exposure or repeal existing laws, our Directors believe the aforementioned regulation will not have material adverse impact on our business operations and financial position.

Rectification and Enhanced Internal Control Measures

We have been making full contributions to the housing provident funds for the majority of our employees since April 2025. We plan to achieve full compliance with the applicable PRC laws and regulations on social insurance and housing provident funds by implementing required rectification measures in time. We undertake to promptly fulfill our obligations as required as soon as practicable in the event that we receive the notification from the relevant government authorities, if any, to require us to rectify, make timely payments, or pay the outstanding amounts due to any deficiencies in our social insurance and housing provident funds in full cooperation with relevant competent government authorities, so that we will not receive administrative penalties due to such deficiencies. Regarding the third-party payment arrangement, we no longer engage third-party agencies for new employees hired after July 1, 2025, and are actively transitioning existing affected employees to direct employer contributions. When the number of employees in a particular region reaches a threshold that justifies establishing a local presence, we will consider setting up branches or subsidiaries to make direct contributions.

To ensure ongoing compliance, we have implemented the following enhanced internal control measures: (i) conducting regular educational sessions for our workforce to enhance compliance awareness and secure employee cooperation; (ii) enhancing our human resources management policies with respect to social insurance and housing provident fund contributions; (iii) assigning a dedicated compliance team to monitor our ongoing adherence to applicable regulations and implement corrective measures as necessary; and (iv) proactively tracking regulatory developments and maintaining regular communication with the relevant PRC authorities to ensure our contribution practices remain fully compliant.

AWARDS AND RECOGNITIONS

Our Company has received numerous industry recognitions and certifications that reflect our commitment to excellence, innovation, professional standards, and social responsibility. The following table presents a chronological summary of our major awards, certifications, and recognitions during Track Record Period:

No.	Year	Award/Recognition	Issuing Authority/Organization
1.	2023 . . .	National Encouraged Software Enterprise (國家鼓勵的軟件企業)	China Software Industry Association (中國軟件行業協會)
2.	2023 . . .	IFTA FinTech and Innovation Awards 2022/2023 — Corporate Achievements — Fintech Solutions (Blockchain, Cryptocurrency and CEP) — Platinum Award (IFTA 金融創新大獎 2022/2023 — 企業金融科技解決方案成就獎 — 區塊鏈、加密貨幣和CEP — 白金獎)	Institute of Financial Technologists of Asia (亞洲金融科技師學會)
3.	2024 . . .	2024 Guangdong Province Digital Economy Top 100 (2024年廣東省數字經濟100強)	Jinan University Industrial Economics Research Institute, Guangdong Information Association, Guangdong Industrial Development Promotion Association (暨南大學產業經濟研究院、廣東省信息協會、廣東省產業發展促進會)
4.	2024 . . .	DaLa Awards 2024 — Best Data Governance Award (DaLa Awards 2024 — 數據治理大獎 — 最佳數據治理獎)	Data & AI Literacy Association and Hong Kong Science and Technology Park Company Limited (數據素養協會與香港科技園公司聯合主辦)
5.	2024 . . .	HKMA GenA.I. Sandbox Cohort 1 Technology Partner Recognition (香港金管局 GenA.I. Sandbox Cohort 1 合作夥伴認可)	Hong Kong Monetary Authority (香港金融管理局)
6.	2024 . . .	National High-Tech Enterprise (國家高新技術企業) (renewed)	Shenzhen Municipal Bureau of Industry and Information Technology, Shenzhen Municipal Finance Bureau, State Taxation Administration Shenzhen Tax Bureau (深圳市工業和信息化局、深圳市財政局、國家稅務總局深圳市稅務局)
7.	2025 . . .	2024 TMMi Excellence in Practice Award (2024年度TMMi卓越實踐獎)	TMMi Foundation China Chapter (TMMi基金會中國分會)
8.	2025 . . .	Enterprise Credit Rating Certificate (AAA) (企業信用等級證書(AAA))	China Software Industry Association (中國軟件行業協會)
9.	2025 . . .	China Software Integrity Demonstration Enterprise (2025–2028) (中國軟件誠信示範企業(2025–2028年))	China Software Industry Association (中國軟件行業協會)
10.	2025 . . .	2025 Shanghai Stock Exchange Eagle Gold Quality and Corporate Governance Award (2025上證鷹.金質量.公司治理獎)	Shanghai Securities News (上海證券報)

INSURANCE

We maintain insurance policies that we believe are in line with industry standards and are adequate for our business operations. These policies include property insurance, public liability insurance, and employee accident insurance. We believe our insurance coverage is sufficient for our present operations and provides a reasonable level of protection against potential risks.

PROPERTIES

We own and lease certain properties Chinese Mainland, Hong Kong, and Thailand, which are used primarily for R&D, software development, office premises, and other operational purposes.

Owned Property

As of March 31, 2026, we own two real-estate properties in Chinese Mainland, with an aggregate gross floor area of approximately 24,228.88 square meters. All such properties have valid and complete land-use rights certificates and property-ownership certificates issued by the relevant authorities. None is subject to any mortgage, attachment or freezing order, and there are no outstanding disputes or potential title-related claims. These properties are primarily used for office and R&D purposes.

Our principal property is the Forms Syntron Building in Shenzhen, serving as a center for R&D, software development, office premises, and other operational purposes. The property comprises a land parcel with a site area of approximately 3,735.68 square meters and a building completed in 2018. The building consists of a 19-storey above-ground portion and a 4-storey basement. The total gross floor area of the above-ground portion is approximately 22,525.81 square meters, comprising approximately 20,292.46 square meters for R&D purposes, approximately 2,173.93 square meters for commercial use, and the remainder for ancillary facilities including civil defense areas. The basement contains approximately 160 car parking spaces. The land use rights of the property have been granted for a term of 50 years expiring on 13 June 2061. See "Appendix III — Property Valuation."

Apart from the Forms Syntron Building, we also own a property in Chengdu, with an aggregate gross floor area of approximately 1,703.07 square meters. This property is held by our subsidiary and is primarily used for office purposes.

Except for the property interests described in the property valuation report, we have no other owned property interest that forms part of our non-property activities that has carrying amount of 15% or more of total assets or property activities that requires valuation report pursuant to Rule 5.01B(2)(b) of the Listing Rules.

Leased Properties

As of March 31, 2026, we leased 12 operating properties in Chinese Mainland, which are located in Shenzhen, Shanghai, Beijing, and Hefei, and are leased from independent third parties, with an aggregate gross floor area of approximately 7,446.7 square meters. The 12 operating properties are primarily used as offices for office purposes.

As of March 31, 2026, the lessor of one of our leased properties in Chinese Mainland has not provided valid documentation proving its right to lease the property. This leasehold is located at Shenzhen with a gross floor area of 52.1 square meters, with a term from January 1, 2025 to March 31, 2027. We used it as an office. As advised by our PRC Legal Advisors, if a lessor lacks such a right to lease property, we may need to vacate the premises, which may cause disruption to our operations. Our PRC Legal Advisors are of the view that the defect of this leased property would not materially and adversely affect our business operations, considering: (i) the leased property is primarily for office use and are highly replaceable; (ii) this leased property accounts for only 0.7% of the total leased area of operating properties; and (iii) there is no record of administrative penalties against us by the relevant Shenzhen authorities for the period from January 1, 2023, to March 31, 2026. Based on the above, our Directors are of the view, and the Joint Sponsors concur, that the Group's business operations and financial performance would not be materially and adversely affected if the Group is to vacate the relevant leased property with title defects.

In addition, as of March 31, 2026, eleven operating lease agreements have not been registered with the relevant PRC housing administration authorities as required by law. Of these leased properties, eight are located in Shenzhen, one is located in Shanghai, one is located in Beijing, and one is located in Hefei. The aggregate gross floor area of these eleven properties is approximately 7,441.7 square meters. We used these properties as office premises. As advised by our PRC Legal Advisors, we may be ordered to complete the registration within a prescribed time limit and may be subject to fines for non-compliance. Our PRC Legal Advisors are of the view that the defect of these leased properties would not materially and adversely affect our business operations, considering: (i) we confirm that we have not had any disputes with the lessors, have not received any claims from third parties, and have been using the leased properties throughout the lease period; (ii) there is no record of administrative penalties against us by the relevant Shenzhen authorities for the period from January 1, 2023, to March 31, 2026; and (iii) the failure to register a lease agreement does not in itself invalidate the agreement under the PRC laws.

For risks related to leased properties, see "Risk Factors — Risks Related to Legal and Compliance — One of our leased properties lacks valid documents proving the lessor's right to lease, and certain lease agreements of our leased properties have not been registered with the relevant PRC government authorities as required by the PRC law, which may expose us to potential legal risks."

As of the Latest Practicable Date, we leased two properties in Hong Kong, which are leased from independent third parties. The two properties are primarily used as our center for development of fintech solutions and ancillary offices. In May 2026, we completed the acquisition of an office floor in Hong Kong for self-use at a consideration of approximately HK$66.1 million, which was funded entirely by our internal resources. The property has a gross floor area of approximately 12,076 square feet and is intended to be used for research and development, general office operations and sales activities in Hong Kong. As of the Latest Practicable Date, we leased one property in Thailand, which are leased from independent third parties. The property is primarily used as offices, with an aggregate area of 128.91 square meters.

We plan to renew our leases or negotiate new terms when the existing leases expire. We did not experience material difficulties in negotiating renewal of our leases with our lessors during the Track Record Period and up to the Latest Practicable Date. We believe that there is sufficient supply of comparable office premises in these areas.

LICENSES, PERMITS AND CERTIFICATES

Our business and operations are subject to various laws and regulations in Chinese Mainland, Hong Kong and Thailand, requiring us to obtain and maintain a number of licenses, permits, and certificates. We regard the timely acquisition and maintenance of these essential qualifications as a critical component of our compliance framework.

As advised by our PRC Legal Advisors, as of the Latest Practicable Date, we had obtained all material licenses, permits, approvals and certificates necessary for our business operations from the relevant government authorities in the PRC.

During the Track Record Period and up to the Latest Practicable Date, our Company provided fintech technology services to a customer who is based in Hong Kong. Details of our Company delivering services to such customer are as follows:

(i) Our Company provides software development services to a customer in Hong Kong by arranging staff based in Chinese Mainland to work remotely. The customer provides a virtual working environment, entirely separated from its operating production environments and other parts of its internal computer system. Our staff are granted temporary remote access to the working environment solely for the purpose of software development. Upon completion, the developed software is delivered to the customer for its own deployment.

(ii) Our staff connect to the customer's servers remotely and have no knowledge of the actual geographical or deployment location of those servers, which remain under the customer's management at all times.

(iii) In the course of providing these services, our Company and its staff do not collect, access, use or process any personal data of end-customers or individuals.

Based on the above business operation of our Company in delivering services to the customer in Hong Kong, our Hong Kong Special Legal Advisors are of the view that: (i) our Company is not required to obtain any licence or permits in Hong Kong because it would not be regarded as carrying out business in Hong Kong; and (ii) our Company falls outside the territorial jurisdiction of the Personal Data (Privacy) Ordinance.

Forms Syntron Solutions and Forms Syntron Information were established in Hong Kong. As advised by our Hong Kong Special Legal Advisors, Forms Syntron Solutions and Forms Syntron Information have obtained all requisite licenses, permits, approvals and certificates from the relevant government authorities in Hong Kong that are material to our business operation during the Track Record Period and up to the Latest Practicable Date.

During the Track Record Period and up to the Latest Practicable Date, Forms Syntron Thailand was the only subsidiary which had operations in Thailand and the only subsidiary which provided services to Thai customers. As advised by our Thai Legal Advisors, Forms Syntron Thailand has obtained all requisite licenses, permits, and approvals from the relevant government authorities in Thailand that are material to its business operation during the Track Record Period and up to the Latest Practicable Date.

As advised by our PRC Legal Advisors and our Thai Legal Advisors, there are no licences, permits or certificates held by us in Chinese Mainland or Thailand that will expire in 2026. As advised by our Hong Kong Special Legal Advisors there is no legal impediment in renewal of licences, permits and certificates held by us in Hong Kong which will expire in 2026.

During the Track Record Period and up to the Latest Practicable Date, save for the PRC, Thailand and Hong Kong, a small portion of our revenue was attributable to Macao and France. Our revenue generated from Macao and France accounted for less than 0.5% of our total revenue in each year and period during the Track Record Period. Our revenue attributable to Macao was generated through a local bank and a branch within the Customer B group for the provision of fintech software development services. Our revenue attributable to France was generated through a branch within the Customer B group for the provision of fintech software development services. Our Directors, having consulted our legal advisors as to the laws of Macao and France, understand that the provision of our financial software development services does not constitute any regulated financial, technology, data processing or cybersecurity activity that requires governmental authorisation in either jurisdiction. Based on such consultation and their understanding of the applicable laws, our Directors are of the view that we are not required to obtain any licences, permits, approvals or certificates relating to financial services, banking, software, data or cybersecurity to provide such services in Macao or France.

The following table sets forth details of our material licences and permits.

No	License/Permit	Issuing Authority	Expiration Date	Descriptions
		Chinese Mainland		
1	Filing with the National Blockchain Information Service Registration and Management System (國家區塊鏈信息服務備案管理系統備案)	Office of the Central Cyberspace Affairs Commission (中共中央網絡安全及信息化委員會辦公室)	Not specified	Business Scope: Application Operator
2	Multi-Level Protection Scheme Filing Certificate (Level 3) (網絡安全等級保護三級備案證明)	Shenzhen Municipal Public Security Bureau (深圳市公安局)	December 12, 2028	N/A
		Thailand		
3	BOI Promotional Certificate (No. 63-0187-1-00-1-0)	The Board of Investment of Thailand	Not specified	Promoted Activity: Digital Services Category: 5.9 Digital Services Sub-Category: Software Platform Services
4	Operation Commencement Approval (No. 214/GorThorPhor.2/2566)	The Board of Investment of Thailand	Not specified	N/A
5	Foreign Business License (No. 1256302922)	Department of Business Development, Ministry of Commerce, Thailand	Not specified	Authorization to conduct service business relating to database system services (software platform)

LEGAL PROCEEDINGS AND COMPLIANCE

From time to time, we may become involved in legal proceedings or be subject to claims arising in the ordinary course of our business. During the Track Record Period and up to the Latest Practicable Date, we had not been and were not a party to any material legal, arbitral or administrative proceedings, and we were not aware of any pending or threatened legal, arbitral or administrative proceedings against us or our Directors that could, individually or in the aggregate, have a material adverse effect on our business, financial condition and results of operations.

According to the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) promulgated by the CSRC on February 17, 2023 and effective from March 31, 2023, a new filing regime has been introduced which requires PRC domestic companies to complete a filing with the CSRC for their direct or indirect overseas securities offerings and listings by submitting materials on key compliance matters. The Trial Measures provide that overseas securities offerings and listings are expressly prohibited under any of the following circumstances: (i) such securities offerings and listings are expressly prohibited by laws and regulations; (ii) the proposed securities offerings and listings may endanger national security as reviewed and determined by competent authorities under the State Council; (iii) the domestic company, its controlling shareholder(s), or its actual controller has committed any crime including corruption, bribery, embezzlement, misappropriation of property or disrupting the order of the socialist market economy within the past three years; (iv) the domestic company is under investigation for suspected criminal offenses or major violations of laws and regulations and no definitive conclusion has been reached; or (v) there are material ownership disputes regarding equity held by the domestic company's controlling shareholder(s) or other shareholder(s) controlled by the controlling shareholder(s) and/or the actual controller. As advised by our PRC Legal Advisors, we do not fall within any of the aforementioned circumstances that would prohibit us from conducting an overseas listing.

AI-related Compliance

During the Track Record Period, our AI-related businesses consisted of two parts: (1) onshore AI-related services, which currently provide technical services for optimizing internal knowledge management systems to one onshore customer (a bank branch institution) and are not offered to the public; and (2) offshore AI-related services, which involve providing AI-related technical services to a limited number of Hong Kong financial institution customers, including the Group's FINNOSmart platform, with such services being provided offshore.

Onshore AI-Related Services

China has enacted relevant regulations, such as the Interim Measures for the Administration of Generative Artificial Intelligence Services (hereinafter referred to as the "**Interim Measures**") and the Measures for Identification of Artificial Intelligence-Generated Synthetic Contents. Article 2 of the Interim Measures stipulates that it applies to generative artificial intelligence services provided to the onshore public ("**境內公眾**"); the development and application of generative artificial intelligence technology by enterprises that do not provide generative artificial intelligence services to the onshore public are not subject to the provisions of the Interim Measures.

We did not provide GenAI services to the onshore public during the Track Record Period and up to the Latest Practicable Date. Currently, we provide technical services for the optimization of internal knowledge management systems to an onshore customer which is a branch institution of a domestic bank. To ensure good compliance practices, we have established the Artificial Intelligence and Algorithm Technology Management System, which ascertains that the Group's AI related technologies are currently dedicated to providing software development services and internal applications for enterprise customers. The system also defines the relevant organizational structure and division of responsibilities. For instance, the R&D Management Center is responsible for AI technology development and daily control, while the Technical Department implements AI application scenario development based on business needs and assists the company in conducting risk assessments. The system further stipulates that the Group must ensure that data required for AI technology development is sourced from legitimate channels, that data processing adopts security measures such as encryption and desensitization, and that data storage implements access control and backup mechanisms. Additionally, the system requires that during project initiation, the R&D Management Center shall conduct reviews. For projects that may potentially provide services to onshore public, relevant security assessments must be conducted in advance, and necessary filings must be completed to ensure ongoing compliance with legal regulations.

Article 17 of the Interim Measures provides that, any provider of GenAI services with attribute of public opinions or capable of social mobilization ("**具有輿論屬性或者社會動員能力**") shall conduct security assessment in accordance with the relevant provisions of the State, and complete the formalities for algorithm filing, change or deregistration in accordance with the Administrative Provisions on the Recommendation of Internet-based Information Service Algorithms.

As of the Latest Practicable Date, we had not applied for security assessment or completed the algorithm filing procedures required under Article 17 of the Interim Measures, as these obligations do not apply to our current business operations. Regarding our onshore AI-related business, as of the Latest Practicable Date, we only provide technical services for optimizing internal knowledge management systems to one onshore customer, with the customer retaining full responsibility for the knowledge systems' operations, maintenance, and content management. These services are not accessible to internet users, do not fall under the definition of "the public" as stipulated in the Interim Measures, and do not meet the typical scenarios characterized by public opinion attributes or social mobilization capabilities. The obligations for security assessment and model filing under the Interim Measures do not apply to our current business situation. We will continue to monitor the scale, scenarios, and service types of the relevant business. If we meet the statutory definitions, we will promptly conduct security assessments, filings, and related tasks to ensure ongoing compliance with legal requirements.

According to the opinion of our PRC Legal Advisors, as of the Latest Practicable Date, based on the written materials, executed service contracts, and other documents and confirmations provided by us, our onshore AI-related services do not currently constitute the provision of GenA.I. services to the onshore public, do not fall within typical scenarios with public opinion attributes or social mobilization capabilities (such as short videos, online live streaming, chat rooms, mini-programs, etc.), and are therefore unlikely to be subject to the security assessment and model filing requirements under the Interim Measures. Should the scale, scenarios, or service types of our relevant services meet the applicable conditions for the security assessment and filing obligations under the Interim Measures in the future, we shall promptly conduct the corresponding security assessment and model filing as part of our compliance work, and continuously improve relevant management and technical measures.

Offshore AI-Related Services

Regarding our offshore AI-related business, as of the Latest Practicable Date, we provide technical services to a limited number of Hong Kong financial institution customers. All such services are contracted through the Group's Hong Kong subsidiary with offshore customers, governed by Hong Kong law, and delivered offshore. These arrangements do not fall within the scope of providing services to the onshore public as defined in the Interim Measures.

Details of our off-shore AI-related services are as follows:

FINNOSafe

(i) FINNOSafe is a Web3 platform, which will be developed by us using open-source components and programming language. Such programming language is publicly accessible and allows customization. As a Web3 platform, it utilizes Web3 technologies in its offerings including tokenization of assets and Central Bank Digital Currency (CBDC) wallet. It will not involve use of AI in its offerings. The services provided by us under FINNOSafe is to design the application with functionalities which suit the customer's special needs by customizing the open-source programme language;

(ii) After the design, the end product (the application) will be delivered to the customers for its own deployment. We merely provide the technical solution of the Web3 platform to its customers and it does not operate the Web3 platform by itself;

FINNOSmart

(iii) FINNOSmart is an AI platform but we do not develop any AI model from scratch, instead we make use of open-source AI model, which is also publicly accessible and allows full customization;

(iv) The services provided by us under FINNOSmart is customizing and finetuning the open-source AI model so that the AI model can suit the customer's special needs. For example, if a customer (such as a bank) wishes to have an AI tool for fraud detection, it will provide us with masked historical data (not showing the personal data of end customers) and we will use such masked data to train, customize and finetune the AI model so that it can recognize the pattern of fraudulent transactions;

(v) After the finetuning, the AI tool will be delivered to the customer for its own usage; and

(vi) In view of the above services provided by us to customers in Hong Kong, we do not collect, use or process any personal data of the end customers in the course of business/provision of its services under FINNOSafe or FINNOSmart in HK.

As advised by our Hong Kong Special Legal Advisors, in Hong Kong, there is currently no legislation which specifically regulates the use of AI. The Hong Kong authorities are now relying on existing legislation (including the Personal Data (Privacy) Ordinance) with sector-specific guidelines from regulators to address the risks associated with the use of AI. Based on our business operation for delivering offshore AI-related services as described above, our Hong Kong Special Legal Advisors is of the view, and the Joint Sponsors concur, that, our Group has complied with the Personal Data (Privacy) Ordinance in all material aspects.

We are committed to maintaining the highest standards of legal and regulatory compliance in all aspects of our business operations.

We have established a robust internal compliance framework, and our management is dedicated to ensuring adherence to all applicable laws and regulations in Chinese Mainland. We confirm that during the Track Record Period and up to the Latest Practicable Date, we have not been subject to any material administrative penalties in Chinese Mainland. Furthermore, we confirm that we have been in material compliance with all applicable laws and regulations in Chinese Mainland.

In addition, we have established a robust internal compliance framework, and our management is dedicated to ensuring adherence to all applicable laws and regulations in Hong Kong. We confirm that during the Track Record Period and up to the Latest Practicable Date, we have not been subject to any material administrative penalties in Hong Kong. Furthermore, we confirm that we have been in material compliance with all applicable laws and regulations in Hong Kong. As advised by our Hong Kong Special Legal Advisors, during the Track Record Period and up to the Latest Practicable Date, we had complied with the relevant laws and regulations in all material respects in Hong Kong.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE MATTERS

We are committed to creating sustainable value for all stakeholders through a comprehensive and integrated approach to environmental, social, and governance matters. We recognize that long-term business success is built on strong governance foundations, responsible environmental stewardship, and meaningful social contributions. By embedding sustainability principles across our business ecosystem, we aim to balance stakeholder interests, enhance operational resilience, and drive sustainable growth in the financial technology industry.

ESG Governance

As an enterprise in the financial technology industry, we are committed to creating long-term sustainable value for all stakeholders. We adhere to all applicable national and local laws and regulations covering environmental protection, labor management, occupational health and safety, and business ethics. We have formulated comprehensive ESG policies, clearly defining our environmental protection measures, social responsibility principles, and internal governance frameworks. Post-IPO, we will comply with all relevant ESG reporting requirements and engage transparently with stakeholders.

Our Board is responsible for the ESG management of the Company, overseeing the effective implementation of ESG and climate-related policies and measures within its operations. Its duties include (i) identifying, assessing, and approving major ESG issues by taking into account their effects on business model and value chain; (ii) prioritizing these major ESG issues based on their likelihood of occurrence and significance of impact. This prioritisation process aligns with the Company's overall risk management framework and business objectives; (iii) reviewing and approving the ESG report and external disclosures; (iv) confirming all significant ESG issues, importance assessments, data information, policy decisions, and annual reports of the company.

Our ESG Working Group is responsible for organizing and coordinating the implementation of ESG work, ensuring timely, complete, and accurate information disclosure. It also collaborates with third-party consulting firms to complete ESG reports and reports to the Board on major ESG and climate-related issues and implementation progress once a year. Under the supervision of the Board, we proactively identify and monitors the actual and potential impacts of ESG and climate-related risks on business operations and financial performance, ensuring that business activities meet sustainability requirements while actively capture relevant development opportunities.

During the Track Record Period, we have not received any material complaints regarding ESG issues or experienced any material environmental or workplace safety incidents. Our Directors confirm we have not been involved in any other material non-compliance issues related to applicable ESG laws and regulations during the Track Record Period and up to the Latest Practicable Date.

Materiality Assessment

To effectively identify and prioritize ESG issues critical to business operations and long-term value creation, we conduct regular materiality assessments. This process integrates core business objectives, industry benchmarks, stakeholder expectations, as well as emerging sustainability trends. The results serve as a key basis for shaping our ESG strategy and defining reporting priorities.

ESG Goals

Aligning with our sustainable development vision and industry characteristics, we have identified eight key ESG focus areas with corresponding qualitative objectives. The below goals are established based on the following key assumptions: (i) the continued validity of our materiality assessment, which reflects stakeholder expectations and business priorities; (ii) the stability of the regulatory landscape underpinning our corporate responsibilities; (iii) the accessibility of practical technologies to support our efficiency and low-carbon innovation goals; and (iv) the sustained commitment of management to allocate necessary resources for implementation. These assumptions ensure that our objectives are both responsive to our operating environment and achievable within our strategic framework:

(i) **Environmental Responsibility**: Enhance resource efficiency, minimize waste and emissions, and reduce environmental footprint across the product lifecycle.

(ii) **Employee Responsibility**: Safeguard employee well-being and provide a safe, inclusive workplace with competitive remuneration and growth opportunities.

(iii) **Research and Innovation**: Prioritize R&D in low-carbon technologies. Standardize pre-research technical management, strengthen intellectual property protection, and translate innovative achievements into eco-friendly products

(iv) **Product Responsibility**: Implement strict full-lifecycle management to ensure products meet high standards of quality, safety and reliability.

(v) **Sustainable Supply Chain**: Integrate ESG indicators into supplier screening and performance evaluation systems, and drive sustainable development across the entire value chain.

(vi) **Community Engagement**: Contribute to social well-being through community programs and public welfare initiatives.

(vii) **Risk Management**: Establish and maintain a comprehensive risk management framework designed to identify, assess, monitor, and mitigate various risks inherent in our business operations. This encompasses information system risk management, intellectual property risk management, legal and compliance risk management, human resources risk management, investment risk management, and anti-corruption controls to ensure business continuity and stakeholder protection.

(viii) **Internal Control**: Implement robust internal control measures across key operational areas to safeguard assets, ensure the reliability of financial reporting, and maintain compliance with applicable laws and regulations. This includes procedures for account reconciliations, financial statement controls, access control systems, bank account management, and equipment management strategies.

Environmental Responsibility

We are committed to minimizing our environmental footprint and promoting sustainable business practices. We recognize our responsibility to manage environmental impacts across our operations, including air pollutant emissions, waste generation, resource consumption, and climate-related risks.

Air Pollutant Management

The major air pollutant emission of us is generated from the fossil fuel combustion of official vehicles, including NOx, SOx, and PM. Therefore, we formulate a series of vehicle management measures to improve vehicle use efficiency and reduce pollutant emissions.

We regularly maintain our official vehicles to enhance operational efficiency, reduce fuel consumption, and minimize pollutant emissions. Measures include routine inspections and adjustments of tire pressure to optimize vehicle performance, as well as prioritizing the adoption of electric or hybrid vehicles to further lower emissions and support sustainability efforts.

The below table sets forth the statistical data of air pollutant emissions from our operations.

		Year ended December 31,			Three months ended March 31
	Unit	2023	2024	2025	2026
Nitrogen Oxides (NO_x)	kg	6.76	6.71	2.79	0.57
Particulate Matter (PM)	kg	0.50	0.49	0.21	0.04
Sulphur Oxides (SO_x)	kg	0.12	0.12	0.03	0.01

Note:

1. The decrease in the group's air pollution emissions (NOx, SOx, and PM) in 2025 was due to the increased use of electric vehicles.

Waste Management

The waste generated by us can be categorized into non-hazardous waste and hazardous waste. Non-hazardous waste mainly includes general office waste; hazardous waste mainly includes chemical waste, waste ink cartridges, toner and toner cartridge from office printing machine. To reduce waste generation, we have implemented a series of measures, including promoting a paperless office culture, minimizing the use of disposable products, and reusing recyclable items such as folders and document bags. Hazardous waste, such as chemical waste, waste ink cartridges, toner and toner cartridge from production, is stored safely and disposed of via certified third-party providers.

Use of Resources

Our energy consumption mainly includes direct energy consumption from the combustion of fossil fuels by official vehicles and indirect energy consumption from purchased electricity for office. To elevate resource efficiency, we have rolled out comprehensive resource optimization initiatives across our operations.

For our general office environment, we regularly clean air conditioning filters, inspect and replace pressure gauges and hoses to reduce refrigerant leakage. We have also set up independently controllable lighting switches in different areas and installed dynamic sensors in non-frequently used areas.

For our IT infrastructure, including server rooms and data centers, we conduct regular analysis of energy usage data to inform operational adjustments, such as mandating temperature adjustments in equipment rooms to optimize the balance between performance and energy efficiency.

In terms of our water consumption, it is mainly for office daily use (such as drinking water, cleaning, etc.). We have installed faucets and other equipment with infrared sensing and water-saving labels in office areas and regularly inspected the water meter readings to prevent hidden water leakage.

The below table sets forth our energy and water consumption during the Track Record Period:

	Unit	Year ended December 31, 2023	2024	2025	Three months ended March 31 2026
Total Energy Consumption	MWh	2,863.12	2,806.82	3,165.74	603.63
Direct energy consumption	MWh	75.90	75.83	20.54[1]	6.56
Indirect energy consumption	MWh	2,787.22	2,730.99	3,145.20[2]	597.07
Intensity — Total Energy Consumption	MWh/million RMB of revenue	3.92	3.79	5.02	3.86[3]
Total Water Consumption	m^3	21,187.12	23,563.60	24,539.60	6,108.00
Intensity — Water Consumption	m^3/million RMB of revenue	29.01	31.83	38.89	39.07

Note:

1. The decrease in the Group's direct energy consumption in 2025 was due to the increased use of electric vehicles.

2. The increase in Indirect energy consumption and Total energy consumption intensity in 2025 is due to the rise in electricity usage from new server rooms and AI-related research and development activities.

3. The energy consumption intensity for the first quarter of 2026 is seasonally lower as electricity usage is typically higher in the summer months (May to October) due to using air-conditioning.

Responding to Climate Change

We recognize that climate change presents both risks and opportunities to our business. We identify and evaluate climate-related risks, including both physical risks and transition risks.

In terms of climate-related physical risks, we recognize that climate change may lead to changes in precipitation patterns and extreme variability in weather patterns. It may also lead to increase in severity of extreme weather events such as cyclones and floods. As our offices and Software Park are located in areas prone to typhoons and heavy rains, extreme weather may disrupt supply chain, affect the normal operation of office facilities, increase maintenance costs, and even pose potential risks to employee safety and business continuity. In response to the extreme weather events, such as floods and typhoons, we have actively aligned with relevant local government policies by implementing special work arrangements and disaster preparedness plans to ensure the safety of our employees and facilities.

In terms of climate-related transition risks, the continuous strengthening of national and global carbon emission reduction policies, along with growing environmental awareness among customers, may influence customer demand or shift preferences toward sustainable products, thereby impacting our business. In response to this, we will accelerate the R&D of green financial technology solutions to meet customer needs, and at the same time continuously optimize our own low-carbon operation system to enhance resilience to climate change.

Besides of the above risks, climate change is driving increasing demand for green financial technology solutions, creating opportunities for market expansion, product innovation, and leadership in the low-carbon transition.

We are committed to reducing our carbon footprint through energy efficiency measures, utilization of renewable energy, and continuous monitoring of our emissions. Our GHG inventory is prepared in accordance with the GHG Protocol.

The below table sets forth our GHG emissions during the Track Record Period:

GHG Emissions[(1)]	Unit	Year ended December 31			Three months ended March 31
		2023	2024	2025	2026
Total GHG Emissions (tCO_2e)	tCO_2e	2,520.31	2,483.75	2,680.63	571.93
Scope 1 — Direct GHG Emissions[(Note 1)]	tCO_2e	942.55	942.21	929.58	231.82
Scope 2 — Energy indirect emissions[(Note 2)]	tCO_2e	1,491.08	1,460.82	1,682.13[(Note5)]	320.39
Scope 3 — Other indirect emissions[(Note 3)]	tCO_2e	86.68	80.72	68.92[(Note4)]	19.72
Intensity — Total GHG Emissions . .	tCO_2e/million RMB of revenue	3.33	3.25	4.14	3.53

Note:

1. Scope 1 direct emission includes the GHG emissions from fossil fuel combustion of our owned vehicles and the release of refrigerant of air conditioning equipment.

2. Scope 2 indirect emission primarily includes the GHG emissions from our usage of purchased electricity.

3. Scope 3 indirect emission includes the GHG emissions from business travel, electricity for the treatment of water and wastewater and wastepaper disposal.

4. The decrease in the Group's scope 3 emission in 2025 was due to the reduced paper usage after the partial implementation of a paperless office.

5. The increases in Scope 2 Indirect emissions and the Total GHG emission intensity in 2025 is due to the rise in electricity usage from new server rooms and AI-related research and development activities.

Quantitative ESG-related targets of the Group

To minimise the impact of our business operation on the environment, we have set the following goals:

Aspect	Target[(1)]
GHG Emission	Reduce the total greenhouse gas emission intensity by 1% by 2030 (with the year 2025 as the base year)
Electricity Consumption	Reduce the electricity consumption intensity by 1% by 2030 (with the year 2025 as the base year)
Water Consumption	Reduce the water consumption intensity by 1% by 2030 (with the year 2025 as the base year)
Waste Generation	Strictly implement the office supplies registration system for office suppliers and to commit to reducing the generation of office waste.

Note:

1. All intensities are calculated based on the annual revenue.

In setting the above ESG targets, the Board has adopted a phased approach to ensure long-term credibility. The near-term target of reduction against the base year reflects our commitment to first building a robust data infrastructure before pursuing more aggressive reductions. The Group will continuously review and, where appropriate, adjust or set new targets in response to evolving business strategies, regulatory requirements, and technological advancements, ensuring our ESG commitments remain relevant over time. To fulfil these targets, we have also developed a series of specific energy conservation and emission reduction measures, which are detailed in the Air Pollutant Management, Waste Management and Use of Resources sections above.

Social Responsibility

We recognize that sustainable business success depends on creating positive value for all stakeholders, particularly our employees, suppliers, customers, and communities.

Employee Responsibility

Employees are the foundation of our success. We recognize their critical role in sustained growth and commit to provide a fair, safe, inclusive workplace–backed by structured policies and robust management systems.

Employment

Our employment practices adhere rigorously to all applicable labor laws and regulations, as outlined in our standardized Employee Handbook. Every employee is engaged under a formal contract, and we are committed to maintaining non-discrimination, fair treatment, and equal opportunity at every stage of employment.

The below table sets forth the composition of our total workforce during the Track Record Period:

Employment indicators	Year ended December 31,			Three months ended March 31
	2023	2024	2025	2026
By Gender				
Male	1,750	1,548	1,622	1,609
Female	569	487	475	476
By Employment Type				
Full-time	2,319	2,035	2,097	2,085
Part-time	0	0	0	0
By Geographical Region				
Chinese Mainland	2,243	1,966	2,030	2,008
Hong Kong and other markets	76	69	67	77

Occupational Health and Safety

We prioritize occupational health and safety. We provide general safety education to new employees and those starting new jobs, including company safety regulations and emergency measures. Fire drills are held annually in the office space. During the Track Record Period, we don't have any material safety issues, accidents and claims relating to our Group's business operations with regard to occupational health and safety.

Development and Training

We provide our employees with annual training programs and plans, new employees with onboarding training and cybersecurity training. We also encourage employees to participate in external organization forums, sharing sessions, etc. to enrich their professional knowledge–all designed to build capability and support long-term career advancement.

Supply Chain Management

We attach great importance to the construction of a sustainable supply chain and has established a strict supplier management system. Before cooperating with suppliers, we conduct comprehensive background investigations, including corporate qualifications, business reputation, product/service quality, technical skills, price quotes and delivery capabilities. Suppliers that meet the relevant standards are included in the qualified supplier list.

We require all suppliers to comply with national and international laws and regulations, and prohibits any unethical business behaviors. At the same time, we actively promote green procurement, and encouraging suppliers to continuously improve their environmental and social performance. We regularly evaluate the performance of qualified suppliers, and adjusts the supplier list in a timely manner based on the evaluation results to ensure the sustainability of the supply chain.

Product Responsibility

We are committed to delivering products that meet the highest standards of quality, safety, and reliability through rigorous lifecycle management.

To ensure product quality and regulatory compliance, we obtained ISO9001 certificate. Prior to market release, all products must undergo rigorous testing and are governed by a structured quality management system. Customer feedback is systematically managed and tracked, with defined actions implemented to address any product quality or safety concerns.

Our Group is committed to the ethical use of its AI technologies, as reflected in our internal governance framework. We have established the "Artificial Intelligence and Algorithm Technology Management System," which defines our organizational structure and responsibilities for AI development. The R&D Management Center oversees AI technology development and daily controls, while the Technical Department implements application development based on business needs and assists in risk assessments.

The system mandates that all data used for AI development be sourced from legitimate channels, with security measures including encryption, desensitization during processing, and access controls with backup mechanisms for data storage. It also requires that project initiation reviews be conducted by the R&D Management Center, with the understanding that any future projects involving public-facing services must undergo security assessments and complete necessary filings before launch. These measures help ensure our AI practices remain aligned with applicable legal and ethical standards.

Community Engagement

We are committed to enriching communities through strategic investments and philanthropic initiatives, including consistent support for charitable organizations. One notable example is our participation in the "Strive and Rise Programme" Phase 3 in 2025, which is designed to assist teenage students from underprivileged backgrounds. Each student will be assigned a volunteer mentor who helps them to build confidence and broaden their horizons. Notably, our Chairman serves as a star mentor in Hong Kong's "Strive and Rise Programme" project, guiding young people from underprivileged families to explore and understand the world of fintech. As a result, we received the award letter from the Hong Kong Special Administrative Region Government Office of the Chief Secretary for Administration.

In addition to this, we organized multiple editions of FORMS Fintech Talent Accelerator Program (FTA), and participated in multiple social initiatives, such as the "Customs YES," programs. Furthermore, in 2025, we donated HK$1 million to Hong Kong's Tai Po Wang Fuk Court community in helping them to rebuild their homes. As we move forward, we will continue to prioritize community growth by strengthening partnerships, refining supportive policies, expanding investments, and exploring innovative approaches to foster sustainable development and shared prosperity within the communities where we operate.

Governance

We have established a comprehensive risk management and internal control system to safeguard our assets, ensure the reliability of our financial reporting, and comply with applicable laws and regulations. Our Board of Directors is ultimately responsible for overseeing our risk management framework, with various committees and management functions tasked with its implementation and day-to-day management.

Risk Management

Our risk management framework is designed to identify, assess, monitor, and mitigate the various risks inherent in our business operations. Our management has established specific risk management measures across key areas of our operations:

Information System Risk Management

We implement robust measures to protect our information systems and key business data they contain. These include:

- **Principle of Least Privilege:** Access to information systems is granted on a need-to-know basis, minimizing unnecessary data exposure.

- **Secure Maintenance:** System maintenance is conducted through secure bastion hosts to control and monitor access.

- **Data Redundancy and Backup:** Our system deployment environments are configured with Redundant Array of Independent Disks, and we perform regular full or incremental backups to prevent data loss from hardware failure.

- **Data Encryption:** Business data is encrypted both in transit and at rest. Passwords and encryption keys are transmitted separately from the data itself.

- **Internal Audit:** Our audit department conducts ex-post audits in accordance with our Information Security Management Regulations to ensure compliance.

Intellectual Property Risk Management

We have implemented measures to protect our intellectual property assets. Our R&D management and business development department are responsible for filing patent, copyright, and trademark applications for our innovations. We conduct rigorous reviews during our R&D and service delivery processes to ensure our technologies do not infringe on third-party rights. Furthermore, our IT services department maintains a whitelist of approved software for company-wide use and conducts regular audits to prevent unauthorized software usage.

Legal and Compliance Risk Management

Our Board of Directors' office leads the construction of our daily operational compliance system, while the Audit Department is responsible for compliance supervision and auditing, and reports to the Board's Audit Committee. We have established a comprehensive internal control and corporate governance framework consistent with the requirements for A-share listed companies. All contracts are reviewed by multiple departments, including the responsible department, finance department, and the General Manager. We consult with our long-term legal counsel on standard contract templates and major agreements. The specific content of contracts is determined by our Contract Management Policy and the implementation rules established by each department. We have established the R&D Project Management Measures, which stipulate and standardize the processes of R&D activities, requiring all R&D projects to go through the stages of initiation, approval, development, testing, and acceptance. Risk management runs throughout the entire R&D project.

Human Resources Risk Management

We have implemented comprehensive risk management measures covering the entire employee lifecycle, from recruitment to termination. Our Audit Department provides independent oversight of these processes.

- **Recruitment and Onboarding:** We conduct rigorous recruitment with standardized job descriptions and mandatory multi-dimensional background checks. These include verification of work experience, job performance, and professional ethics through cross-verification with former employers and supervisors. We also verify academic credentials, professional qualifications, and where permissible, conduct criminal record and credit checks. We review whether candidates are bound by non-compete agreements to avoid potential legal disputes.

- **Training and Professional Development:** All new employees complete an induction program covering our Employee Handbook and internal policies. We provide regular professional skills and safety training to ensure employees are competent in their roles and to minimize operational risks.

- **Professional Ethics and Code of Conduct:** We maintain a conflict of interest declaration mechanism, particularly for management and sensitive positions. All employees sign confidentiality and information security agreements that define trade secrets and protection obligations, supported by technical measures such as access controls and log audits.

- **Oversight and Monitoring:** Our Audit Department, as an independent supervisory body, assesses the effectiveness and compliance of our human resources risk management systems. Through independent audit activities, it reviews key processes including recruitment, expense reimbursement, and procurement to ensure adherence to our internal controls and risk management framework.

Anti-corruption

We uphold the highest standards of anti-corruption and business ethics, with integrity and compliance as the cornerstone of long-term stable operations. We have built a comprehensive anti-corruption management framework that covers both internal employee supervision and external supplier collaboration.

For internal management, we have formulated core systems including the Anti-fraud System and the Employee Integrity Commitment Letter. These documents explicitly prohibit employees from engaging in improper acts such as accepting kickbacks, embezzling company assets, or leaking commercial secrets. These documents also clarify that violations will result in corresponding penalties — ranging from admonishment interviews to termination of employment.

For external cooperation, we have the Integrity Commitment Letter, which prohibits improper benefit transfers (e.g., offering gifts), ensuring that the entire cooperation process adheres to anti-corruption requirements.

Investment Risk Management

Our investment activities are governed by our External Investment Management System. We have established clear approval thresholds for investments at the general manager and Board levels. Appropriate due diligence and risk assessments are conducted prior to any investment decision. Our Board of Directors' office is responsible for post-investment tracking and reporting. Our Finance Management Department is responsible for maintaining compete accounting records for all external investment activities.

Internal Controls

In October 2025, we engaged an independent consulting firm (the "**Internal Control Consultant**") to perform a review over our internal control. The Internal Control Consultant is an independent specialist business advisory firm, and has extensive experience in reviewing and advising on the internal control and corporate governance environment of companies listed on the Stock Exchange. The key areas of inspection include financial reporting and disclosure, research and development management, internal management policies over revenue, cost control, receivables and accounts management, human resource and remuneration management, treasury management, tax management, insurance management, contract control and information system control. The Internal Control Consultant identified internal control deficiencies and provided recommendation accordingly. We have adopted the corresponding remediation actions to improve the effectiveness of internal control system. Details of the internal control deficiencies identified, recommendations made by the Internal Control Consultant, and the remediation actions taken by us are as follows:

Internal control deficiencies identified	Recommendations made by the Internal Control Consultant	Remediation actions taken by us
Absence of formal guidelines for AR/AP dispute handling, insurance risk assessment, and background checks for critical roles. . .	Establish standardized frameworks defining dispute escalation paths, coverage criteria, and background check scopes.	Policies updated to include mandatory handling timeframes, insurance evaluation criteria, and employment screening protocols.
Lack of robust record-keeping for template versioning and periodic bank account reviews.	Implement a formal version control system and ensure all periodic reviews are documented in accordance with policy.	Management implemented version control for templates and now maintains formal documentation for all periodic bank account reviews.

The Internal Control Consultant performed a follow-up review with regard to those actions taken by us and there are no further material findings identified in the process of the follow up review.

Our internal control system is designed to provide reasonable assurance regarding the achievement of operational efficiency, compliance with applicable regulations, and reliability in financial reporting. We have developed comprehensive controls across all major aspects of our business operations operational areas, including, among others, financial reporting and control, procurement processes, and risk management. These policies are designed to:

- ensure segregation of duties by clearly defining roles within financial and accounting management, as well as other departments, to prevent compliance issues such as conflicts of interest and fraud;

- implement authorization and approval mechanisms across our funds, financing, investment, and reimbursement policies, requiring managerial oversight for significant transactions and expenditures;

- implement documentation and record keeping controls to ensure compliance and traceability, particularly in our contract and asset management;

- safeguard data privacy, cybersecurity, and system integrity, protecting sensitive company and customer information from potential breaches;

- promote a culture of ethical compliance through anti corruption, anti bribery, and anti fraud policies and measures;

- embed internal control procedures within our insurance, claims, and risk management policies to proactively identify and mitigate potential threats; and

- conduct periodic reviews and internal audits, as part of our compliance management system, to continuously assess the effectiveness of our internal controls.

We believe that we have established adequate internal procedures, systems and controls in relation to compliance with applicable laws and regulations.

BOARD OF DIRECTORS

Our Board comprises seven directors, including two executive Director, two non-executive Director and three independent non-executive Directors. The Directors are appointed for a term of three years and are eligible for re-election upon expiry of their term of office.

The following table sets out information in respect of our Directors:

Name	Age	Position	Time of joining our Group	Date of first appointment as a Director	Roles and responsibilities
Mr. Chow Chi Kwan (周志群)	54	Chairperson of the Board, executive Director, chief financial officer and general manager	November 2003	February 21, 2012	Responsible for overall strategic planning, financial management, business development, and management of our Group
Mr. Chan Wing Fat (陳榮發) . .	52	Executive Director and deputy general manager	September 2017	February 19, 2021	Responsible for overall strategic planning, business development, and management of our Group
Dr. Ho Man (何敏)	56	Non-executive Director	February 2012	February 21, 2012	Responsible for providing advice on strategic development
Mr. Huang Kaibing (黃開炳)	44	Non-executive Director and employee representative Director	July 2005	September 19, 2025	Responsible for providing advice on corporate decisions
Mr. Ku Ka Yung (顧嘉勇)	53	Independent non-executive Director	February 2012	February 21, 2012	Responsible for supervising and providing independent opinion and judgment to our Board
Mr. Zhang Li (張力)	49	Independent non-executive Director	February 2012	February 21, 2012	Responsible for supervising and providing independent opinion and judgment to our Board
Ms. Chan Ka Po Rachel (陳嘉寶)	61	Independent non-executive Director	September 2025	September 19, 2025	Responsible for supervising and providing independent opinion and judgment to our Board

Executive Directors

Mr. Chow Chi Kwan (周志群), aged 54, is our founder, chairperson of the Board, executive Director, chief financial officer and general manager . He has served as the chairperson of the Board since November 2003. Mr. Chow is a member of the Nomination Committee and the chairperson of the Strategy Committee. Mr. Chow is primarily responsible for overall strategic planning, financial management, business development, and management of our Group.

Prior to founding of the Company, Mr. Chow served as a regional manager at YFY Precision Technology Electronics (Beijing) Co., Ltd. (永豐餘精業科技電子(北京)有限公司) and the general manager at Shenzhen United New Creation Technology Co., Ltd. (深圳市聯合新創科技有限公司) from 1995 to 2001 and from August 2001 to November 2003, respectively.

Mr. Chow obtained a bachelor's degree in social science from the Chinese University of Hong Kong in December 1995. Mr. Chow is one of the non-official members in Digital Economy Development Committee in Hong Kong.

On September 2, 2024, Best Alliance, a company wholly-owned by Mr. Chow and a member of our Single Largest Shareholder Group, received the Decision on Corrective Measures issued by the Shenzhen Regulatory Bureau of the CSRC (the "**Shenzhen Securities Regulatory Bureau**")(the

"**Administrative Regulatory Measures Decision**") stating that Best Alliance has failed to comply with Paragraph 2 of Article 13 of the then and currently effective Measures for the Administration of the Takeover of Listed Companies (《上市公司收購管理辦法》) issued by the CSRC (the "**Takeover Measures**") regarding its cumulative reduction of percentage of equity interests in our Company exceeding 5% on October 30, 2023 without halting trading pursuant to the Takeover Measures (the "**Incident**").

As at the listing of the A Shares on May 27, 2015 (the "**A-Share Listing**"), Best Alliance held 27.74% of the issued Shares of our Company. Between the A-Share Listing and January 26, 2022, its shareholding decreased to 22.79%, representing a cumulative change of 4.95%, as a result of (i) passive dilution arising from changes in the total share capital of our Company, comprising five grants of restricted A Shares and seven repurchases and cancellations of restricted A Shares by our Company between January 1, 2016 and December 2020 and the issue of 20,725,388 A Shares on January 26, 2022 for the placement of A Shares; and (ii) voluntary reductions by Best Alliance of an aggregate of 3,776,107 A Shares by way of centralized bidding between December 17, 2019 and June 1, 2020.

On August 4, 2023, Best Alliance announced a plan to reduce its shareholding in our Company by not more than 21,225,971 A Shares, representing 4% of the then total share capital of our Company (the "**Reduction Plan**"). Pursuant to the Reduction Plan, Best Alliance reduced 1,928,107 A Shares, representing 0.3633% of the then total share capital of the Company, by way of a centralized bidding transaction on October 30, 2023 (the "**Reduction**"). As a result, Best Alliance's cumulative reduction since the A-Share Listing amounted to 5.31%, which exceeded the 5% threshold prescribed under Paragraph 2 of Article 13 of the Takeover Measures (the "**5% Threshold**"). The Reduction therefore constituted the transaction giving rise to the Incident. Pursuant to the Reduction, 1,982,107 A Shares were reduced, of which 1,660,314 A Shares (representing 0.31% of the Issued Shares of the Company) were reduced in excess of the 5% Threshold. Immediately following the Reduction, Best Alliance held 22.43% of the Issued Shares of the Company.

In light of that, Best Alliance submitted its report on rectification to Shenzhen Securities Regulatory Bureau on September 25, 2024 and certain corrective measures have been performed, including (i) the repurchase of 1,660,400 A Shares from the market, representing the number of A Shares that were excessively reduced, so as to restore the shareholding of Best Alliance in our Company to the level at which the 5% Threshold was reached, which repurchase was completed by January 15, 2025 out of its internal resources and in respect of which Best Alliance undertook not to reduce its shareholding for six months following completion and to remit any profit generated from the repurchased A Shares to our Company; (ii) enhancement of legal and regulatory knowledge to prevent a recurrence of such incidents; and (iii) improvement of communication with our Company to better assist our Company in fulfilling the disclosure obligations. As of the Latest Practicable Date, our Company and Best Alliance did not receive any further enquiry from the Shenzhen Securities Regulatory Bureau in relation to this matter.

Taking into consideration the above and views of the PRC Legal Advisors that the Administrative Regulatory Measures Decision does not constitute an administrative penalty under the PRC law; and based on the factors that (i) the Incident was unintentional and due to an inadvertent mistake which was caused by the lack of attention to the passive dilution resulted from the various corporate actions; (ii) there were multiple matters that caused the voluntary or passive change in shareholding, making it difficult for shareholders to track its shareholding changes on a timely basis, thereby resulting in the inadvertent mistake; the general misunderstanding on how to determine shareholding changes is further evidenced by the Securities and Futures Legal Application Opinion No. 19 — Application Opinions on Article 13 and Article 14 of the Takeover Measures (《證券期貨法律適用意見第19號 — <上市公司收購管理辦法>第十三條、第十四條的適用意見》) later published by the CSRC on January 10, 2025; (iii) Best Alliance ceased any further reduction in the shareholding interests of our Company upon becoming aware of the Incident; (iv) the Incident was a one-off event and was not recurring in nature; (v) remedial measures have been taken by Best Alliance immediately after receiving the Administrative Regulatory Measures Decision by repurchasing 1,660,400 A Shares and undertook not to reduce its shareholding for six months after the repurchase had been completed; and (vi) no elements of fraud, deceit or dishonesty were noted from the Incident which would reflect or may reasonably reflect negatively on Mr. Chow's integrity, our Directors are of the view, and the Joint Sponsors concur, that the Incident would not affect the suitability of Mr. Chow to act as the Directors under Rules 3.08 and 3.09 of the Listing Rules.

Mr. Chan Wing Fat (陳榮發), aged 52, is our executive Director and deputy general manager. He has served as our Director and deputy general manager since February 2021. Mr. Chan is a member of the Remuneration and Appraisal Committee and Strategy Committee. He is responsible for overall strategic planning, business development, and management our Group. He is also the chief executive officer of Forms Syntron Information and the general manager of Forms Syntron Thailand.

Mr. Chan served as the Executive of the Banking Industry at IBM China/Hong Kong Limited from January 2015 to August 2017. He has served as the chief executive officer of Forms Syntron Information since September 2017.

Mr. Chan obtained a bachelor's degree in social science from the Chinese University of Hong Kong in December 1996. Mr. Chan is currently the vice president of Hong Kong Cybersecurity Professional Association. He was also one of the jury members for 2021/2022 IFTA FinTech and Innovation Awards.

Non-executive Directors

Dr. Ho Man (何敏), aged 56, is our non-executive Director. He served as our independent Director from February 2012 to February 2018. He later re-joined our Group and has served as our Director since February 2024 and redesignated as non-executive Director on December 1, 2025. Dr. Ho is a member of the Audit Committee and the Strategy Committee. Dr. Ho is responsible for providing advice on strategic development.

Dr. Ho joined the financial services investment industry in 1997 and is currently an executive director of Fu Shou Yuan International Group Limited (a company listed on the Main Board of the Stock Exchange, stock code: 1448). Dr. Ho was an independent non-executive director of Wanjia Group Holdings Limited (a company listed on the Main Board of the Stock Exchange, stock code: 00401) and Grand Ocean Advanced Resources Company Limited (a company listed on the Main Board of the Stock Exchange, stock code: 00065) from February 2018 to April 2024 and January 2020 to April 2024, respectively. Dr. Ho had been an independent non-executive director of Fu Shou Yuan International Group Limited (a company listed on the Main Board of the Stock Exchange, stock code: 1448) since December 2013 and was redesignated as an executive director in January 2026.

Dr. Ho obtained a master's degree in finance from the London Business School in November 1997, an EMBA from Tsinghua University in July 2008 and a PhD in economics from Shanghai University of Finance and Economics in June 2023. He is a Chartered Financial Analysts charterholder.

Mr. Huang Kaibing (黃開炳), aged 44, is our non-executive Director and employee representative Director. He has served as our system analyst, project manager, department director, and deputy general manager of our Beijing branch since July 2005. He is responsible for providing advice on corporate decisions.

Prior to joining our Group, Mr. Huang served as a software engineer of Shenzhen United New Creation Technology Co., Limited (深圳聯合新創科技有限公司) from July 2003 to June 2005.

Mr. Huang obtained an associate's degree in office automation from Huazhong University of Science and Technology in June 2003.

Independent Non-executive Directors

Mr. Ku Ka Yung (顧嘉勇), aged 53, is our independent non-executive Director. He served as our independent Director from February 2012 to February 2018. He later re-joined our Group and has served as our independent non-executive Director since February 2024. He is responsible for supervising and providing independent opinion and judgment to our Board. He is a member of the Audit Committee and a chairperson of the Remuneration and Appraisal Committee.

Since 1999, he has served as the vice chairman, chief financial officer and executive director of Sun Hing Vision Group Holdings Limited (a company listed on the Hong Kong Stock Exchange, stock code: 0125).

Mr. Ku obtained a bachelor of commerce degree from the University of Toronto, Canada in November 1995 and a master's degree in business administration from McGill University, Canada in October 1998. He is a certified public accountant in the US.

Mr. Zhang Li (張力), aged 49, is our independent non-executive Director. He served as our independent Director from February 2012 to February 2018. He later re-joined our Group and has served as our independent non-executive Director since February 2024. He is responsible for supervising and providing independent opinion and judgment to our Board. He is a chairperson of the Audit Committee, a chairperson of the Nomination Committee and a member of the Remuneration and Appraisal Committee.

Mr. Zhang has been a partner of Shanghui Certified Public Accountants (Special General Partnership) (上會會計師事務所(特殊普通合夥)) since July 2014. From 2013 to 2019, he served as an independent director of Shenzhen MTC Co., Ltd. (深圳市兆馳股份有限公司) (a company listed on the Shenzhen Stock Exchange, stock code: 002429.SZ). From March 2016 to June 2020, he served as an independent director of Shenzhen Dynanonic Co., Ltd. (深圳市德方納米科技股份有限公司) (a company listed on the ChiNext Market, stock code: 300769.SZ). From February 2018 to May 2020, he served as an independent director of Jin Yahao Precision Metal Technology (Shenzhen) Co., Ltd. (金雅豪精密金屬科技(深圳)股份有限公司). From September 2020 to March 2025, he has served as an independent director of Yang Guang Co., Ltd. (陽光新業地產股份有限公司) (a company listed on the Shenzhen Stock Exchange, stock code: 000608.SZ). He has served as an independent Director of Anhui Zesheng Technology Co., Ltd (安徽澤升科技股份有限公司) and since January 2024.

From February 2019 to February 2022, Mr. Zhang served as an independent non-executive director of Shenzhen Infinova Limited (深圳英飛拓科技股份有限公司) (a company listed on the Shenzhen Stock Exchange, stock code: 002528.SZ) ("**Infinova**"). Infinova is the subject of an investigation by the CSRC for alleged information disclosure violations. On July 17, 2026, Infinova received an Administrative Penalty Prior Notice (《行政處罰事先告知書》) from the Shenzhen Branch of the CSRC in relation to the alleged inflation of revenue, costs and profit in Infinova's annual reports for 2019 and 2020 arising from certain transactions at the subsidiary level. Mr. Zhang was not named in the Administrative Penalty Prior Notice as a party proposed to be subject to administrative penalty. As at the Latest Practicable Date, no formal Administrative Penalty Decision (《行政處罰決定書》) had been issued.

In connection with the above matters, Mr. Zhang has been named as a co-defendant in two civil proceedings (the "**Civil Proceedings**") brought by investors before the Shenzhen Intermediate People's Court of Guangdong Province (廣東省深圳市中級人民法院) in respect of alleged information disclosure violations involving Infinova. The aggregate amount of damages claimed against all co-defendants in the Civil Proceedings is approximately RMB959,000. As at the Latest Practicable Date, the Civil Proceedings remained at the first-instance stage and no judgment had been handed down against Mr. Zhang.

Based on the information provided by Mr. Zhang and his PRC litigation counsel, Mr. Zhang did not participate in or have any involvement with the specific subsidiary-level projects where the alleged irregularities arose, was not involved in the day-to-day operations of the relevant subsidiaries, and no matters relating to those projects were brought to his attention during his tenure. In addition, as advised by the PRC Legal Advisers to the Company, based on (i) a review of the statement of defence submitted by the PRC litigation counsel acting for Mr. Zhang in the civil proceedings, and interview notes conducted with PRC litigation counsel; (ii) inquiries with the Company regarding the background, details and status of the civil proceedings against Mr. Zhang and the administrative regulatory matter of Infinova; (iii) a review of the relevant announcements published by Infinova; (iv) Mr. Zhang's confirmation that he is not subject to any circumstance under Article 178 of the Company Law of the PRC that would disqualify him from holding office as a director of the Company; (v) a review of the report on Personal Integrity Information (Public Version) issued by the Shenzhen Regulatory Bureau of the CSRC; (vi) searches of publicly available information to ascertain whether Mr. Zhang has been subject to any administrative penalties by PRC securities regulatory authority and whether any circumstances exist that would prohibit him from acting as a director; and (vii) research on the relevant laws and regulations to confirm the legal characterisation of the Administrative Penalty Prior Notice, as at the Latest Practicable Date, Mr. Zhang did not fall within any of the circumstances under Article 178 of the PRC Company Law that would disqualify him from serving as a director, and had no record of administrative penalties imposed by any PRC securities regulatory authority.

Taking into account the relevant facts and circumstances, and in particular that (a) Mr. Zhang was not named in the Administrative Penalty Prior Notice as a party proposed to be subject to administrative penalty; (b) Mr. Zhang did not hold any position at, or have involvement with, the relevant subsidiaries of Infinova where the alleged irregularities arose; (c) no judgment has been handed down against Mr. Zhang in the Civil Proceedings; and (d) there is no record or any conclusive evidence of disqualification, prohibition, sanction or other circumstance that would render Mr. Zhang unsuitable to act as an independent non-executive Director under the applicable PRC laws and regulations, the Directors are of the view that the above matters will not have any material adverse effect on the Group, and do not affect the suitability of Mr. Zhang to act as an independent non-executive Director under Rules 3.08 and 3.09 of the Listing Rules.

Having considered the above and having conducted their own independent due diligence, the Joint Sponsors concur with the Directors' view and confirm that nothing has come to their attention that would cause them to disagree with the Directors' view as to Mr. Zhang's suitability to act as an independent non-executive Director under Rules 3.08 and 3.09 of the Listing Rules.

Mr. Zhang obtained a master's degree in accounting from Macquarie University in April 2011. He was admitted as a practicing member of CPA China and a certified Tax Agent in the PRC in March 2012 and June 2004 respectively. Mr. Zhang was also admitted as an associate member of CPA Australia in September 2010.

Ms. Chan Ka Po Rachel (陳嘉寶), aged 61, is our independent non-executive Director since September 2025. She is responsible for supervising and providing independent opinion and judgment to our Board. She is a member of the Nomination Committee.

She worked in the field of corporate communications, holding core communication management positions at American Express and Hong Kong Telecom successively. From May 2000 to August 2004, she worked in TOM.COM Limited with her last position as general manager of corporate communications, leading the company's brand and public relations strategies. From August 2004, she worked in Hill and Knowlton (HK) Public Relations Co., Ltd. and served as the managing director of the Hong Kong office. From May 2014 to May 2022, she worked in Alibaba Group Services Limited with her last position of Vice President, Head of Corporate Communications (Asia Pacific) in the International PR Department.

Ms. Chan obtained a bachelor's degree (honors) in arts from the University of Hong Kong in August 1986.

SENIOR MANAGEMENT

The following table sets out information regarding the members of senior management of our Company:

Name	Age	Position/Title	Time of Joining our Group	Roles and Responsibilities
Mr. Chow Chi Kwan (周志群)	54	Chairperson of the Board, executive Director, chief financial officer and general manager	November 2003	Responsible for overall strategic planning, financial management, business development, and management of our Group
Mr. Chan Wing Fat (陳榮發)	52	Executive Director and deputy general manager	September 2017	Responsible for overall strategic planning, business development, and management of our Group
Mr. Liu Tong (劉童)	44	Deputy general manager and chief development director	December 2004	Responsible for leading our delivery team to complete our major delivery services to customers and overseeing the research and development department of our Company
Mr. Zhu Tianwei (朱天偉)	45	Board secretary	January 2005	Responsible for handling day-to-day affairs of our Board

None of the Directors and senior management of our Company is related to the other Directors or senior management of our Company.

Mr. Chow Chi Kwan (周志群), see "— Board of Directors — Executive Directors" for his biographical details.

Mr. Chan Wing Fat (陳榮發), see "— Board of Directors — Executive Directors" for his biographical details.

Mr. Liu Tong (劉童), aged 44, is our deputy general manager and chief development director. He is responsible for leading our delivery team to complete our major delivery services to customers and overseeing the research and development department of our Company.

Mr. Liu served as system analyst, project manager, business group general manager, and chief development director at our Company from 2004 to February 2021.

He obtained a bachelor's degree in computer science and technology from Harbin University of Science and Technology in July 2004.

Mr. Zhu Tianwei (朱天偉), aged 45, is our Board secretary, and was appointed as our joint company secretary on November 14, 2025. Prior to joining us, he served as a software engineer of Shenzhen United New Creation Technology Co., Limited (深圳聯合新創科技有限公司) from January 2003 to December 2004. He joined our Company in January 2005 and successively served as a system analyst, project manager, head of business department. He was appointed as our Board secretary in February 2024.

He obtained a bachelor's degree in Computer Application through a self-study program in Sun Yat-sen University in December 2011. He obtained a master's degree in Engineering from Tsinghua University through part-time postgraduate studies in January 2015.

JOINT COMPANY SECRETARIES

Mr. Zhu Tianwei (朱天偉), see "— Senior Management" for his biographical details.

Ms. Tam Wing Tsz (譚詠子), was appointed on November 14, 2025. She has over 13 years of experience in company secretarial services and corporate governance in both Hong Kong and multinational corporations. She is skilled in managing corporate entities and their compliance, as well as overseeing supervising subsidiaries across various industries.

Before joining Computershare (as defined below), Ms. Tam worked at several multinational professional service firms, serving a wide array of clients across different regions and covered various types of companies.

Currently, she serves as the Manager of Global Entity Compliance at Computershare Hong Kong Investor Services Limited ("**Computershare**"). In this role, she continues to utilize her extensive expertise in corporate governance and compliance to support clients in navigating complex regulatory environments and strategic initiatives.

Ms. Tam currently serves as the joint company secretary of Xiamen Jihong Co., Ltd. (a company listed on the Main Board of the Stock Exchange, stock code: 2603) and CaoCao Inc. (a company listed on the Main Board of the Stock Exchange, stock code: 2643).

Ms. Tam holds a master's degree in corporate governance from Hong Kong Polytechnic University and a bachelor's degree in corporate administration from Hong Kong Metropolitan University. She is an associate member of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.

BOARD COMMITTEES

We have established four Board committees in accordance with the relevant laws and regulations in Chinese Mainland, the Articles and the code of corporate governance practices under the Hong Kong Listing Rules, namely the Audit Committee, the Nomination Committee, the Remuneration and Appraisal Committee, and the Strategy Committee. The functions of the four committees are summarized as follows:

Audit Committee

The Audit Committee is tasked with overseeing the Company's financial reporting processes, internal controls, and risk management systems. It ensures the integrity of the Company's financial statements and compliance with applicable laws and regulations. The Audit Committee comprises three Directors, including Mr. Zhang Li, Mr. Ku Ka Yung and Dr. Ho Man. Mr. Zhang Li, who holds the appropriate professional qualifications as required under the Hong Kong Listing Rules, serves as the chairperson of the committee. The primary duties include, but not limited to the following:

- Monitoring and reviewing the work of external auditors and ensuring their independence.
- Overseeing the internal audit function and evaluating the effectiveness of internal controls.
- Reviewing the Company's financial statements and making recommendations to the Board.

- Ensuring compliance with corporate governance practices and regulatory requirements.

- Reviewing and approving connected transactions to ensure fairness and transparency.

Nomination Committee

The Nomination Committee is responsible for ensuring that the Board has a balanced composition of skills, experience, and diversity to effectively oversee the Company's operations and strategic direction. The Nomination Committee consists of three Directors, including Mr. Chow, Mr. Zhang Li and Ms. Chan Ka Po Rachel. Mr. Zhang Li serves as the chairperson of the committee. The primary duties include, but not limited to the following:

- Reviewing the structure, size, and composition of the Board to ensure diversity and alignment with the Company's strategic needs.

- Identifying and recommending individuals suitably qualified to become Directors or senior management.

- Evaluating the independence of independent non-executive Directors.

- Overseeing Board succession planning to ensure continuity in leadership.

- Formulating and implementing policies related to Board diversity and disclosing progress in achieving diversity objectives.

Remuneration and Appraisal Committee

The Remuneration and Appraisal Committee is responsible for establishing a transparent and fair remuneration framework for the Directors and senior management. The committee ensures that the remuneration policies align with the Company's performance and strategic goals. The Remuneration and Appraisal Committee comprises three Directors, including Mr. Ku Ka Yung, Mr. Zhang Li and Mr. Chan Wing Fat. Mr. Ku Ka Yung serves as the chairperson of the committee. The primary duties include, but not limited to the following:

- Reviewing and recommending the remuneration packages, bonuses, and other compensation for Directors and senior management.

- Establishing performance evaluation standards and conducting annual performance appraisals for Directors and senior management.

- Ensuring that no Director or any of their associates is involved in determining their own remuneration.

- Monitoring the implementation of the Company's remuneration policies, including share-based compensation schemes.

- Reviewing and approving matters related to share schemes under Chapter 17 of the Hong Kong Listing Rules.

Strategy Committee

The Strategy Committee is responsible for overseeing the Company's long-term strategy practices, including advising on major strategic decisions and monitoring sustainability risks and opportunities into business operations. The Strategy Committee comprises three Directors, including Mr. Chow, Dr. Ho Man and Mr. Chan Wing Fat. Mr. Chow serves as the chairperson of the committee. The primary duties include, but not limited to the following:

- Researching the Company's long-term strategic development and proposing relevant recommendations.
- Examining business plans and investment proposals that require Board approval, and offering strategic input.
- Analyzing major transactions such as acquisitions, share buybacks, mergers, splits, dissolutions, and changes in company structure, and providing suggestions.
- Evaluating matters including external investments, asset disposals, guarantees, entrusted financial management, related-party transactions, and donations, in line with the Articles of Association.
- Developing strategies and long-term goals; assessing policies, risks, opportunities, and major events; and reviewing related reports and key issues.

CONFIRMATION FROM OUR DIRECTORS

Saved as disclosed above, none of our Directors had been a director of any public company the securities of which were listed on any securities market in Hong Kong or overseas in the three years immediately preceding the date of this prospectus. Save as disclosed above, to the best knowledge, information and belief of the Directors having made all reasonable inquiries, there are no other matters with respect to the appointment of our Directors that need to be brought to the attention of the Shareholders, nor is there any information relating to our Directors that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

Rule 8.10(2) of the Hong Kong Listing Rules

None of our Directors (other than the independent non-executive Directors), as of the Latest Practicable Date, is interested in a business which competes or is likely to compete, either directly or indirectly, with our Company's business which would require disclosure under Rule 8.10(2) of the Hong Kong Listing Rules.

Rule 3.09D of the Hong Kong 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 Hong Kong Listing Rules on December 20, 2025, and (ii) understands the requirements under the Hong Kong Listing Rules that are applicable to him or her as a director of a listed issuer under the Hong Kong Listing Rules and the possible consequences of making a false declaration or giving false information to the Hong Kong Stock Exchange.

Rule 3.13 of the Hong Kong Listing Rules

Each of the independent non-executive Directors has confirmed (i) his or her independence as regards each of the factors referred to in Rules 3.13(1) to (8) of the Hong Kong 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 Hong Kong Listing Rules as of the Latest Practicable Date, and (iii) that there are no other factors that may affect his or her independence at the time of his or her appointments.

REMUNERATION

We offer our executive Directors and senior management members, who are also the Company's employees, compensation in the form of salaries, retirement benefit scheme contributions, discretionary bonus, housing provident fund, social insurance and other benefits in kind. Our independent non-executive Directors receive compensation with reference to their respective positions and duties, including being a member or the chairperson of Board committees. For the years ended December 31, 2023, 2024 and 2025, the aggregate amount of remuneration paid or payable to our Directors amounted to approximately RMB9.4 million, RMB7.6 million and RMB6.7 million, respectively. Under the arrangement currently in force, we estimate the total compensation before taxation, to be accrued to our Directors for the year ending December 31, 2025 to be approximately RMB5.9 million. The actual remuneration of Directors in 2025 may be different from the expected remuneration. The five individuals whose emoluments were the highest in the Group include three, two and two Director(s) for the years ended December 31, 2023, 2024 and 2025, respectively. The total emoluments for the remaining non-director individuals among the five highest paid individuals amounted to approximately RMB4.0 million, RMB6.1 million and RMB5.7 million for the years ended December 31, 2023, 2024 and 2025, respectively. Further details on the remuneration of the five individuals whose emoluments were the highest in the Group during the Track Record Period are set out in the Accountants' Report in Appendix I to this prospectus. During the Track Record Period, no consideration was paid by our Company to, or receivable by, our Directors for making available directors' services or as termination benefits. None of the Directors waived their remuneration during the relevant period.

The remuneration of our Directors and senior management is determined with reference to factors including but not limited to the responsibility, risk and commitment of our Directors and senior management, the performance evaluation structure and results and the salaries paid by comparable companies.

Save as disclosed above and in "Financial Information," "Appendix I — Accountants' Report" and "Appendix VII — Statutory and General Information", no other payments have been paid, or are payable, by our Company or any of our subsidiaries to our Directors or the five highest paid individuals during the Track Record Period.

CORPORATE GOVERNANCE

Our Company is committed to achieving high standards of corporate governance to safeguard the interests of our Shareholders and ensure sustainable development. We have established a robust governance framework in compliance with applicable laws, regulations, and best practices, including the Corporate Governance Code as set forth in Appendix C1 to the Hong Kong Listing Rules. Our Directors recognize the importance of incorporating elements of good corporate governance into the management structures and internal control procedures of our Group to achieve effective accountability and transparency.

We will comply with the Corporate Governance Code as set out in Appendix C1 to the Hong Kong Listing Rules after Listing. Our Directors will review our corporate governance policies and compliance with the Corporate Governance Code on an annual basis. To ensure proper supervision and execution of compliance-related matters, we have designated specific staff members who are responsible for overseeing the implementation of internal control systems, conducting regular internal compliance checks, and escalating any material risks or non-compliance issues to the Board as necessary.

We also take into consideration the ability of our Directors to devote sufficient time and attention to our affairs, particularly in light of their existing commitments to other companies or organizations. Each Director has confirmed that he or she is able to fulfil their duties to the Company and has not exceeded the number of directorships or equivalent roles that would impair their effectiveness. The Nomination Committee will evaluate the time commitment of Directors on an ongoing basis and as part of the annual performance assessment.

Pursuant to code provision C.2.1 of Part 2 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 responsibilities between the chairperson and the general manager should be segregated and should not be performed by the same individual. We do not have a separate chairperson and general manager, and Mr. Chow currently performs these two roles. The Board believes that vesting the roles of both the chairperson and general manager in the same person has the benefit of ensuring consistent leadership within our Group and enables more effective and efficient overall strategic planning for our Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of the chairperson of the Board and the general manager of the Company if and when it is appropriate taking into account the circumstances of our Group as a whole.

BOARD DIVERSITY POLICY

Our Company recognizes and embraces the importance of Board diversity as a key driver of effective decision-making and corporate governance. To this end, we have adopted a Board Diversity Policy that sets out the objective and approach to achieving and maintaining diversity at the Board level. This policy is designed to ensure that the Board benefits from a broad range of perspectives, skills, and experiences, which are essential for the sustainable growth of our Company.

Approach to Diversity

The Board Diversity Policy outlines several factors to be considered when selecting candidates for the Board, including but not limited to gender, age, skills and professional experience, cultural and educational background, ethnicity, and length of service.

The ultimate decision on Board appointments is based on merit and the contribution that the selected candidates can bring to the Board. The Nomination Committee is responsible for implementing the Board Diversity Policy and ensuring that the composition of the Board aligns with the Company's strategic needs and diversity objectives.

COMPLIANCE ADVISOR

We have appointed Guosen Securities (HK) Capital Company Limited as our Compliance Advisor pursuant to Rules 3A.19 of the Hong Kong Listing Rules. The Compliance Advisor will provide us with guidance and advice as to compliance with the Hong Kong Listing Rules and other applicable laws, rules, codes and guidelines. Pursuant to Rule 3A.23 of the Hong Kong Listing Rules, the Compliance Advisor will advise our Company in certain circumstances including:

(a) before the publication of any regulatory announcement, circular or financial report;

(b) where a transaction, which might be a notifiable or connected transaction, is contemplated, including share issues and share repurchases;

(c) where we propose 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

(d) where the Hong Kong Stock Exchange makes an inquiry to our Company regarding unusual movements in the price or trading volume of its listed securities or any other matters in accordance with Rule 13.10 of the Hong Kong Listing Rules.

The Compliance Advisor will, on a timely basis, inform our Company of any amendment or supplement to the Hong Kong Listing Rules that are announced by the Hong Kong Stock Exchange. The Compliance Advisor will also inform our Company of any new or amended law, regulation or code in Hong Kong applicable to us, and advise us on the continuing requirements under the Hong Kong Listing Rules and applicable laws and regulations. The term of the appointment will commence on the Listing Date and is expected to end on the date on which our Company complies with Rule 13.46 of the Hong Kong Listing Rules in respect of our financial results for the first full financial year commencing after the Listing.

OUR SINGLE LARGEST SHAREHOLDER GROUP

As of the Latest Practicable Date, Mr. Chow controlled approximately 18.49% of the total issued share capital of our Company comprising indirect interest of approximately 18.44% held by Best Alliance, which is wholly-owned by Mr. Chow, and 0.05% held by Best Alliance through its client account with a financial institution.

Immediately following the completion of the Global Offering, Mr. Chow will, through Best Alliance, control an aggregate of approximately 16.64% of the total issued share capital of the Company. As such, Mr. Chow and Best Alliance will together constitute our Single Largest Shareholder Group upon Listing under the Listing Rules.

INDEPENDENCE FROM OUR SINGLE LARGEST SHAREHOLDER GROUP

Having considered the following factors, our Directors are satisfied that we are capable of carrying on our business independently from our Single Largest Shareholder Group and their close associates after the Listing.

Management Independence

Our business is managed and conducted by the Board and our senior management. Upon Listing, the Board will consist of seven Directors comprising two executive Directors, two non-executive Directors and three independent non-executive Directors. For more information, see "Directors and Senior Management". Our Directors consider that the Board and senior management are capable of functioning independently of our Single Largest Shareholder Group for the following reasons:

(a) our daily management and operations are carried out by a senior management team, all of whom have substantial experiences in the industry in which we are engaged, and will therefore be able to make business decisions that are in the best interest of our Group;

(b) each Director is aware of her/his fiduciary duties as a director which require, among other things, that she/he must act for the benefit and in the interest of our Group and the Shareholders as a whole, and not allow any conflict between her/his duties as a Director and her/his personal interests;

(c) we have three independent non-executive Directors who individually and collectively possess requisite knowledge and experience, and will be able to provide professional advice to our Group. Our Directors believe that our independent non-executive Directors are able to bring impartial and sound judgment to the decision-making process of the Board and protect the interest of our Group and our Shareholders as a whole;

(d) as an A-Share listed company, we have formulated and adopted a comprehensive internal control and management system in compliance with the relevant requirements of the PRC laws and regulations and rules of the ChiNext of the Shenzhen Stock Exchange. Our Directors shall not vote in any Board resolution approving any contract or arrangement or any other proposal in which she/he or any of her/his close associates have a material interest and shall not be counted in the quorum present at the particular Board meeting; and

(e) we have adopted a series of corporate governance measures to manage conflicts of interest, if any, between our Group and our Single Largest Shareholder Group which would support our independent management. See "— Corporate Governance Measures" in this section for further information.

Based on the above, our Directors believe that our Board as a whole and together with our senior management are able to perform their managerial roles in our Group independently, and our Directors are of the view that we are capable of managing our business independently from our Single Largest Shareholder Group and their respective close associates after the Listing.

Operational Independence

We have full rights to make business decisions and to carry out our business independently from our Single Largest Shareholder Group. On the basis of the following reasons, our Directors consider that we will continue to be operationally independent from our Single Largest Shareholder Group and their respective close associates after the Listing:

(a) we have sufficient capital, facilities, equipment and employees to operate our business independently from our Single Largest Shareholder Group;

(b) we have independent access to our customers and suppliers and a dedicated management team independently handling our day-to-day operations;

(c) we have our own administrative and corporate governance infrastructure, including our own accounting, legal and human resources departments; and

(d) none of the member of our Single Largest Shareholder Group have any interests in any business which competes or is likely to compete with the business of our Group.

Based on the above, our Directors believe that we are able to operate independently from our Single Largest Shareholder Group and their respective close associates.

Financial Independence

We have independent internal control and accounting systems. We also have an independent finance department responsible for discharging the financial management, accounting, reporting and funding functions of our Group. We are capable of obtaining financing from third parties, if necessary, without reliance on our Single Largest Shareholder Group and their respective close associates.

As of the Latest Practicable Date, there were no outstanding loans granted or guaranteed by our Single Largest Shareholder Group or their respective associates to facilitate our financing.

Based on the above, our Directors believe that we are capable of carrying on our business independently from, and do not place undue reliance on, our Single Largest Shareholder Group and their respective associates after the Listing.

INTERESTS OF OUR SINGLE LARGEST SHAREHOLDER GROUP IN OTHER BUSINESSES

Each of our Single Largest Shareholder Group confirmed that as of the Latest Practicable Date, apart from the business of our Group, it/he/she did not have any interest in other business, which competes or is likely to compete, directly or indirectly, with our business, which would require disclosure under Rule 8.10 of the Listing Rules.

CORPORATE GOVERNANCE MEASURES

We will comply with the provisions of the Corporate Governance Code in Appendix C1 to the Listing Rules, which sets out principles of good corporate governance. Our Directors recognize the importance of good corporate governance in protection of our Shareholders' interests. Our Board comprises a balanced mix of executive Directors and independent non-executive Directors, who collectively possess the necessary competence, experience, and expertise in corporate governance matters to ensure effective oversight and decision-making. We have adopted, among others, the following measures to ensure good corporate governance standards and to avoid potential conflicts of interest between our Group and our Single Largest Shareholder Group and their respective associates:

(a) where a Shareholders' meeting is to be held for considering proposed transactions in which our Single Largest Shareholder Group and/or their respective associates have a material interest, the relevant member of our Single Largest Shareholder Group and/or their respective associates will not vote on the relevant resolutions;

(b) where a Board meeting is held for the matters in which a Director has a material interest, such Director shall abstain from voting on the relevant resolutions and shall not be counted in the quorum for the voting;

(c) we have established internal control mechanisms to identify connected transactions and related party transactions. Upon the Listing, if we enter into connected transactions or related party transactions with our Single Largest Shareholder Group or any of their associates, we will comply with the applicable laws and regulations, including the Hong Kong Listing Rules;

(d) the independent non-executive Directors will review, on an annual basis, whether there are any conflicts of interests between our Group and our Single Largest Shareholder Group and provide impartial and professional advice to protect the interests of our minority Shareholders;

(e) we will disclose decisions on matters reviewed by the independent non-executive Directors either in its annual reports or by way of announcements as required by applicable laws and regulations, including the Hong Kong Listing Rules;

(f) where our Directors reasonably request the advice of independent professionals, such as financial advisors, the appointment of such independent professionals will be made at our expense;

(g) we have appointed Guosen Securities (HK) Capital Company Limited as our Compliance Advisor to provide advice and guidance to us in respect of compliance with the applicable laws and regulations, as well as the Hong Kong Listing Rules, including various requirements relating to corporate governance; and

(h) we have established the Audit Committee, the Nomination Committee, the Remuneration and Appraisal Committee and Strategy Committee with written terms of reference in compliance with the Hong Kong Listing Rules and the Corporate Governance Code in Appendix C1 to the Hong Kong Listing Rules (where applicable).

Based on the above, our Directors are satisfied that sufficient corporate governance measures have been put in place to manage conflicts of interest that may arise between our Group and our Single Largest Shareholder Group, and to protect our minority Shareholders' interests after the Listing.

So far as the Directors are aware, immediately following the completion of the Global Offering, the following persons will have an interest or short position in the Shares and/or underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or will be, directly or indirectly, interested in 5% or more of the total issued share capital of the Company.

Name of shareholder	Capacity and nature of interest	Description and number of Shares	Shareholding as of the Latest Practicable Date[1]		Shareholding immediately following the Global Offering[1]	
			in A Shares	in total issued share capital	in A Shares	in total issued share capital
Mr. Chow[2]	Interest in a controlled corporation	97,851,303 A Shares (L)	18.44%	18.44%	18.44%	16.60%
	Beneficial interests	255,300 A Shares (L)	0.05%	0.05%	0.05%	0.04%
Best Alliance[2]	Beneficial owner	97,851,303 A Shares (L)	18.44%	18.44%	18.44%	16.60%
	Beneficial interests	255,300 A Shares (L)	0.05%	0.05%	0.05%	0.04%

(1) The calculation is based on the total number of 589,610,375 Shares in issue immediately following the completion of the Global Offering.

(2) As of the Latest Practicable Date, Best Alliance was wholly-owned by Mr. Chow. Best Alliance directly held 97,851,303 A Shares and held 255,300 A Shares through its client account with a financial institution. By virtue of the SFO, Mr. Chow is deemed to be interested in the Shares held by Best Alliance.

Except as disclosed above, the Directors are not aware of any other person who will, immediately following the completion of the Global Offering, have any interest and/or short positions in the Shares or underlying shares of the 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, will be, directly or indirectly, interested in 5% or more of the nominal value of any class of the share capital carrying rights to vote in all circumstances at general meetings of the Company.

THE CORNERSTONE PLACING

We have entered into cornerstone investment agreements (each a "**Cornerstone Investment Agreement**," and together the "**Cornerstone Investment Agreements**") with the cornerstone investors set out below (each a "**Cornerstone Investor**", and together 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 H Shares) that may be purchased for an aggregate amount of HK$119.6 million and, save for Mr. Cheng Chi Heng and Thalassa Capital Dynamics SPC (acting for and on behalf of Thalassa Horizon SP), the investment amounts of all other Cornerstone Investors are exclusive of brokerage fee, the SFC transaction levy, the AFRC transaction levy and the Stock Exchange trading fee (the "**Cornerstone Placing**").

Based on the Offer Price of HK$16.00 per Offer Share, being the maximum Offer Price, the total number of Offer Shares to be subscribed for by the Cornerstone Investors would be 7,431,200 H Shares, representing approximately 12.61% of the Offer Shares and 1.15% of the total issued share capital of the Company immediately following the completion of the Global Offering assuming there is no other change made to the issued share capital of the Company between the Latest Practicable Date and the Listing.

We believe that the Cornerstone Placing demonstrates the Cornerstone Investors' confidence in us and our business prospect, and that the Cornerstone Placing will help raise our profile. We became acquainted with each of the Cornerstone Investors in the ordinary course of their respective business or investment activities through our business network or through introduction by the Company's business partners or the Underwriters in the Global Offering.

The Cornerstone Placing will form part of the International Offering and save as otherwise having obtained the consent from the Stock Exchange, the Cornerstone Investors and their respective close associates 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 H Shares in issue following the Global Offering and will be counted towards the public float of the Company under Rule 19A.13A of the Listing Rules and in compliance with the free float requirement under Rule 19A.13C of the Listing Rules and the requirement under Rule 8.08(3) of the Listing Rules. Immediately following the completion of the Global Offering, the Cornerstone Investors or their close associates will not, by virtue of their cornerstone investments, have any Board representation in the Company, and none of the Cornerstone Investors and their close associates will become a substantial Shareholder. Other than a guaranteed allocation of the relevant Offer Shares at the final Offer Price, the Cornerstone Investors do not have any preferential rights under each of the respective Cornerstone Investment Agreement, as compared with other public Shareholders. There are no side arrangements or agreements between the 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.

To the best knowledge and belief of the Company, (i) each of the Cornerstone Investors is an Independent Third Party; (ii) none of the Cornerstone Investors is accustomed to taking instructions from the Company, the Directors, the Supervisors, chief executive, Controlling Shareholders, substantial Shareholders, existing Shareholders or any of their respective subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Offer Shares; (iii) none of the subscription of the relevant Offer Shares by any of the Cornerstone Investors is financed by the Company, the Directors, the supervisors, chief executive, controlling Shareholders, substantial Shareholders, existing Shareholders or any of their respective subsidiaries or their respective close associates; (iv) each of the Cornerstone Investors will be utilizing their own internal financial 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 as their source of funding for the subscription of the Offer Shares, and each of the Cornerstone Investors has sufficient funds to settle their respective investments under the Cornerstone Placing; (v) 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) is required for the relevant Cornerstone Placing; and (vi) save as disclosed below, none of the Cornerstone Investors or their shareholders is listed on any stock exchange. In addition, to the best knowledge of the Company, each of the Cornerstone Investors is independent from each other and makes independent investment decisions.

The Cornerstone Investors have agreed to fully pay for the relevant Offer Shares that they have subscribed for before dealings in the H Shares commence on the Stock Exchange. As such, there will be no deferred settlement of payment of the investment amounts. Since there is no over-allotment option in the International Offering, there will be no delayed delivery or deferred settlement of Offer Shares to be subscribed by the Cornerstone Investors.

Pursuant to paragraph 3.2 of Practice Note 18 to the Listing Rules, at least 40% of the total number of Offer Shares initially offered in the Global Offering must be allocated to investors in the placing tranche (other than the Cornerstone Investors). As the Company is offering approximately 10.00% of the total number of Offer Shares in the Hong Kong Public Offering, no more than 50.00% of the total number of the Offer Shares initially offered in the Global Offering can be allocated to all Cornerstone Investors (the "**Cornerstone Placing Allocation Limit**"). Each of the Cornerstone Investors has agreed in the respective Cornerstone Investment Agreement that the Company, the Joint Sponsors and the Joint Overall Coordinators shall have the right to, in their sole and absolute discretion, adjust the allocation of the number of Offer Shares to be subscribed for by the relevant Cornerstone Investor to ensure compliance with the Listing Rules, including the Cornerstone Placing Allocation Limit. Accordingly, the Company, the Joint Sponsors and the Joint Overall Coordinators will adjust the allocation of the number of Offer Shares to be subscribed for by the Cornerstone Investors in proportion to their respective initial subscription amounts set out in the respective Cornerstone Investment Agreement where necessary based on the final Offer Price to ensure compliance with the Cornerstone Placing Allocation Limit, and will disclose the number of the Offer Shares finally allocated to each of the Cornerstone Investors in the allotment results announcement of the Company to be published on or around September 21, 2026.

THE CORNERSTONE INVESTORS

The table below sets forth details of the Cornerstone Placing based on the Offer Price of HK$16.00 per Offer Share, being the maximum Offer Price:

Cornerstone Investor	Subscription Amount(1)(2)	Number of Offer Shares(3)	Approximate % of the Offer Shares	Approximate % of the total issued share capital of the Company immediately following the completion of the Global Offering(4)
Mr. Cheng Chi Heng(5)	HK$40,000,000	2,475,000	4.20%	0.38%
Successful Lotus	HK$39,600,000	2,475,000	4.20%	0.38%
Thalassa Capital(6)	HK$30,000,000	1,856,200	3.15%	0.29%
Yeebo Alpha	HK$10,000,000	625,000	1.06%	0.10%
Total	**HK$119,600,000**	**7,431,200**	**12.61%**	**1.15%**

Notes:

(1) Unless otherwise specified, the subscription amount is exclusive of brokerage, the SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy.

(2) Each of the Cornerstone Investors has agreed in the respective Cornerstone Investment Agreement that the Company, the Joint Sponsors and the Joint Overall Coordinators shall have the right to, in their sole and absolute discretion, adjust the allocation of the number of Offer Shares to be subscribed for by the relevant Cornerstone Investor to ensure compliance with the Listing Rules, including the Cornerstone Placing Allocation Limit, provided that the Joint Sponsors, the Joint Overall Coordinators and the Company shall give prior written notice to the Cornerstone Investors before exercising such

right. Any such adjustment shall, to the extent practicable, be made on a fair and equitable basis and pro rata among all cornerstone investors. The Company, the Joint Sponsors and the Joint Overall Coordinators will adjust the allocation of the number of Offer Shares to be subscribed for by the Cornerstone Investors in proportion to their respective initial subscription amounts set out in the respective Cornerstone Investment Agreement where necessary based on the final Offer Price and will disclose the number of the Offer Shares finally allocated to each of the Cornerstone Investors in the allotment results announcement of the Company to be published on or around September 21, 2026.

(3) Rounded down to the nearest whole board lot of 100 H Shares.

(4) Assuming no other changes are made to the issued share capital of the Company between the Latest Practicable Date and the Listing.

(5) The subscription amount of Mr. Cheng Chi Heng is inclusive of brokerage, the SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy.

(6) The subscription amount of Thalassa Capital (as defined below) is inclusive of brokerage, the SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy.

The information about the Cornerstone Investors sets forth below has been provided by the Cornerstone Investors in connection with the Cornerstone Placing.

Mr. Cheng Chi Heng

Mr. Cheng Chi Heng (鄭志恒) is the vice-chairman and an executive director of Chow Tai Fook Jewellery Group Limited (stock code: 01929) and a non-executive director of New World Development Company Limited (stock code: 00017), both of which are companies listed on the Main Board of the Stock Exchange. He holds a Bachelor of Arts degree in Economics from The Western University (formerly known as The University of Western Ontario). He is a member of the executive committee of the Diamond Federation of Hong Kong, China Limited.

To the best knowledge of the Company, Mr. Cheng Chi Heng is an Independent Third Party and is not a connected person of the Company.

Successful Lotus Limited

Successful Lotus Limited ("**Successful Lotus**") was incorporated under the laws of the British Virgin Islands with limited liability and is an investment holding company wholly-owned by Dr. Lee Ka-kit (李家傑博士). Dr. Lee Ka-Kit is (1) the chairman and managing director of Henderson Land Development Company Limited, a company listed on the Main Board of the Stock Exchange (stock code: 00012); (2) the chairman of The Hong Kong and China Gas Company Limited (香港中華煤氣有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 00003); and (3) the chairman of Towngas Smart Energy Company Limited (港華智慧能源有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 01083).

To the best knowledge of the Company, Successful Lotus and its ultimate beneficial owner are Independent Third Parties and are not connected persons of the Company.

Thalassa Capital Dynamics SPC — Thalassa Horizon SP

Thalassa Capital Dynamics SPC (acting for and on behalf of Thalassa Horizon SP) ("**Thalassa Capital**") was incorporated under the laws of Cayman Islands. As at the Latest Practicable Date, each of Mr. Ma Lin (馬林) and Mr. Zhu Hangjun (朱航君) holds and ultimately beneficially owns 10% and 90% of the management shares of Thalassa Capital, both of whom are Independent Third Parties.

Thalassa Capital is an investment entity primarily engaged in equity investment. Thalassa Horizon SP is a segregated portfolio of Thalassa Capital, which is ultimately beneficially owned as to 10% and 90% by Mr. Ma Lin (馬林) and Mr. Zhu Hangjun (朱航君), respectively. It is managed by Seascape Synergy Group Limited, a company incorporated in the British Virgin Islands and owned by its two directors, Mr. Zhu Hangjun (朱航君) and Mr. Ma Lin (馬林), who hold 90% and 10% equity interests in Seascape Synergy Group Limited, respectively. None of the ultimate beneficial owners of Thalassa Horizon SP holds 30% or more of the beneficial interests therein.

To the best knowledge of the Company, Thalassa Capital and its ultimate beneficial owners are Independent Third Parties and are not connected persons of the Company.

Yeebo Alpha Limited

Yeebo Alpha Limited ("**Yeebo Alpha**") was incorporated under the laws of Hong Kong. It is wholly owned by Yeebo (International Holdings) Limited ("**Yeebo Holdings**"), an investment holding company incorporated in Bermuda and listed on the Main Board of the Stock Exchange (stock code: 00259).

Yeebo Holdings is principally engaged in investment holding, and its group companies are principally engaged in (i) the manufacture and sale of liquid crystal displays (LCDs), LCDs modules (LCMs), Thin Film Transistor modules (TFTs) and Capacitive Touch Panel modules (CTPs) and (ii) providing AI computing and related services.

As at March 31, 2026, approximately 61.06% of the issued share capital of Yeebo Holdings was held by Antrix Investment Limited ("**Antrix Investment**"), a company incorporated in the British Virgin Islands, while approximately 11.62% and 2.16% of the issued share capital of Yeebo Holdings were held by Mr. Li Kwok Wai, Frankie and the Estate of Mr. Kenneth Fang Hung, respectively.

Antrix Investment was owned as to approximately 66.6660% by Esca Investment Limited ("**Esca Investment**"), a company incorporated in the British Virgin Islands, approximately 33.3331% by Megastar Venture Limited, a company incorporated in the British Virgin Islands and wholly owned by Mr. Li Kwok Wai, Frankie, and approximately 0.0009% by other shareholders.

Esca Investment was wholly owned by Fang Brothers Holdings Limited, a company incorporated in the British Virgin Islands, which was owned as to 20% by each of Mr. Fang Yan Tak, Douglas, Ms. Fang Suk Ming, Jean, Ms. Fang Suk Kwan, Katherine and Ms. Fang Suk Yee, Susanna, 19% by Ms. Bin Min Chi, Diana and 1% by the Estate of Mr. Kenneth Fang Hung.

To the best knowledge of the Company, Yeebo Alpha and its ultimate beneficial owners are Independent Third Parties and are not connected persons of the Company.

CLOSING CONDITIONS

The obligation of each Cornerstone Investor to subscribe for the Offer Shares under the respective Cornerstone Investment Agreement is subject to, among other things, the following closing conditions:

(i) the Underwriting Agreements for the Hong Kong Public Offering and the International Offering 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 Underwriting Agreements, and neither of the aforesaid Underwriting Agreements having been terminated;

(ii) the Offer Price having been agreed upon between the Company and the Joint Overall Coordinators (for themselves and on behalf of the Underwriters);

(iii) the Listing Committee of the Stock Exchange having granted the approval for the listing of, and permission to deal in, the H Shares (including the H Shares to be subscribed for by the Cornerstone Investors) 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 H Shares on the Stock Exchange;

(iv) no laws shall have been enacted or promulgated by any governmental authority which prohibits the consummation of the transactions contemplated in the Global Offering or in the respective Cornerstone Investment Agreement, and there shall be no orders or injunctions from a court of competent jurisdiction in effect precluding or prohibiting consummation of such transactions; and

(v) the respective representations, warranties, acknowledgments, undertakings and confirmations of the relevant Cornerstone Investor under the respective Cornerstone Investment Agreement are (as of the date of the respective Cornerstone Investment Agreement) and will be (as of the Listing Date, the closing of the subscription for the Offer Shares under the respective Cornerstone Investment Agreement and the delayed delivery date, as applicable) accurate, true and complete in all respects and not misleading nor deceptive and that there is no material breach of the respective Cornerstone Investment Agreement on the part of the relevant Cornerstone Investor.

RESTRICTIONS ON THE CORNERSTONE INVESTORS

Each of the Cornerstone Investors has agreed that, without the prior written consent jointly given by the Company, the Joint Overall Coordinators and the Joint Sponsors, it will not, whether directly or indirectly, at any time during the period of six months from (and inclusive of) the Listing Date (the "**Lock-up Period**"), dispose of, in any way, any of the relevant shares (being the Offer Shares subscribed for pursuant to the relevant Cornerstone Investment Agreement and any shares or other securities derived therefrom) or any interest in any company or entity holding such relevant shares, or allow itself to undergo a change of control at the level of its ultimate beneficial owner, or enter into any transaction with the same economic effect as any of the foregoing, save for transfers to any of its wholly-owned subsidiaries who will be bound by the same obligations of such Cornerstone Investor, including the Lock-up Period restriction.

BEFORE THE GLOBAL OFFERING

As of the Latest Practicable Date, the total issued share capital of the Company was RMB530,649,275, comprising 530,649,275 A Shares of nominal value RMB1.00 each, all of which are listed on the ChiNext of the Shenzhen Stock Exchange.

UPON COMPLETION OF THE GLOBAL OFFERING

Immediately following the completion of the Global Offering, the issued share capital of the Company will be as follows:

	Number of Shares	Approximately % of issued share capital
A Shares in issue	530,649,275	90.00%
H Shares to be issued pursuant to the Global Offering	58,961,100	10.00%
Total	**589,610,375**	**100.00%**

THE SHARES

Upon the completion of the Global Offering, the Shares will consist of A Shares and H Shares. The A Shares and H Shares are all ordinary Shares in the share capital of the Company. Apart from certain qualified domestic institutional investors in Chinese Mainland, the qualified investors in Chinese Mainland under the Shenzhen-Hong Kong Stock Connect (if the H Shares are eligible securities for that purpose) and other persons who are entitled to hold the H Shares pursuant to relevant PRC law or upon approvals of any competent authorities, H Shares generally cannot be subscribed for by or traded between legal or natural persons in Chinese Mainland.

Shenzhen-Hong Kong Stock Connect has established a stock connect mechanism between Chinese Mainland and Hong Kong. The A Shares can be traded by investors in Chinese Mainland, qualified foreign institutional investors or qualified foreign strategic investors and must be traded in Renminbi. As the A Shares are eligible securities under the Northbound Trading Link, they can also be traded by Hong Kong and other overseas investors pursuant to the rules and limits of the Shenzhen-Hong Kong Stock Connect. If the H Shares are eligible securities under the Southbound Trading Link, they can also be traded by investors in Chinese Mainland in accordance with the rules and limits of the Shenzhen-Hong Kong Stock Connect.

The A Shares and H Shares are generally neither interchangeable nor fungible, and the market prices of the A Shares and H Shares may be different after the Listing. The Guidelines on Application for "Full Circulation" of Domestic Unlisted Shares of H-share Companies (H股公司境內未上市股份申請「全流通」業務指引) announced by the CSRC are not applicable to companies dual listed in the PRC and on the Stock Exchange. As of the Latest Practicable Date, there were no relevant rules or guidelines from the CSRC providing that A Shareholders may convert A Shares held by them into H Shares for listing and trading on the Stock Exchange.

RANKING

The A Shares and H Shares are regarded as one class of Shares under the Articles of Association and shall rank *pari passu* with each other in all other respects and, in particular, will rank equally for dividends or distributions declared, paid or made after the date of this prospectus.

APPROVAL FROM A SHAREHOLDERS REGARDING THE GLOBAL OFFERING

The Company obtained its A Shareholders' approval to issue H Shares and seek the listing of H Shares on the Stock Exchange at the extraordinary general meeting of the Company held on December 1, 2025. Such approval is subject to the following conditions:

(i) *Size of the offer.* The proposed number of H Shares to be offered shall not exceed 10% of the total issued share capital enlarged by the H Shares to be issued pursuant to the Global Offering (before the exercise of the over-allotment option). The number of H Shares to be issued pursuant to the full exercise of the over-allotment option shall not exceed 15% of the total number of H Shares to be offered initially under the Global Offering.

(ii) *Method of offering.* The method of offering shall be by way of an international offering to institutional investors and a public offer for subscription in Hong Kong.

(iii) *Target investors.* The H Shares shall be issued to public investors in Hong Kong under the Hong Kong Public Offering and international investors, qualified domestic institutional investors in Chinese Mainland and other investors who are approved by mainland Chinese regulatory bodies to invest abroad in the International Offering.

(iv) *Price determination basis.* The issue price of the H Shares will be determined, among others, after due consideration of the interests of existing Shareholders of the Company, acceptance of investors and the risks related to the offering, according to international practice, through the demands for orders and book building process, subject to the domestic and overseas capital market conditions and by reference to the valuation level of comparable companies in domestic and overseas markets.

(v) *Validity period.* The issue of H Shares and listing of H Shares on the Stock Exchange shall be completed within 24 months from the date when the Shareholders' meeting was held on December 1, 2025. If the Company has obtained approval or filing from relevant regulatory bodies for the listing of the H Shares within such validity period, the validity period of the resolution will automatically be extended to the completion of the listing of the H Shares.

As of the Latest Practicable Date, there is no other approved offering plan for the Shares except the Global Offering.

GENERAL MEETINGS

For details of circumstance under which general meetings of the Company are required, see " Appendix VI — Summary of the Articles of Association — General Provisions for Shareholders' General Meeting".

*You should read the following discussion and analysis in conjunction with our consolidated financial statements, included in the Accountants' Report in Appendix I, together with the respective accompanying notes. Our consolidated financial information has been prepared in accordance with the International Financial Reporting Standards ("**IFRSs**").*

The following discussion and analysis contain 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," and elsewhere in this prospectus. For further details, see "Forward-Looking Statements."

OVERVIEW

We are an established fintech service provider in the banking industry based in the Greater Bay Area, delivering fintech software development services, consulting services, and system integration services to banks, regulatory authorities and other financial institutions across Chinese Mainland and Hong Kong to support their continued digital transformation.

We have over 20 years of industry experience and long-standing customer relationships, supported by robust regulatory and technology expertise. As a partner in banking digitalization, a contributor to Hong Kong's financial infrastructure, a proponent of compliant Web3 adoption, and an adopter of AI in banking, we play an active role in the development of global on-chain finance and Hong Kong's digital finance transformation.

During the Track Record Period, we have demonstrated a strategic focus on enhancing profitability, as reflected in our financial performance. Our total revenue was RMB730.4 million, RMB740.4 million and RMB631.1 million in 2023, 2024 and 2025, respectively, while our profit for year was RMB47.4 million, RMB67.4 million and RMB74.3 million in 2023, 2024 and 2025, respectively. This revenue decline in 2025 was the result of a deliberate strategic shift to optimize profitability by prioritizing core, high-margin business activities while systematically reducing our engagement in non-core business lines. This strategy has resulted in a significant increase in profit despite a decrease in revenue, demonstrating enhanced operational efficiency and profitability. Our total revenue in the three months ended March 31, 2025 and 2026 was RMB131.6 million and RMB156.3 million, reflecting our continued execution of our overseas expansion strategy and the increasing revenue contribution from our higher-margin overseas markets, particularly Hong Kong.

RECENT DEVELOPMENTS

Unaudited Financial Information for the Six Months ended June 30, 2026

As required under the listing rules of the Shenzhen Stock Exchange listing rules, we published our semi-annual report on August 27, 2026, containing our unaudited interim financial information as of and for the six months ended June 30, 2026, prepared under the PRC GAAP. We have included our unaudited interim condensed financial information prepared in accordance with IAS 34 as of and for the six months ended June 30, 2026 below and in Appendix IA to this prospectus for reference. Our unaudited interim condensed consolidated financial statements have been reviewed by the Reporting Accountants in accordance with Hong Kong Standard on Review Engagements 2410. The members of the Board, including those of the Audit Committee, have received and reviewed the unaudited interim condensed consolidated financial information of the Group for the six months ended June 30, 2026, as set out in Appendix IA to this document. We have complied with the code provisions in Part 2 of the Corporate Governance Code, except for code provision C.2.1 of part 2 of the Corporate Governance Code. See "Directors and Senior Management — Corporate Governance" for further details. We are not in breach of our Articles of Association or laws and regulations of the PRC or other regulatory requirements regarding our obligation to distribute interim reports in accordance with the requirements under Rule 13.48(1) of the Listing Rules. Pursuant to the Note to Rule 13.48(1) of the Listing Rules, we do not intend to distribute a separate interim report in respect of the six months ended June 30, 2026 under the aforementioned Rule. See "Appendix IA — Unaudited Interim Condensed Consolidated Financial Information" for details.

Our revenue increased by 14.9% from RMB307.1 million for the six months ended June 30, 2025 to RMB352.8 million for the six months ended June 30, 2026. Specifically, (i) revenue from fintech software development services increased from RMB294.4 million for the six months ended June 30, 2025 to RMB326.1 million for the same period in 2026, primarily due to an RMB41.2 million increase in revenue from banking technology services, driven by growing demand from banking customers for digital transformation; partially offset by an RMB9.5 million decrease in revenue from financial infrastructure and fintech innovation services, primarily due to a high base of comparison attributable to the settlement and completion of certain engagements in the six months ended June 30, 2025; (ii) revenue from consulting services decreased from RMB11.6 million for the six months ended June 30, 2025 to RMB7.0 million for the same period in 2026, primarily because certain customers shifted their demand from consulting services to fintech software development services during the period; and (iii) revenue from system integration services increased from RMB1.1 million for the six months ended June 30, 2025 to RMB19.7 million for the same period in 2026, primarily attributable to the completion and delivery of certain AI infrastructure engagements during the period.

Our cost of sales increased by 24.3% from RMB186.3 million for the six months ended June 30, 2025 to RMB231.7 million for the six months ended June 30, 2026, compared with a 14.9% increase in our revenue over the same period. This increase primarily reflected the higher resource inputs required for project delivery and was generally in line with our revenue growth. The faster increase in our cost of sales compared with revenue was primarily due to higher procurement costs incurred in connection with the progress of certain AI infrastructure engagements during the period.

As a result of the foregoing, our gross profit slightly increased from RMB120.8 million for the six months ended June 30, 2025 to RMB121.1 million for the same period in 2026. Our overall gross profit margin decreased from 39.3% for the six months ended June 30, 2025 to 34.3% for the same period in 2026, primarily due to the recognition, upon delivery, of cumulative costs relating to certain loss-making projects during the period, most of which were delivered in the first quarter of 2026.

We recorded net other income and gains of RMB6.9 million for the six months ended June 30, 2025, compared with net other losses of RMB3.0 million for the same period in 2026. This change mainly reflected lower bank interest income and higher net foreign exchange losses resulting from currency fluctuations.

Our selling and distribution expenses increased by 21.2% from RMB7.1 million for the six months ended June 30, 2025 to RMB8.6 million for the same period in 2026, primarily attributable to the higher staff costs arising from increased headcount and higher bonus provision during the period.

Our administrative expenses increased slightly by 2.0% from RMB36.5 million for the six months ended June 30, 2025 to RMB37.3 million for the same period in 2026, primarily due to higher staff costs arising from increased headcount, together with higher recruitment fees.

Our research and development expenses remained relatively stable at RMB31.2 million and RMB31.7 million for the six months ended June 30, 2025 and 2026, respectively.

As a result of the foregoing, our profit for the period decreased by 15.1% from RMB44.0 million for the six months ended June 30, 2025 to RMB37.3 million in the six months ended June 30, 2026.

Our total assets decreased from RMB1,768.2 million as of December 31, 2025 to RMB1,729.3 million as of June 30, 2026, primarily due to a decrease in bank balances and cash of RMB88.4 million, partially offset by an increase in property, plant and equipment of RMB54.3 million. Our total liabilities decreased from RMB124.6 million as of December 31, 2025 to RMB81.5 million as of June 30, 2026, primarily due to a decrease in trade and other payables of RMB39.4 million and a decrease in contract liabilities of RMB4.2 million. As a result, our net assets increased slightly from RMB1,643.6 million as of December 31, 2025 to RMB1,647.8 million as of June 30, 2026.

For the six months ended June 30, 2026, our net cash generated from operating activities amounted to RMB28.5 million, net cash used in investing activities amounted to RMB67.5 million, and net cash used in financing activities amounted to RMB40.7 million.

Recent Operational Developments

In May 2026, we completed the acquisition of an office floor in Hong Kong for self-use at a consideration of approximately HK$66.1 million, which was funded entirely by our internal resources. The property has a gross floor area of approximately 12,076 square feet and is intended to be used for research and development, general office operations and sales activities in Hong Kong.

Our revenue recognized over time increased by 11.2% from RMB254.8 million for the six months ended June 30, 2025 to RMB283.3 million for the same period in 2026, primarily attributable to the increase in revenue from fintech software development services driven by new customer acquisition and increased customer demand, partially offset by the decrease in revenue from consulting services as certain customers shifted their service demand from consulting services to fintech software development services. Our revenue recognized at a point of time increased by 32.9% from RMB52.3 million for the six months ended June 30, 2025 to RMB69.5 million for the same period in 2026, primarily attributable to increased revenue from system integration services, driven by the completion and delivery of certain AI infrastructure engagements during the period.

Our number of newly awarded projects decreased from 110 for the six months ended June 30, 2025 to 46 for the same period in 2026, while the contract value of such newly awarded projects increased from RMB30.6 million to RMB64.0 million. Our number of bids decreased from 86 for the six months ended June 30, 2025 to 67 for the same period in 2026, and our bid success rate decreased from 66.3% to 52.2%. The reasons for the decrease in our number of newly awarded projects, our number bids and our bid success rate for the six months ended June 30, 2026 as compared to the same period in 2025 were the same as those disclosed for the three months ended March 31, 2026 as compared to the same period in 2025. Notwithstanding the decrease in our number of newly awarded projects, the contract value of such projects increased, as the newly awarded projects for the six months ended June 30, 2025 included a larger number of smaller-scale projects with relatively lower individual contract values.

Our number of customers under the fintech software development services segment of the time-and-material model increased from 13 for the six months ended June 30, 2025 to 16 for the same period in 2026, primarily driven by our continued expansion of our overseas business and development of new customers.

Compared with the six months ended June 30, 2025, the number of completed and ongoing loss-making projects and the revenue contribution of ongoing loss-making projects as of July 31, 2026 decreased for the same period in 2026, while the revenue contribution and losses incurred by completed loss-making projects increased and the estimated loss of ongoing loss-making projects decreased. These trends were generally consistent with the trends for the three months ended March 31, 2026 as compared with the same period in 2025, except that the number of completed loss-making projects increased for the three months ended March 31, 2026 and we recorded a net reversal of previously recognized impairment losses on ongoing loss-making projects during that period.

Our Directors have confirmed that, up to the date of this Prospectus, there has been no material adverse change in our financial, operational or trading position, indebtedness, contingent liabilities or prospects since March 31, 2026, being the end date of our latest audited financial statements, and there has been no event since March 31, 2026 that would materially affect the information shown in the Accountant's Report set out in Appendix I.

BASIS OF PRESENTATION

Our historical financial information, which comprises the consolidated statements of profit or loss and other comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows of Our Group for each of the years ended December 31, 2023, 2024, 2025 and the three months ended March 31, 2026, and the consolidated statements of financial position of Our Group and the statements of financial position of the Company as of December 31, 2023, 2024, 2025 and March 31, 2026, and material accounting policies and other explanatory information (the "**Historical Financial Information**"), has been prepared in accordance with IFRS Accounting Standards, which collective term includes all applicable individual IFRS Accounting Standards and Interpretations approved by the International Accounting Standards Board ("**IASB**"). All IFRS Accounting Standards are effective for the accounting period beginning on January 1, 2026, together with the relevant transitional provisions, have been early adopted by Our Group in the preparation of the Historical Financial Information throughout the Track Record Period. In addition, the Historical Financial Information includes applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

We have not applied certain new and revised IFRS Accounting Standards, that have been issued but are not yet effective, in the Historical Financial Information. See note 3 to "Appendix I — Accountants' Report". We intend to apply these new and revised IFRS Accounting Standards, if applicable, when they become effective. We are in the process of making an assessment of the impact of the above new and revised IFRS Accounting Standards upon initial application. So far, it has concluded that the adoption of these new and revised IFRS Accounting Standards will not have a material impact on our financial position and financial performance in the foreseeable future.

The material accounting policies that have been used in the preparation of this Historical Financial Information are summarized in note 4 to "Appendix I — Accountants' Report" to this prospectus. These policies have been consistently applied to all the reporting periods presented in the Historical Financial Information, unless otherwise stated.

KEY FACTORS AFFECTING OUR PERFORMANCE

Our results of operations and financial condition have been, and will continue to be, materially affected by a number of factors, including:

Our Virtuous Cycle with Our Customers

In 2023, 2024, 2025 and the three months ended March 31, 2026, over 90% of our revenue derived from commercial banks, regulatory authorities and other financial institutions. Our offerings, particularly our banking technology services such as digital banking channel solutions, are specifically designed to address the complex business requirements of these customers. Through the continuous provision of our services, we have accumulated significant and in-depth insights into our clients' operational workflows, business models, and evolving technological needs. This deep understanding forms the basis of a virtuous cycle, whereby our accumulated expertise enables us to refine and enhance our service offerings, ensuring they are precisely tailored to our clients' specific requirements. In turn, the successful implementation of these solutions further strengthens our client relationships and deepens our institutional knowledge. The sustainability of this virtuous cycle is fundamental to our business model and is contingent upon several key factors. These include the scale and scope of services we provide, our proactive and regular engagement with clients to anticipate their needs, the consistent delivery of high-quality, reliable solutions, and our commitment to maintaining a robust and innovative portfolio of proprietary technologies. We believe that the effective maintenance of this cycle is critical to our historical and future success in delivering services of exceptional quality.

Our Ability to Expand Customer Base and Deepen Our Customer Engagements

We depend on our ability to maintain relationships with our customers, which primarily comprise leading commercial banks and financial institutions. In each year/period during the Track Record Period, revenue generated from our five largest customers accounted for a significant portion of our total revenue.

Our revenue growth during the Track Record Period was largely attributable to the continuous expansion of business volume with our existing major customers. During the Track Record Period, the retention rate of our customers across all service categories is 77.8%, 55.6%, 94.4%, 88.9% and 52.6% in 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, respectively.

For fintech software development services, we generally enter into master service framework agreements with our key customers or individual project contracts. To accommodate the diverse needs of our customers, we offer our services through two primary engagement models: the time-and-material based model and the project-based model. Under the time-and-material based model, we discuss with customers on the necessary resource allocation and fees based on their budget and requirements, with pricing determined by reference to the workload of comparable tasks and prevailing market rates. Under the project-based model, we enter into individual project contracts where pricing is determined through a comprehensive assessment of the project's scope, technical complexity, risk profile, and strategic importance. See "Business — Revenue Model" for further details.

As fintech markets evolve and competitive pressure intensifies, including aggressive pricing by competitors, entry into new business lines or geographies, and procurement by large institutions with significant bargaining power, we may need to reduce prices, offer more flexible terms, or adopt alternative pricing structures. Our pricing (time-and-material-based or project-based) depends on estimated costs, potential delivery risks, solution complexity, service scope, competitive conditions, and perceived value. We may not accurately predict retention or renewal behavior, particularly for new services or markets, which could adversely impact revenue, gross margin, profitability, financial position, and cash flow.

Our ability to (i) renew master service framework agreements upon expiry or continuously acquire project engagement, (ii) broaden the scope of services provided, and (iii) maintain high levels of customer satisfaction is critical to the stability of our revenue stream. Furthermore, our future growth depends on our success in executing our overseas expansion strategy to capture opportunities in Hong Kong fintech software development services market while optimizing our Chinese Mainland client portfolio.

Our Capabilities in Technological Innovation and New Service Development

The digital finance market is characterized by continuous evolution, which necessitates our commitment to ongoing innovation and the development of new services to meet emerging client demands. FINNOSafe embeds compliance rules into token smart contracts to automate lifecycle of tokenized assets and enables rapid architectural adjustments to address regulatory updates. FINNOSmart is an enterprise-grade, industry-oriented generative AI platform for financial institutions, providing domain-specific knowledge bases, customizable SLMs, a modular GenAI architecture, and a comprehensive governance framework for data security and compliance.

Our ability to anticipate and respond to industry trends is a key component of our competitive advantage. For instance, we developed our AI-Empowered Services to address the growing demand for intelligent automation in critical functions such as compliance and risk control, while simultaneously enhancing customer experience and operational efficiency. Furthermore, our ability to commercialize emerging technologies is a distinct competitive advantage. Since 2023, we have delivered 21 projects based on our FINNOSafe Web3 platform, covering a diverse range of scenarios in Hong Kong, including Web3 financial infrastructure, digital currency wallets, retail digital currency scenarios, and real-world asset tokenization. This active participation has contributed to the revenue growth in our financial infrastructure segment. In response to the continuing advancements in the Web3 and AI technology backbone of the digital finance sector, we have been an active participant in the development of several benchmark central financial infrastructure platform projects. Our involvement in these foundational projects has provided us with deep insights and expertise in the underlying technologies that are shaping the future of finance.

In addition, profitability varies across our service portfolio. Emerging technology services, such as complex blockchain or AI projects, often require substantial upfront investment in internal infrastructure and R&D, and may involve third-party licensing costs. These costs are typically recovered over the lifecycle of the engagement, which can affect our profitability, especially in initial phases, and increase the risk that returns are delayed or lower than expected.

Our focus on technological innovation and new service development is fundamental to our ability to maintain our industry leadership and, consequently, to continue meeting the sophisticated needs of our clients.

Our Ability to Manage Our Costs and Improve Operational Efficiency

Our profitability is significantly influenced by our ability to effectively manage and optimize our operating expenses. Achieving deeper customer engagement while simultaneously enhancing operational efficiency is critical to our overall financial performance. During the Track Record Period, we maintained a disciplined approach to our operating expenditures. We incurred operating expenses, which consisted of research and development expenses, selling and distribution expenses and administrative expenses, of RMB189.9 million, RMB189.1 million, RMB162.8 million, RMB38.0 million and RMB36.1 million in 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, respectively, representing 26.0%, 25.5%, 25.8%, 28.9% and 23.1% of our total revenue for the respective periods. Specifically, our research and development expenses represented 8.6%, 9.5%, 9.5%, 13.2% and 9.7% of our total revenue in 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, respectively. Similarly, our administrative expenses accounted for 14.5% 13.0%, 13.2%, 13.2% and 11.0% of revenue, while our selling and distribution expenses comprised 2.9%, 3.0%, 3.1%, 2.5% and 2.4% of revenue for the same periods. Looking ahead, we remain committed to exploring and implementing initiatives that further improve our operational efficiency.

Our Ability to Leverage Economic and Industry Trends

Our business and operating results are affected by general factors affecting the digital finance market for financial institutions in the Chinese Mainland, Hong Kong, and other jurisdictions where we operate. These factors include overall economic growth, the growth of the financial industry, competitive landscape for technology and business spending by financial institutions, financial institutions' acceptance of advanced technology services, and regulation and policies affecting technology services and financial institutions.

Our operations are deeply influenced by the evolving regulatory landscape of each regional financial market and the specific internal compliance mandates of financial institutions. We must continuously adapt to the dynamic regulations governing financial digitalization, including data security, cross-border data transmission, and emerging digital finance frameworks, as well as the new, localized demands arising from regional digital transformation initiatives. Unfavorable changes in any of these general conditions could negatively affect demand for our services and materially and adversely affect our results of operations.

During the Track Record Period, we faced macroeconomic pressure and intensified competition in Chinese Mainland market, which necessitated a strategic review on the pricing and profit margins of our Chinese Mainland projects. Meanwhile, our financial performance in Hong Kong has benefited from the robust demand for financial digitalization and our strategy to expand in overseas markets. Fluctuations in the macroeconomic environment or changes in national and regional industry policies regarding financial technology could significantly impact the demand for our solutions and, consequently, our results of operations.

Our Ability to Expand into Overseas Markets

The recent growth in our revenue and the improvement in our profit margins were primarily attributable to the execution of our overseas expansion strategy, pursuant to which we have actively broadened our footprint in overseas markets, particularly in Hong Kong. Revenue derived from overseas markets represented 60.9%, 60.3%, 80.6%, 87.1% and 81.5% of our total revenue for the years ended December 31, 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, respectively.

Generally, our projects delivered in overseas markets command higher gross profit margins as compared to our Chinese Mainland projects, a trend that became increasingly pronounced during the Track Record Period. For the years ended December 31, 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, our gross profit margin for overseas markets was 36.5%, 44.1%, 41.0%, 44.5% and 38.4%, respectively, whereas our gross profit margin for Chinese Mainland market was 20.4%, 16.4%, 24.3% and 19.6% in 2023, 2024, 2025 and the three months ended March 31, 2025. We recorded negative gross margin of 5.1% in the three months ended March 31, 2026 for Chinese Mainland market, primarily attributable to certain loss-making projects from Chinese Mainland (primarily from customer B) were completed and delivered during the period, which incurred higher costs of sales than corresponding revenue, and our relatively small Chinese Mainland revenue base magnified the impact of such projects on the segment margin. Going forward, our ability to deepen our market penetration in overseas jurisdictions, particularly in Hong Kong, capitalize on digitalization opportunities within the financial sector, and replicate our success in other international markets will be pivotal to sustaining our revenue growth and optimizing our overall profitability.

MATERIAL ACCOUNTING POLICIES, SIGNIFICANT JUDGEMENTS AND ESTIMATES

We have identified certain accounting policies that are significant to the preparation of our consolidated financial statements. Some of our accounting policies require us to apply estimates and assumptions as well as complex judgments related to accounting items. The estimates and assumptions we use and the judgments we make in applying our accounting policies have a significant impact on our financial position and operational results. Our management continually evaluates such estimates, assumptions and judgments based on past experience and other factors, including industry practices and expectations of future events that are deemed to be reasonable under the circumstances. There has not been any material deviation from our management's estimates or assumptions and actual results, and we have not made any material changes to these estimates or assumptions during the Track Record Period. We do not expect any material changes in these estimates and assumptions in the foreseeable future. Our major accounting policies, estimates, assumptions and judgments, which are important for understanding our financial condition and results of operations, are set forth in notes 2 to 4 of Appendix I to this prospectus. For further details, see note 4 to "Appendix I — Accountants' Report" to this prospectus.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

The following table sets forth a summary of our consolidated statements of profit or loss and other comprehensive income for the years/periods indicated:

	Year ended December 31,						Three Months ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentage)									
							(unaudited)			
Revenue	730,434	100.0	740,376	100.0	631,068	100.0	131,574	100.0	156,332	100.0
Cost of sales	(509,580)	(69.8)	(495,411)	(66.9)	(392,573)	(62.2)	(77,231)	(58.7)	(108,936)	(69.7)
Gross profit	**220,854**	**30.2**	**244,965**	**33.1**	**238,495**	**37.8**	**54,343**	**41.3**	**47,396**	**30.3**
Other income, gains and losses, net	19,094	2.6	26,997	3.6	17,083	2.7	1,063	0.8	(4,137)	(2.6)
Selling and distribution expenses	(21,317)	(2.9)	(22,480)	(3.0)	(19,323)	(3.1)	(3,323)	(2.5)	(3,759)	(2.4)
Administrative expenses	(105,823)	(14.5)	(96,552)	(13.0)	(83,584)	(13.2)	(17,387)	(13.2)	(17,190)	(11.0)
Research and development expenses	(62,740)	(8.6)	(70,101)	(9.5)	(59,923)	(9.5)	(17,318)	(13.2)	(15,165)	(9.7)
Impairment losses reversed (recognised) on financial assets, contract assets and contract costs, net	(1,532)	(0.2)	(8,772)	(1.2)	(13,782)	(2.2)	(4,414)	(3.4)	2,826	1.8
Finance costs	(666)	(0.1)	(644)	(0.1)	(162)	(0.0)	(16)	0.0	(40)	0.0
Profit before tax	**47,870**	**6.6**	**73,413**	**9.9**	**78,804**	**12.5**	**12,948**	**9.8**	**9,931**	**6.4**
Income tax (expense) credit	(490)	(0.1)	(6,049)	(0.8)	(4,523)	(0.7)	(51)	0.0	680	0.4
Profit for the year/period	**47,380**	**6.5**	**67,364**	**9.1**	**74,281**	**11.8**	**12,897**	**9.8**	**10,611**	**6.8**
Other comprehensive expense										
Fair value change on equity instruments designated at fair value through other comprehensive income ("**FVTOCI**"), net of tax	(3,320)	(0.5)	(3,413)	(0.5)	(14,231)	(2.3)	(2,713)	(2.1)	(290)	(0.2)
Exchange differences arising on translation of foreign operations	215	0.0	1,281	0.2	(4,648)	(0.7)	(360)	(0.3)	(978)	(0.6)
Other comprehensive expense for the year/period	(3,105)	(0.4)	(2,132)	(0.3)	(18,879)	(3.0)	(3,073)	(2.3)	(1,268)	(0.8)
Total comprehensive income for the year/period	44,275	6.1	65,232	8.8	55,402	8.8	9,824	7.5	9,343	6.0
Earnings per share for profit attributable to owners of the Company *(RMB per share)*										
— Basic	0.09	0.0	0.13	0.0	0.14	0.0	0.02	0.0	0.02	0.0
— Diluted	0.09	0.0	0.13	0.0	0.14	0.0	0.02	0.0	0.02	0.0

DESCRIPTION OF MAJOR COMPONENTS OF OUR RESULTS OF OPERATIONS

Revenue

During the Track Record Period, we have demonstrated a strategic focus on enhancing profitability, as reflected in our financial performance. Our total revenue was RMB730.4 million, RMB740.4 million and RMB631.1 million in 2023, 2024 and 2025, respectively, while our profit for year was RMB47.4 million, RMB67.4 million and RMB74.3 million in 2023, 2024 and 2025, respectively. This revenue decline was primarily the result of a deliberate strategic shift implemented by our management to optimize profitability by prioritizing core, high-margin business activities while systematically streamlining our business portfolio. Specifically, our revenue from Chinese Mainland decreased by 58.3% from RMB293.9 million in 2024 to RMB122.4 million in 2025, as we proactively scaled back our participation in certain lower-margin projects in the Chinese Mainland market. This strategic repositioning was partially offset by a 13.9% increase in our overseas revenue from RMB446.5 million in 2024 to RMB508.7 million in 2025, driven by the continued expansion of our business in Hong Kong and other overseas markets. As a result of this strategic shift, our overall gross profit margin improved from 33.1% in 2024 to 37.8% in 2025, and our profit for the year increased by 10.3% from RMB67.4 million in 2024 to RMB74.3 million in 2025, demonstrating enhanced operational efficiency and profitability despite the decrease in revenue. In the three months ended March 31, 2026, our total revenue increased by 18.8% to RMB156.3 million from RMB131.6 million in the same period of 2025, primarily driven by the increase in customer demand and the recognition of revenue upon delivery and completion of certain projects during the period. Our profit for the period decreased by 17.7% to RMB10.6 million from RMB12.9 million in the same period of 2025, primarily attributable to a decrease in our gross profit margin and a reduction in our bank interest income.

Revenue by Business Line

During the Track Record Period, we derived revenue from contract by goods and services including (i) fintech software development services, (ii) consulting services and (iii) system integration services. The table below sets forth our revenue breakdown by business line in an absolute amount and as a percentage our total revenue for the periods indicated:

	Year ended December 31,						Three Months ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentage)									
							(unaudited)			
Fintech software development services										
Banking technology services										
— Banking product portfolio	361,755	49.5	343,839	46.5	251,346	39.8	50,326	38.3	64,031	40.9
— Digital banking channel solutions	146,789	20.1	146,221	19.7	138,572	22.0	33,322	25.3	35,099	22.5
— Banking operation and data services	124,069	17.0	135,391	18.3	95,242	15.1	16,895	12.8	22,109	14.1
	632,613	86.6	625,451	84.5	485,160	76.9	100,543	76.4	121,239	77.5
Financial infrastructure and fintech innovation services	67,306	9.2	94,970	12.8	119,918	19.0	26,430	20.1	31,249	20.0
Subtotal	**699,919**	**95.8**	**720,421**	**97.3**	**605,078**	**95.9**	**126,973**	**96.5**	**152,488**	**97.5**
Consulting services	**29,987**	**4.1**	**19,487**	**2.6**	**24,046**	**3.8**	**4,601**	**3.5**	**3,561**	**2.3**
System integration services	**528**	**0.1**	**468**	**0.1**	**1,944**	**0.3**	**—**	**—**	**283**	**0.2**
Total	**730,434**	**100.0**	**740,376**	**100.0**	**631,068**	**100.0**	**131,574**	**100.0**	**156,332**	**100.0**

During the Track Record Period, our revenue from the banking product portfolio decreased by 5.0% from RMB361.8 million in 2023 to RMB343.8 million in 2024, and further decreased by 26.9% to RMB251.3 million in 2025. This continuous decline, particularly the significant decrease in 2025, was primarily the result of a deliberate strategic shift implemented by our management starting from the fourth quarter of 2024 to optimize our overall profitability. In the three months ended March 31, 2026, our revenue from the banking product portfolio increased by 27.2% to RMB64.0 million from RMB50.3 million in the same period of 2025, primarily attributable to (i) the increased customer demand for digital transformation; and (ii) the concurrent completion and subsequent revenue recognition of multiple projects, primarily attributable by customer B.

In recent years, we observed intensifying market competition in the Chinese Mainland market, which led to significantly narrowed profit margins for certain conventional banking product projects. We strategically decided to scale back our participation and gradually withdraw from certain highly competitive, low-margin business areas within the banking product portfolio in the Chinese Mainland market. Instead, we reallocated our resources and focus towards higher-margin opportunities, such as expanding our overseas business presence and developing innovative financial infrastructure services. While this strategic repositioning resulted in a short-term decrease in revenue generated from the banking product portfolio sub-category, it effectively optimized our business structure and contributed to the improvement of our overall gross profit margin and net profit during the Track Record Period.

Revenue Breakdown by Geographical Location

In terms of geographic coverage, we generated revenue from our sales network in (i) Chinese Mainland and (ii) overseas during the Track Record Period. The following table sets forth a breakdown of our revenue by geographical location, in an absolute amount and as a percentage of our total revenue, for the periods indicated:

	Year ended December 31,						Three Months ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentage)									
							(unaudited)			
Chinese Mainland	285,368	39.1	293,863	39.7	122,396	19.4	16,913	12.9	28,908	18.5
Overseas										
Hong Kong(1)	441,547	60.4	442,879	59.8	506,702	80.3	114,280	86.9	127,069	81.3
Others(2)	3,519	0.5	3,634	0.5	1,970	0.3	381	0.2	355	0.2
Subtotal	**445,066**	**60.9**	**446,513**	**60.3**	**508,672**	**80.6**	**114,661**	**87.1**	**127,424**	**81.5**
Total	**730,434**	**100.0**	**740,376**	**100.0**	**631,068**	**100.0**	**131,574**	**100.0**	**156,332**	**100.0**

(1) Our revenue from Hong Kong is primarily derived from our fintech software development services, which amounted to RMB411.6 million, RMB425.2 million, RMB485.0 million, RMB109.7 million and RMB124.4 million in 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, respectively.

(2) Others mainly include Macao and France.

The disparity in our Chinese Mainland and overseas performance reflects a deliberate strategic realignment. We proactively optimized our Chinese Mainland project portfolio by reducing exposure to highly competitive, lower-margin segments in favor of accelerating our expansion in overseas markets. Looking ahead, we anticipate that our Chinese Mainland business will consolidate at the current scale with a continued focus on optimizing revenue quality and profitability.

During the Track Record Period, our revenue generated from Hong Kong demonstrated a steady upward trend, primarily driven by two underlying factors: (i) our management implemented a strategic shift to actively expand our business footprint in overseas markets starting from the fourth quarter of 2024, particularly in Hong Kong. We reallocated our core R&D resources and market expansion efforts from certain lower-margin segments in the Chinese Mainland to focus on capturing the robust demand in the Hong Kong market and (ii) the growth was also fueled by the evolving business needs of our key customers in Hong Kong, driven by the region's continuous digital finance transformation. Specifically, we successfully deepened our relationships with existing major clients, securing additional work orders and participating in foundational projects related to Hong Kong's Web3 financial infrastructure. In the three months ended March 31, 2026, our revenue from the Chinese Mainland increased to RMB28.9 million from RMB16.9 million in the same period of 2025. This increase was primarily driven by the concurrent completion of certain Chinese Mainland projects during this period, the revenue of which was recognized upon acceptance, against a relatively low revenue base in the same period of 2025. Our overseas revenue increased to RMB127.4 million from RMB114.7 million over the same period, primarily driven by the continued expansion of our business presence in Hong Kong and the deepening of relationships with existing major customers, including additional work orders and participation in foundational projects related to Hong Kong's financial infrastructure and digital financial innovation, which is consistent with our strategy of accelerating expansion in higher-margin overseas markets.

Cost of Sales

Our cost of sales amounted to RMB509.6 million, RMB495.4 million, RMB392.6 million, RMB77.2 million and RMB108.9 million in 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, respectively. During the Track Record Period, our cost of sales primarily consisted of (i) employment compensation, (ii) procurement cost, and (iii) other expenses.

Cost of Sales by Nature

The following table sets forth a breakdown of our cost of sales by nature in absolute amounts and as a percentage of our total cost of sales for the periods indicated:

	Year ended December 31,						Three Months ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentage)									
							(unaudited)			
Employment compensation	489,197	96.0	479,432	96.7	376,563	95.9	74,528	96.5	105,302	96.7
Procurement cost	11,659	2.3	10,166	2.1	3,596	0.9	657	0.9	807	0.7
Other expenses	8,724	1.7	5,813	1.2	12,414	3.2	2,046	2.6	2,827	2.6
Total	**509,580**	**100.0**	**495,411**	**100.0**	**392,573**	**100.0**	**77,231**	**100.0**	**108,936**	**100.0**

The decrease of our cost of sales in 2025 was primarily driven by we proactively adjusted our business expansion strategy and strategically withdrew from certain business areas with narrow profit margins, our overall revenue decreased, which consequently led to a corresponding reduction in our project inputs and delivery costs. Specifically, (i) the decline of our employment compensation was in line with our strategic shift and the proactive withdrawal from certain lower-margin business areas, the reduction in the number of such projects resulted in a corresponding decrease in the human resource inputs and associated compensation costs required for project delivery; (ii) the decline of our procurement cost was mainly due to the aforementioned strategic shift which reduced our overall project volume and associated inputs and the completion of certain projects during 2024 that had specific procurement requirements, leading to a notable drop in related procurement activities in 2025; (iii) the increase of other expenses from 2024 to 2025 was primarily attributable to the reallocation of certain leased premises, resulting the relevant expenses were shifted from administrative expenses to project delivery costs, driving up the other expenses under cost of sales.

Cost of Sales by Business Line

The following table sets forth a breakdown of our cost of sales by business line in absolute amount and as a percentage of our total cost of sales for the periods indicated:

	Year ended December 31,						Three Months ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentage)									
							(unaudited)			
Fintech software development services	487,973	95.7	477,710	96.4	372,479	94.9	74,093	95.9	106,195	97.5
Consulting services	21,203	4.2	17,336	3.5	19,659	5.0	3,138	4.1	2,741	2.5
System integration services	404	0.1	365	0.1	435	0.1	—	—	—	—
Total	**509,580**	**100.0**	**495,411**	**100.0**	**392,573**	**100.0**	**77,231**	**100.0**	**108,936**	**100.0**

Cost of Sales by Geographical Location

The following table sets forth a breakdown of our cost of sales by geographical location, by the locations where respective revenue being recognized, in absolute amount and as a percentage of our total cost of sales for the periods indicated:

	Year ended December 31,						Three Months ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentage)									
							(unaudited)			
Chinese Mainland	227,155	44.6	245,666	49.6	92,682	23.6	13,601	17.6	30,391	27.9
Overseas										
Hong Kong	280,748	55.1	247,202	49.9	298,843	76.1	63,258	81.9	78,322	71.9
Others(1)	1,677	0.3	2,543	0.5	1,048	0.3	372	0.5	223	0.2
Subtotal	**282,425**	**55.4**	**249,745**	**50.4**	**299,891**	**76.4**	**63,630**	**82.4**	**78,545**	**72.1**
Total	**509,580**	**100.0**	**495,411**	**100.0**	**392,573**	**100.0**	**77,231**	**100.0**	**108,936**	**100.0**

(1) Others mainly include Macao and France.

Gross Profit and Gross Profit Margin

Our gross profit amounted to RMB220.9 million, RMB245.0 million, RMB238.5 million, RMB54.3 million and RMB47.4 million in 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, respectively. Our gross profit margin was 30.2%, 33.1%, 37.8%, 41.3% and 30.3% in 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, respectively.

The following table sets forth a breakdown of our gross profit and gross profit margin by business line for the periods indicated:

	Year ended December 31,						Three Months ended March 31,			
	2023		2024		2025		2025		2026	
	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin
	(RMB in thousands, except for percentage)									
							(unaudited)			
Fintech software development services	**211,946**	**30.3**	**242,711**	**33.7**	**232,599**	**38.4**	**52,880**	**41.6**	**46,293**	**30.4**
— Banking technology services	179,354	28.4	195,310	31.2	173,741	35.8	39,202	39.0	30,943	25.5
— Financial infrastructure and fintech innovation services	32,592	48.4	47,401	49.9	58,858	49.1	13,678	51.8	15,350	49.1
Consulting services	**8,784**	**29.3**	**2,151**	**11.0**	**4,387**	**18.2**	**1,463**	**31.8**	**820**	**23.0**
System integration services	**124**	**23.5**	**103**	**22.0**	**1,509**	**77.6**	**—**	**—**	**283**	**100.0**
Total	**220,854**	**30.2**	**244,965**	**33.1**	**238,495**	**37.8**	**54,343**	**41.3**	**47,396**	**30.3**

The gross profit margin of our fintech software development services increased from 30.3% in 2023 to 33.7% in 2024, and further to 38.4% in 2025. This consistent improvement was primarily driven by the structural optimization of our revenue mix within this business segment, specifically the increasing proportion of higher-margin business sub-lines and geographical regions. Driven by our strategic shift, the proportion of our overseas revenue increased substantially, which commands significantly higher gross profit margins compared to the Chinese Mainland market. In line with this strategy, the gross profit margin of our banking technology services consistently improved from 28.4% in 2023 to 31.2% in 2024, and further to 35.8% in 2025, primarily as we gradually phased out certain lower-margin engagements in the Chinese Mainland market while simultaneously increasing the proportion of higher-margin overseas engagements. Notably, while the gross profit of this sub-business line recorded the lowest during 2023 to 2025 at RMB173.7 million in 2025, its gross profit margin reached the highest level of 35.8%, reflecting the effectiveness of our profitability optimization. Concurrently, within the fintech software development services segment, we proactively focused on expanding high value-added sub-lines, particularly our financial infrastructure and fintech innovation services. The gross profit of this sub-business line recorded continuous growth, increasing from RMB32.6 million in 2023 to RMB47.4 million in 2024, and further to RMB58.9 million in 2025. The rising prominence of these high-margin engagements within our overall business portfolio effectively optimized the profitability profile of the entire segment. In the three months ended March 31, 2026, the gross profit margin of our fintech software development services decreased to 30.4% from 41.6% in the same period of 2025, primarily attributable to the concurrent completion and delivery during the period of a number of loss-making projects (primarily attributable to Customer B within our banking technology services sub-business line), resulting in the recognition of accumulated implementation costs as cost of sales. This short-term margin contraction reflected the delivery schedule of these specific projects and the withdrawal from lower-margin engagements under our strategy.

The following table sets forth a breakdown of our gross profit and gross profit margin by geographical location for the periods indicated:

	Year ended December 31,						Three Months ended March 31,			
	2023		2024		2025		2025		2026	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	(RMB in thousands, except for percentage)									
							(unaudited)			
Chinese Mainland	58,213	20.4	48,197	16.4	29,714	24.3	3,312	19.6	(1,483)	(5.1)
Overseas										
Hong Kong	160,799	36.4	195,677	44.2	207,859	41.0	51,022	44.6	48,747	38.4
Others[(1)]	1,842	52.3	1,091	30.0	922	46.8	9	2.4	132	37.2
Subtotal	**162,641**	**36.5**	**196,768**	**44.1**	**208,781**	**41.0**	**51,031**	**44.5**	**48,879**	**38.4**
Total	**220,854**	**30.2**	**244,965**	**33.1**	**238,495**	**37.8**	**54,343**	**41.3**	**47,396**	**30.3**

(1) Others mainly include Macao and France.

During the Track Record Period, our gross profit margin in the Chinese Mainland experienced a decrease from 20.4% in 2023 to 16.4% in 2024, followed by a significant rebound to 24.3% in 2025. The decrease from 2023 to 2024 was primarily attributable to: (i) the contraction in market demand intensified industry competition, resulting in prevalent price wars that significantly squeezed project profit margins; and (ii) an overall increase in domestic labor costs due to upward adjustments in employee compensation levels during this period. Conversely, the significant rebound of the gross profit margin in the Chinese Mainland in 2025 was primarily driven by the strategic shift. We strategically decided to withdraw from certain highly competitive business areas with narrow profit margins in the Chinese Mainland. Furthermore, we implemented effective cost control and efficiency enhancement measures, which optimized our project delivery costs. This strategic repositioning improved the overall profitability profile of our remaining project portfolio in the Chinese Mainland. In the three months ended March 31, 2026, our gross profit margin in the Chinese Mainland decreased to (5.1)% from 19.6% in the same period of 2025, primarily because certain Chinese Mainland loss-making projects completed and delivered during the period incurred higher input costs, and because our relatively small revenue base in the Chinese Mainland magnified the impact of these higher-cost projects on the segment's overall gross profit margin.

Other Income, Gains and Losses, Net

During the Track Record Period, our other income, gains and losses, net was primarily consisted of (i) exchange gains (losses), net, (ii) bank interest income, (iii) government grants, and (iv) others. Our net other income and gains amounted to RMB19.1 million, RMB27.0 million, RMB17.1 million, RMB1.1 million and net other losses of RMB4.1 million in 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, respectively.

The following table sets forth a breakdown of our other income, gains and losses, net for the periods indicated:

	Year ended December 31,						Three Months ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentage)									
							(unaudited)			
Exchange gains (losses), net	3,504	18.4	5,441	20.2	(9,996)	(58.5)	(7,351)	(691.5)	(7,170)	173.3
Bank interest income	9,844	51.6	18,848	69.8	24,429	143.0	6,931	652.0	3,355	(81.1)
Government grants[(1)]	5,063	26.5	2,765	10.2	5,620	32.9	697	65.6	22	(0.5)
Others[(2)]	683	3.5	(57)	(0.2)	(2,970)	(17.4)	786	73.9	(344)	8.3
Total	**19,094**	**100.0**	**26,997**	**100.0**	**17,083**	**100.0**	**1,063**	**100.0**	**(4,137)**	**100.0**

(1) Our government grants primarily consisted of subsidies granted by local government authorities for our contribution to service trade development, software industry space support, listed company office space support, R&D investments, and employment stabilization, the majority of which were granted on a one-off basis. During the Track Record Period, none of these government grants was subject to any repayment obligation or future performance requirement. While our eligibility to apply for certain grants was contingent upon the satisfaction of certain historical performance thresholds, no continuing performance requirements were imposed on us upon or after the receipt of such grants. There are no unfulfilled conditions and other contingencies attached to the receipts of those subsidies.

(2) Others mainly include: additional value added tax deductions, loss on disposal of property, plant and equipment.

During the years ended December 31, 2023, 2024 and 2025, government grants of approximately RMB5.1 million, RMB2.8 million and RMB5.6 million, respectively. The decrease in 2024 was primarily attributable to a decrease of RMB2.4 million in central government service trade grants received from the Shenzhen Commerce Bureau, which dropped from RMB3.0 million in 2023 to RMB0.6 million in 2024 as a result of a reduction in the annual budget of the Service Trade Division of the Shenzhen Commerce Bureau. In addition, we did not receive the talent housing rental subsidy and high-tech enterprise cultivation grants in 2024, compared to RMB0.5 million and RMB0.2 million received in 2023, respectively. This increase in 2025 was primarily driven by new government grants received in 2025 in accordance with local government policies, including (i) software industry space support grants of RMB2.8 million from the Nanshan District Bureau of Industry and Information Technology, and (ii) listed company office space support grants of RMB1.7 million from the Nanshan District Financial Development Service Center. This increase was partially offset by the absence of R&D investment support grants in 2025, compared to RMB1.0 million received in 2024, as well as a decrease of RMB0.4 million in service trade development grants. Our government grants decreased from RMB0.7 million in the three months ended March 31, 2025 to RMB0.02 million in the three months ended March 31, 2026, primarily because we received a government grant in the first quarter of 2025, while we did not receive such government grant in the first quarter of 2026.

Selling and Distribution Expenses

During the Track Record Period, our selling and distribution expenses primarily consisted of (i) staff cost, (ii) tax and surcharges expenses and (iii) business development expenses. Our selling and distribution expenses amounted to RMB21.3 million, RMB22.5 million, RMB19.3 million, RMB3.3 million and RMB3.8 million in 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, respectively.

The following table sets forth a breakdown of our selling and distribution expenses in absolute amounts and as a percentage of our total selling and distribution expenses for the periods indicated:

	Year ended December 31,						Three Months ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentage)									
							(unaudited)			
Staff cost	16,212	76.1	16,089	71.6	13,420	69.4	2,859	86.0	3,262	86.8
Tax and surcharge expenses[(1)]	4,098	19.1	4,501	20.0	4,380	22.7	190	5.7	152	4.0
Business development expenses	657	3.1	850	3.8	677	3.5	146	4.4	149	4.0
Exhibition expenses	—	—	161	0.7	198	1.0	25	0.8	—	—
Travel expenses	249	1.2	568	2.5	242	1.3	31	0.9	62	1.6
Office expenses	67	0.3	274	1.2	380	2.0	68	2.1	127	3.4
Others	34	0.2	37	0.2	26	0.1	4	0.1	7	0.2
Total	**21,317**	**100.0**	**22,480**	**100.0**	**19,323**	**100.0**	**3,323**	**100.0**	**3,759**	**100.0**

(1) Tax and surcharge expenses mainly include building taxes, city maintenance and construction tax and education surcharges during the Track Record Period, City maintenance and construction tax and education surcharges are calculated based on VAT liabilities. As these are statutory obligations arising from our business operations, they are classified under selling and distribution expenses to reflect their correlation with sales activities.

Administrative Expenses

During the Track Record Period, our administrative expenses primarily included (i) staff cost, (ii) office expenses, and (iii) depreciation and amortization expenses. Our administrative expenses amounted to RMB105.8 million, RMB96.6 million, RMB83.6 million, RMB17.4 million and RMB17.2 million in 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, respectively.

The following table sets forth a breakdown of our administrative expenses for the periods indicated:

	Year ended December 31,						Three Months ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentage)									
							(unaudited)			
Staff cost	51,600	48.7	40,739	42.2	46,399	55.5	8,430	48.5	9,126	53.1
Office expenses	30,972	29.3	34,259	35.5	18,459	22.1	4,457	25.6	4,473	26.0
Depreciation and amortization expenses	19,961	18.9	18,516	19.2	15,702	18.8	4,120	23.7	2,977	17.3
Business development expenses	429	0.4	399	0.4	732	0.9	110	0.6	428	2.5
Travel expenses	239	0.2	297	0.3	358	0.4	83	0.5	50	0.3
Others	2,622	2.5	2,342	2.4	1,934	2.3	187	1.1	136	0.8
Total	**105,823**	**100.0**	**96,552**	**100.0**	**83,584**	**100.0**	**17,387**	**100.0**	**17,190**	**100.0**

Research and Development Expenses

During the Track Record Period, our research and development expenses primarily consisted of (i) staff cost, (ii) office expenses, (iii) depreciation and amortization expenses and (iv) travel expenses. Our research and development expenses amounted to RMB62.7 million, RMB70.1 million, RMB59.9 million, RMB17.3 million and RMB15.2 million in 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, respectively.

The following table sets forth a breakdown of our research and development expenses in absolute amount and as a percentage of our total research and development expenses for the periods indicated:

	Year ended December 31,						Three Months ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentage)									
							(unaudited)			
Staff cost	56,968	90.8	67,614	96.5	55,844	93.2	16,531	95.5	14,278	94.2
Office expenses	3,521	5.6	517	0.7	846	1.4	178	1.0	159	1.0
Depreciation and amortization expenses	1,500	2.4	1,311	1.9	2,631	4.4	588	3.4	677	4.5
Travel expenses	243	0.4	202	0.3	326	0.5	18	0.1	19	0.1
Others	508	0.8	457	0.6	276	0.5	3	0.0	32	0.2
Total	**62,740**	**100.0**	**70,101**	**100.0**	**59,923**	**100.0**	**17,318**	**100.0**	**15,165**	**100.0**

Impairment Losses on Financial Assets, Contract Assets and Contract Costs, Net

During the Track Record Period, our impairment losses on financial assets, contract assets and contract costs, net consisted of trade receivables, other receivables, contract assets and contract costs. We had impairment losses on financial assets, contract assets and contract costs, net amounted to RMB1.5 million, RMB8.8 million, RMB13.8 million and RMB4.4 million in 2023, 2024, 2025 and the three months ended March 31, 2025, respectively. We recorded net reversal of impairment losses on financial assets, contract assets and contract costs of RMB2.8 million in the three months ended March 31, 2026.

Finance Costs

During the Track Record Period, our finance costs represent interest on lease liabilities, which amounted to RMB0.7 million, RMB0.6 million, RMB0.2 million, RMB0.02 million and RMB0.04 million in 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, respectively.

Income Tax Expenses/(Credit)

Our income tax expenses amounted to RMB0.5 million, RMB6.0 million, RMB4.5 million and RMB0.1 million in 2023, 2024, 2025 and the three months ended March 31, 2025, respectively. We recorded income tax credit of RMB0.7 million in the three months ended March 31, 2026. We are subject to income tax on an entity basis on profits arising in or derived from tax jurisdictions in which members of our Group are domiciled and operated. See note 10 to "Appendix I — Accountants' Report".

During the Track Record Period, our effective tax rates were 1.0%, 8.2%, 5.7%, and 0.4% for the years ended December 31, 2023, 2024, 2025 and the three months ended March 31, 2025, respectively. We recorded an income tax credit of RMB0.7 million for the three months ended March 31, 2026 despite recording a profit before tax of RMB9.9 million, resulting in a negative effective tax rate of approximately 6.8%. These effective tax rates were generally lower than the statutory tax rate, primarily attributable to the preferential tax treatments and additional tax deductions on research and development expenses we enjoyed as described below.

We were entitled to a preferential tax rate and additional tax deduction on R&D expenses in the PRC. Pursuant to the PRC EIT Law, our operations in the PRC are liable to EIT at a rate of 25% unless otherwise specified. During the Track Record Period, we were entitled to several preferential PRC enterprise income tax policies. Our Company was qualified as a High and New Technology Enterprise and entitled to a preferential EIT rate of 15% during the Track Record Period. Our certain subsidiaries were also entitled to preferential EIT rates, which were qualified as Small Low-Profit Enterprises, enjoying a preferential EIT rate of 20%.

Under the PRC EIT Law and its relevant regulations, an additional tax deduction is allowed for our qualified research and development expenses during the Track Record Period. Specifically, for R&D expenses actually incurred that are not capitalized as intangible assets but are charged to profit or loss, we are entitled to a pre-tax deduction of 100% of such expenses in addition to the actual deduction, effective from January 1, 2023.

Our subsidiaries incorporated in Hong Kong are subject to Hong Kong profits tax. Under the two-tiered profits tax rates regime, the first HK$2 million of assessable profits of a qualifying group entity will be taxed at 8.25%, and assessable profits above HK$2 million will be taxed at 16.5%. The profits of other group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. During the Track Record Period, Hong Kong profits tax was calculated at the applicable rates on the estimated assessable profits arising in Hong Kong. The effective tax rate in Hong Kong was lower than the statutory rate due to the effect of the two-tiered profits tax rates.

As of the Latest Practicable Date, we did not have any dispute with any tax authority. During the Track Record Period and up to the Latest Practicable Date, we have not been subject to any tax investigation, enquiries, penalties or surcharges.

PERIOD-TO-PERIOD COMPARISON OF RESULTS OF OPERATIONS

Three Months ended March 31, 2025 Compared with Three Months ended March 31, 2026

Revenue

Fintech software development services

- ***Banking technology services:*** Our revenue from banking technology services increased by 20.6% from RMB100.5 million in the three months ended March 31, 2025 to RMB121.2 million in the three months ended March 31, 2026, primarily due to (i) an increase of 27.2% in revenue from our banking product portfolio, from RMB50.3 million in the three months ended March 31, 2025 to RMB64.0 million in the three months ended March 31, 2026, primarily due to continuous business expansion in overseas markets, particularly in Hong Kong, and certain projects with Customer B was delivered and corresponding revenue was recognized; (ii) an increase of 5.3% in revenue from digital banking channel solutions, from RMB33.3 million in the three months ended March 31, 2025 to RMB35.1 million in the three months ended March 31, 2026, primarily due to the increasing demand from existing customers for digital transformation and revenue contribution from certain new customers; and (iii) an increase of 30.9% in revenue from banking operations and data services, from

RMB16.9 million in the three months ended March 31, 2025 to RMB22.1 million in the three months ended March 31, 2026, primarily due to certain projects with Customer B was delivered and corresponding revenue was recognized.

- ***Financial infrastructure and fintech innovation services:*** Our revenue from financial infrastructure and fintech innovation services increased by 18.2% from RMB26.4 million in the three months ended March 31, 2025 to RMB31.2 million in the three months ended March 31, 2026, primarily due to the increasing demand from existing customers for digital transformation and the revenue recognition of several large-scale digital financial innovation projects.

Consulting services

Our revenue from consulting services decreased by 22.6% from RMB4.6 million in the three months ended March 31, 2025 to RMB3.6 million in the three months ended March 31, 2026, driven by the demand shift of certain overseas customers from consulting services to fintech software development service.

System integration services

Our revenue from system integration services increased by 100.0% from nil in the three months ended March 31, 2025 to RMB0.3 million in the three months ended March 31, 2026, driven by our continued pursuit of strategic expansion into new business areas during the first quarter of 2026.

Cost of Sales

Our cost of sales increased by 41.1% from RMB77.2 million in the three months ended March 31, 2025 to RMB108.9 million in the three months ended March 31, 2026, compared to an 18.8% increase in revenue over the same period. This was primarily due to (i) an increase in employment compensation, driven by an increase of our key delivery personnel in our overseas markets; (ii) the concurrent completion and delivery during the period of a number of loss-making projects undertaken in prior periods, the accumulated fulfilment costs of which were recognized as cost of sales upon delivery and acceptance and exceeded the revenue recognized from such projects; and (iii) the proportion of revenue recognized at a point in time under the project-based model increased during the period. For such projects, fulfilment costs are first accumulated and carried as contract cost during execution, and are only recognized as cost of sales upon delivery and acceptance, resulting in a larger amount of previously accumulated costs being released as cost of sales within the period. Our cost control and efficiency enhancement measures remained in place, and the increase in the cost-to-revenue ratio reflected the delivery schedule of these projects rather than any structural deterioration in our unit delivery costs.

Gross Profit and Gross Profit Margin

As a result of the foregoing, our gross profit decreased by 12.8% from RMB54.3 million in the three months ended March 31, 2025 to RMB47.4 million in the three months ended March 31, 2026. Our gross profit margin decreased from 41.3% in the three months ended March 31, 2025 to 30.3% in the three months ended March 31, 2026, primarily due to the concurrent completion of a number of loss-making projects during the period, the accumulated fulfilment costs of which were recognized as cost of sales upon delivery and exceeded the corresponding revenue.

Gross Profit and Gross Profit Margin by Business Line

- Fintech software development services: Our gross profit from fintech software development services decreased by 12.5% from RMB52.9 million in the three months ended March 31, 2025 to RMB46.3 million in the three months ended March 31, 2026. The gross profit margin for this segment decreased from 41.6% to 30.4% during this period. This is primarily due to the concurrent completion of several loss-making projects with Customer B within our banking technology services, the accumulated fulfilment costs of which were recognized as cost of sales upon delivery and exceeded the corresponding revenue, consistent with our strategy of withdrawing from such lower-margin engagements.

- Consulting services: Our gross profit from consulting services decreased by 44.0% from RMB1.5 million in the three months ended March 31, 2025 to RMB0.8 million in the three months ended March 31, 2026. The gross profit margin for this segment decreased from 31.8% to 23.0% during this period. This is primarily due to the change in the mix of consulting projects delivered during the period, as certain overseas customers shifted their demand from consulting services towards fintech software development services.

- System integration services: The revenue was recognized on a net basis so no corresponding cost of sales was recorded for this arrangement, resulting in a gross profit margin of 100.0% for our system integration services in the three months ended March 31, 2026.

Gross Profit and Gross Profit Margin by Geographical Location

Our gross profit margin in the Chinese Mainland decreased from 19.6% in the three months ended March 31, 2025 to (5.1)% in the three months ended March 31, 2026, primarily because certain Chinese Mainland loss-making projects completed during the period incurred higher costs and our relatively small Chinese Mainland revenue base magnified the impact of such projects, while our gross profit margin for overseas markets decreased from 44.5% to 38.4% in the same periods, primarily due to higher costs associated with certain overseas projects during the period.

The decrease in the gross profit margin of our overseas business in the three months ended March 31, 2026 was primarily attributable to the increase in employment compensation costs in our Hong Kong operations during this period. In particular:

(i) Certain of our customers in Hong Kong were undergoing technology upgrades to their banking systems, including a) the cloud-native transformation of middle-office systems by adopting new technologies such as microservices architecture and containers for scalability and resilience, and b) the migration of back-office core banking systems from mainframe platforms to open, microservices-based platforms. As the technology stacks required for the new systems differ from those of the legacy systems, the existing project teams could not fully meet the new technical requirements in the short term, and we therefore optimized and restructured certain project teams. In response to the aforementioned situation, we typically recruit new talent with relevant skills to form a new team in collaboration with existing team elites who are already familiar with the relevant business operations. The recruitment costs for new hires, the salary costs associated with the training period before the new team formally commences project work, the salary costs incurred during the layoff period for personnel leaving the original team, as well as the severance payments payable to such personnel after they have completed training but still fail to adapt to their new roles, collectively exert pressure on our gross profit margin.

(ii) For certain engagements, the preparation phase involves assembling new teams, conducting business and technical training, and team integration, which typically results in higher employment compensation costs. During the three months ended March 31, 2026, several engagements that had undergone such preparation phases recognized revenue, and the associated higher preliminary employment compensation costs were recognized during the period, contributing to an increase in overall employment compensation costs.

(iii) Certain customers raised their requirements for our project personnel, including language proficiency, relevant implementation experience in specific financial system domains, and mastery of new technology stacks as well as full-stack development capabilities. We recruited additional personnel meeting these requirements during the three months ended March 31, 2026. The salary levels of these newly recruited personnel were approximately 20% to 30% higher than the average salary level of our existing project teams, and the salary costs were fully reflected in the employment compensation costs for the three months ended March 31, 2026.

In addition, the gross profit margin for our overseas business in the three months ended March 31, 2025 was relatively high as certain engagements benefited from the reuse of existing technology assets developed for prior engagements with similar requirements, which reduced the cost of sales and resulted in higher gross profit margin for that period, resulting in a higher comparative base.

These factors collectively resulted in higher employment compensation costs for our Hong Kong operations during the period, which compressed the gross profit margin of our Hong Kong operations from 44.6% in the three months ended March 31, 2025 to 38.4% in the three months ended March 31, 2026, and in turn led to the overall decline in the gross profit margin of our overseas business.

Our Directors are of the view that the decline in gross profit margin of our overseas business in the three months ended March 31, 2026 was temporary. The gross profit margin of one quarter is more susceptible to the combined effects of short-term cost fluctuations, and we expect the full-year gross profit margin of our overseas business to gradually return to its normal range as these temporary impacts subside.

Our loss-making projects were mainly attributable to Chinese Mainland projects. For the years ended December 31, 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, we had 28, 32, 65, 4 and 22 completed loss-making projects in total, of which 15, 3, 3, 2 and 1 were in Hong Kong, respectively. For the same periods, we had 0, 69, 57, 74 and 53 ongoing loss-making projects in total, of which only 0, 3, 2, 3 and 5 were in Hong Kong, respectively. This further confirms that the temporary margin fluctuation in Hong Kong was not indicative of a structural spread of loss-making projects to our overseas market. Furthermore, throughout the Track Record Period, the gross profit margin of our overseas business has consistently exceeded that of our Chinese Mainland business, demonstrating the continued effectiveness of our overseas expansion strategy.

Other Income, Gains and Losses, Net

We recorded net other losses of RMB4.1 million in the three months ended March 31, 2026, as compared with net other income of RMB1.1 million in the same period of 2025, representing a change of RMB5.2 million. This change was primarily attributable to (i) a decrease in bank interest income of RMB3.6 million, as the scale of our foreign currency time deposits decreased and was correspondingly converted into Renminbi time deposits, which bear lower deposit interest rates than foreign currency deposits; and (ii) a decrease in government grants of RMB0.7 million recognized during the period.

Selling and Distribution Expenses

Our selling and distribution expenses increased by 13.1% from RMB3.3 million in the three months ended March 31, 2025 to RMB3.8 million in the three months ended March 31, 2026, primarily attributable to an increase in staff costs of RMB0.4 million, resulting from the increase in the number of our sales personnel during the period.

Administrative Expenses

Our administrative expenses remained relatively stable at RMB17.2 million in the three months ended March 31, 2026, as compared with RMB17.4 million in the same period of 2025, primarily reflecting a decrease in depreciation and amortization expenses, which was partially offset by an increase in staff costs.

Research and Development Expenses

Our research and development expenses decreased by 12.4% from RMB17.3 million in the three months ended March 31, 2025 to RMB15.2 million in the three months ended March 31, 2026, primarily due to the decrease in staff costs resulting from the reduction in the number of our R&D personnel during the period.

Impairment Losses on Financial Assets, Contract Assets and Contract Costs, Net

We recorded a net reversal of impairment losses of RMB2.8 million in the three months ended March 31, 2026, as compared with a net impairment loss of RMB4.4 million in the same period of 2025, primarily attributable to the reversal of impairment losses on trade receivables resulting from the increased collection of trade receivables during the period.

Finance Costs

Our finance costs increased by 150.0% from RMB0.02 million in the three months ended March 31, 2025 to RMB0.04 million in the three months ended March 31, 2026, primarily due to the fluctuations in the interest on our lease liabilities.

Income Tax Expenses/(Credit)

We recorded an income tax credit of RMB0.7 million in the three months ended March 31, 2026, as compared with an income tax expense of RMB51,000 in the same period of 2025, primarily attributable to the decrease in our profit before tax during the period.

Profit for the Period

As a result of the foregoing, our profit for the period decreased by 17.7% from RMB12.9 million in the three months ended March 31, 2025 to RMB10.6 million in the three months ended March 31, 2026, primarily attributable to the decrease in our gross profit and the decrease in our bank interest income during the period.

Year ended December 31, 2024 Compared with Year ended December 31, 2025

Revenue

Our revenue decreased by 14.8% from RMB740.4 million in 2024 to RMB631.1 million in 2025, primarily attributable to the following changes:

Fintech software development services

Our revenue from fintech software development services decreased by 16.0% from RMB720.4 million in 2024 to RMB605.1 million in 2025. This decrease was primarily driven by the execution of our efforts, for which we proactively shifted our focus from certain highly competitive, low-margin Chinese Mainland projects to expand our presence in overseas markets. This realignment allowed us to prioritize higher-value opportunities and improve our gross profit margin profile, optimizing our overall profit structure amidst intensified competition in Chinese Mainland market.

- ***Banking technology services:*** Our revenue generated from banking technology services decreased by 22.4% from RMB625.4 million in 2024 to RMB485.2 million in 2025. This decline was primarily attributable to our strategic decision to scale back participation in certain lower-margin projects in the Chinese Mainland market, which was the primary driver of the decrease in our fintech software development services revenue. Specifically, this decline was primarily attributable to: (i) a decrease of 26.9% in revenue from our banking product portfolio, from RMB343.8 million in 2024 to RMB251.3 million in 2025, as we selectively reduced our involvement in lower-margin banking product projects in Chinese Mainland; (ii) a decrease of 29.7% in revenue from our banking operations and data services, from RMB135.4 million in 2024 to RMB95.2 million in 2025, reflecting a similar strategic withdrawal from lower-margin engagements; and (iii) a decrease of 5.2% in revenue from our digital banking channel solutions, from RMB146.2 million in 2024 to RMB138.6 million in 2025, which was relatively stable as we maintained our core digital banking channel engagements with key customers.

- ***Financial infrastructure and fintech innovation services:*** Our revenue from financial infrastructure and fintech innovation services increased by 26.3% from RMB95.0 million in 2024 to RMB119.9 million in 2025. This growth was primarily driven by the successful delivery of several projects based on our FINNOSafe Web3 platform and our active participation in benchmark central financial infrastructure platform projects in Hong Kong. This growth was driven by the continued expansion of our business with financial infrastructure customers in Hong Kong, where we have been actively involved in the development of foundational projects related to Hong Kong's Web3 financial infrastructure, digital currency scenarios, and real-world asset tokenization initiatives.

Consulting services

Our revenue from consulting services increased by 23.4% from RMB19.5 million in 2024 to RMB24.0 million in 2025. This increase was primarily driven by the demand for our high value-added consulting services, particularly from overseas financial institutions seeking comprehensive digital transformation solutions, reflecting our strategic expansion of overseas consulting engagements and the deepening of our advisory relationships with financial institutions in Hong Kong and other overseas markets.

System integration services

Our revenue from system integration services increased significantly by 315.4% from RMB0.5 million in 2024 to RMB1.9 million in 2025. This increase was primarily driven by our continued and resolute pursuit of strategic expansion into new business areas during 2025. As part of our broader business diversification strategy, we actively sought and secured additional system integration projects, which resulted in a substantial increase in the volume of system integration services delivered during the year.

Cost of Sales

Our cost of sales decreased by 20.8% from RMB495.4 million in 2024 to RMB392.6 million in 2025. This decrease was in line with the decrease in our revenue during the year, as the reduction in project volume led to a corresponding decrease in project delivery costs, including employment compensation and procurement costs. The decline of our cost of sales was further attributable to the effective implementation of our cost control and efficiency enhancement measures. Specifically, our cost of sales in Chinese Mainland decreased by 62.3% from RMB245.7 million in 2024 to RMB92.7 million in 2025, in line with the significant reduction in Chinese Mainland revenue, while our cost of sales for overseas markets increased by 20.1% from RMB249.7 million in 2024 to RMB299.9 million in 2025, corresponding to the growth in overseas revenue.

During the Track Record Period, particularly in response to evolving market dynamics, we proactively implemented a series of comprehensive cost control and efficiency enhancement measures, alongside the continuous optimization of our business and delivery team structures. These strategic initiatives primarily include:

- *Strategic Resource Allocation and Client Focus:* We strategically directed our core resources, including capital, manpower, and technology, towards high-value and high-potential clients with long-term collaboration prospects. By systematically evaluating clients' industry standing, historical collaboration, and contribution margins, we prioritized our service targets. Furthermore, to effectively control technical investment costs during the pre-sales phase, we rigorously evaluated Proof of Concept requirements, significantly reducing participation in low-value Proof of Concept projects. For resource-intensive Proof of Concept projects, we implemented clear pricing policies to offset costs and improve the conversion rate of project implementation. To further support this strategic focus, we actively expanded our overseas customer base and operations, with the revenue contribution from overseas markets remained stable at 60.9% in 2023 and 60.3% in 2024, and increased to 80.6% in 2025. This expansion is supported by the gross profit margin of our overseas markets, which was 36.5% in 2023, 44.1% in 2024, and 41.0% in 2025, consistently higher than that of the Chinese Mainland market, 20.4% in 2023, 16.4% in 2024, and 24.3% in 2025. Concurrently, we intensified our efforts in financial infrastructure and fintech innovation services, where the gross profit margin increased from 48.4% in 2023 to 49.9% in 2024, and remained at a relatively high level of 49.1% in 2025.

- *Optimization of Software Development and Delivery Processes:* We introduced advanced software development models and engineering practices to address complex project requirements and enhance team collaboration. This included the adoption of agile development and the implementation of Continuous Integration and Continuous Deployment pipelines. We also integrated technical measures such as automated testing, test-driven development, code reviews, and software vulnerability scanning. These systematic upgrades streamlined our development workflows, shortened delivery cycles, minimized errors, and effectively reduced additional costs arising from code remediation. For instance, in a mobile banking project for a major client, the adoption of agile development enabled us to decompose complex development tasks into multiple lightweight iterations, increasing the frequency of functional upgrades from five centralized rollouts per year under the traditional delivery model to over 12 iterations within a year, thereby significantly improving iteration efficiency and our ability to rapidly respond to market demands.

- *R&D Alignment with Market Demand:* We ensured our research and development directions were closely aligned with actual customer needs, driven by continuous market research and user feedback. Our R&D outcomes were specifically dedicated to providing solid technical support for the delivery process, clearing technical obstacles, and accelerating project execution. The alignment between our R&D outcomes and customer delivery requirements was primarily delivered through our two proprietary technology platforms, FINNOSafe and FINNOSmart, which provided technical support for the delivery process, cleared technical obstacles and accelerated project execution. FINNOSafe automates the full lifecycle compliance of tokenized assets by embedding regulatory rules into smart contracts, and FINNOSmart is an enterprise-grade generative AI platform ensuring data sovereignty. Since 2023, we have successfully delivered 21 projects based on our FINNOSafe Web3 platform, covering Web3 financial infrastructure, digital currency wallets, retail digital currency scenarios and the tokenization of real-world assets. Leveraging our FINNOSmart platform, we have implemented generative AI systems for 7 financial institutions, enabling them to innovate their service offerings and enhance operational efficiency.

- *Delivery Team Structure and Management Enhancement:* We continuously optimized the architecture and technical proficiency of our software delivery teams. We strengthened team management by implementing monthly performance assessments, focusing on continuous improvement for personnel with lower efficiency. We also enhanced the leadership and communication skills of our management personnel across all levels to establish highly efficient communication channels among clients, the Company, and the delivery teams. Moreover, we established customized delivery protocols tailored to the specific management requirements of different clients, thereby minimizing ineffective resource inputs and ensuring a highly reliable and efficient software delivery process. In line with our strategic realignment, we increased approximately 18% of our delivery personnel on our strategic and high-value clients in 2025 compared to 2024, and correspondingly reduced the delivery personnel allocation for general clients. To further optimize team efficiency and reduce redundant labor costs, we improved the reallocation efficiency of idle personnel upon project completion, resulting in a 22% year-on-year decrease in idle personnel hours in 2025. Furthermore, through strict performance-based evaluations, we optimized our management structure by achieving a net reduction of over 20 management positions during the year, effectively compressing redundant labor costs and improving the overall efficiency of the management team.

Gross Profit and Gross Profit Margin

As a result of the foregoing, our gross profit decreased by 2.6% from RMB245.0 million in 2024 to RMB238.5 million in 2025. Our gross profit margin increased from 33.1% in 2024 to 37.8% in 2025. This increase was primarily attributable to the optimization of our business structure and the effective implementation of cost efficiency measures across our business lines. Although our gross profit decreased slightly due to the overall decline in revenue, our gross profit margin improved significantly from 33.1% in 2024 to 37.8% in 2025. This margin improvement was primarily attributable to our strategic shift towards higher-margin overseas projects and the proactive withdrawal from lower-margin Chinese Mainland engagements, which resulted in a more favorable revenue mix.

Gross Profit and Gross Profit Margin by Business Line

- *Fintech software development services:* Our gross profit from fintech software development services decreased by approximately 4.2% from RMB242.7 million in 2024 to RMB232.6 million in 2025. The gross profit margin for this segment increased from 33.7% to 38.4% during this period. The margin improvement was driven by: (i) our proactive withdrawal from certain lower-margin Chinese Mainland projects, which improved the overall profitability profile of our project portfolio; and (ii) the effective implementation of cost control and efficiency enhancement measures, including the optimization of our delivery team structure and project resource allocation, which effectively controlled our project delivery costs. The proportion of our overseas revenue within fintech software development services increased significantly, contributing to the overall margin improvement.

- *Consulting services:* Our gross profit from consulting services increased by 104.0% from RMB2.2 million in 2024 to RMB4.4 million in 2025. The gross profit margin for this segment was 18.2% in 2025, compared to 11.0% in 2024.

- *System integration services:* The gross profit of our system integration services increased significantly from RMB0.1 million in 2024 to RMB1.5 million in 2025, representing an increase of approximately RMB1.4 million. The gross profit margin of this segment increased substantially from 22.0% in 2024 to 77.6% in 2025. Such significant improvement was primarily attributable to the change in the nature and mix of system integration projects undertaken during the year.

Gross Profit and Gross Profit Margin by Geographical Location

In Chinese Mainland, our gross profit decreased by 38.4% from RMB48.2 million in 2024 to RMB29.7 million in 2025, primarily driven by the 58.3% decrease in Chinese Mainland revenue as we strategically scaled back our participation in lower-margin engagements. However, our gross profit margin for Chinese Mainland improved significantly from 16.4% in 2024 to 24.3% in 2025, reflecting the effectiveness of our strategy to optimize our project portfolio by proactively withdrawing from lower-margin projects and focusing on higher-value engagements, as well as our efforts to optimize cost expenditure and achieve cost control and efficiency enhancement.

In Hong Kong, our gross profit increased from RMB195.7 million in 2024 to RMB207.9 million in 2025, primarily driven by the continuous expansion of our business scale. Our gross profit margin decreased from 44.2% to 41.0% during this year. This decrease was principally due to increased project implementation costs resulting from our deployment of highly skilled R&D personnel to meet the rigorous standards of our overseas projects.

Other Income, Gains and Losses, Net

Our other income, gains and losses, net decreased by 36.7% from RMB27.0 million in 2024 to RMB17.1 million in 2025, primarily attributable to the net exchange losses of RMB10.0 million recognized in 2025, as compared with net exchange gains of RMB5.4 million in 2024, representing an unfavorable swing of RMB15.4 million due to fluctuations in the foreign currency exchange rate during this period. This decline was partially offset by (i) an increase in bank interest income of RMB5.6 million, resulting from our enhanced fund management and higher deposit rates achieved through the optimization of our cash management strategy; and (ii) an increase in government grants of RMB2.9 million.

Selling and Distribution Expenses

Our selling and distribution expenses decreased by 14.0% from RMB22.5 million in 2024 to RMB19.3 million in 2025, primarily attributable to a reduction in staff costs of RMB2.7 million, resulting from the decrease in the number of sales personnel in our Hong Kong operations. Specifically, the decrease in staff costs comprised a decrease in salaries due to the reduction in headcount and a decrease in performance-based bonuses, reflecting the alignment of variable compensation with revenue performance.

Administrative Expenses

Our administrative expenses decreased by 13.4% from RMB96.6 million in 2024 to RMB83.6 million in 2025, primarily attributable to the decrease in our office expenses and depreciation and amortization expenses. This decrease was primarily attributable to: (i) a decrease in office expenses mainly driven by a decrease in office rental costs of RMB7.2 million as certain leased premises were reclassified, and a decrease in consulting and agency fees; and (ii) a decrease in depreciation and amortization expenses of RMB2.8 million.

Research and Development Expenses

Our research and development expenses decreased by 14.5% from RMB70.1 million in 2024 to RMB59.9 million in 2025, primarily attributable to a decrease in staff costs of RMB11.8 million, resulting from the reduction in the number of R&D personnel as part of our ongoing efforts to optimize our R&D team structure and improve research efficiency. This decrease was partially offset by an increase in depreciation and amortization expenses of RMB1.3 million and an increase in office expenses of RMB0.3 million, primarily due to increased utility costs for R&D IT server cabinets and data center operations.

Impairment Losses on Financial Assets, Contract Assets and Contract Costs, Net

Our impairment losses on financial assets, contract assets and contract costs, net increased by 57.1% from RMB8.8 million in 2024 to RMB13.8 million in 2025, primarily attributable to (i) an increase in impairment provision for contract costs of RMB3.2 million, recognized for certain project-based contracts mainly from Chinese Mainland, where the estimated delivery costs exceeded the expected revenue; and (ii) a provision for impairment losses on trade receivables of RMB1.4 million in 2025, as compared with a net reversal of RMB0.4 million in 2024, representing an unfavorable change of RMB1.8 million, primarily due to the slower collection pace of certain trade receivables during the year.

Finance Costs

Our finance costs decreased by 74.8% from RMB0.6 million in 2024 to RMB0.2 million in 2025, primarily attributable to the expiration of certain lease agreements during the year. Upon renewal, the lease terms of certain renewed agreements did not exceed 12 months, and accordingly, these leases were classified as short-term leases, for which no right-of-use assets or lease liabilities were recognized, resulting in a corresponding decrease in interest expenses on lease liabilities.

Income Tax Expenses

Our income tax expenses decreased by 25.2% from RMB6.0 million in 2024 to RMB4.5 million in 2025, primarily attributable to (i) the non-recurrence in 2025 of certain prior-year under-provision adjustments that were recognized in 2024, which resulted in higher tax charges in the prior year; and (ii) the decrease in current income tax provision in line with the decrease in taxable income of certain subsidiaries during the year.

Profit for the Year

As a result of the foregoing, our profit for the year amounted to RMB67.4 million and RMB74.3 million in 2024 and 2025 respectively.

Year Ended December 31, 2023 Compared with Year Ended December 31, 2024

Revenue

Our revenue increased by 1.4% from RMB730.4 million in 2023 to RMB740.4 million in 2024, primarily attributable to the following changes:

Fintech software development services

Our revenue from fintech software development services increased by 2.9% from RMB699.9 million in the year ended December 31, 2023 to RMB720.4 million in the year ended December 31, 2024. This was mainly due to the continued expansion of our business with existing major customers, particularly in Hong Kong, driven by our strategy to shift focus on overseas markets.

- ***Banking technology services:*** Our revenue from banking technology services decreased slightly by 1.1% from RMB632.6 million in 2023 to RMB625.4 million in 2024. This decrease was primarily attributable to our strategic shifting focus as project selection in Chinese Mainland market, where we limited our participation in certain lower-margin projects to optimize resource allocation.

- ***Financial infrastructure and fintech innovation services:*** Our revenue from financial infrastructure and fintech innovation services increased by 41.1% from RMB67.3 million in 2023 to RMB95.0 million in 2024. This substantial growth was principally driven by the increased demand from our financial infrastructure customers in Hong Kong.

Consulting services

Our revenue from consulting services decreased by 35.0% from RMB30.0 million in the year ended December 31, 2023 to RMB19.5 million in the year ended December 31, 2024, mainly due to the shift in service focus for certain overseas projects from the preliminary consulting phase to the implementation and development phase.

System Integration Services

Our revenue from system integration services remained relatively stable at RMB0.5 million in 2023 and 2024, primarily because the scale of such business was small during the period following the scale-down of our operations in Thailand.

Cost of Sales

Our cost of sales decreased by 2.8% from RMB509.6 million in 2023 to RMB495.4 million in 2024, primarily attributable to the implementation of cost control and efficiency enhancement measures, which optimized our project delivery costs despite the increase in revenue.

For details of our cost control and efficiency enhancement measures and the optimization of the delivery team structure, see "— Year ended December 31, 2024 Compared with Year ended December 31, 2025 — Cost of Sales".

Gross Profit and Gross Profit Margin

As a result of the foregoing, we incurred a gross profit of RMB220.9 million in 2023 and RMB245.0 million in 2024. Our gross profit margin amounted to 30.2% in 2023 and 33.1% in 2024, primarily attributable to our strategic focus on high-margin overseas businesses (particularly in Hong Kong) and our proactively shifting our focus from certain lower-margin Chinese Mainland projects.

Gross Profit and Gross Profit Margin by Business Line

- *Fintech software development services:* Our gross profit from fintech software development services increased by 14.5% from RMB211.9 million in 2023 to RMB242.7 million in 2024. The gross profit margin for this segment increased from 30.3% to 33.7%. This improvement was primarily attributable to our proactively shifting focus from certain low-margin Chinese Mainland projects to optimize our overall profit structure.

- *Consulting services:* Our gross profit from consulting services decreased by 75.5% from RMB8.8 million in 2023 to RMB2.2 million in 2024. The gross profit margin for this segment decreased from 29.3% to 11.0%. These declines were mainly due to (i) our strategic expansion into new customer segments which initially yielded lower gross margins; and (ii) the decrease in segment revenue as the service focus of certain overseas projects shifted from the preliminary consulting phase to the implementation phase.

Gross Profit and Gross Profit Margin by Geographical Location

In Chinese Mainland, our gross profit decreased from RMB58.2 million in 2023 to RMB48.2 million in 2024. Correspondingly, our gross profit margin decreased from 20.4% to 16.4% during the same period. This performance was primarily influenced by intensive market competition and prevailing price wars in Chinese Mainland market during this period, coupled with our bank customers reducing their IT budgets and the general increase in domestic labor costs.

In Hong Kong, our gross profit increased from RMB160.8 million in 2023 to RMB195.7 million in 2024. Correspondingly, our gross profit margin increased from 36.4% to 44.2% during the same period. This performance was primarily driven by our strategic focus on higher-margin engagements and the effective implementation of cost control and efficiency enhancement measures for our overseas operations.

Other Income, Gains and Losses, Net

Our other income, gains and losses, net increased by 41.4% from RMB19.1 million in 2023 to RMB27.0 million in 2024, primarily attributable to the increase in bank interest income resulting from our enhanced fund management and higher deposit rates, partially offset by a decrease in government grants received.

Selling and Distribution Expenses

Our selling and distribution expenses increased slightly by 5.5% from RMB21.3 million in 2023 to RMB22.5 million in 2024, primarily attributable to the increase of tax and surcharge expenses.

Administrative Expenses

Our administrative expenses decreased by 8.8% from RMB105.8 million in 2023 to RMB96.6 million in 2024, primarily attributable to the decrease in staff costs following the optimization of our personnel structure.

Research and Development Expenses

Our research and development expenses increased by 11.7% from RMB62.7 million in 2023 to RMB70.1 million in 2024, primarily attributable to the increase in staff costs resulting from the recruitment of additional R&D personnel to support certain projects.

Impairment Losses on Financial Assets, Contract Assets and Contract Costs, Net

Our impairment losses on financial assets, contract assets and contract costs, net increased significantly by 472.6% from RMB1.5 million in 2023 to RMB8.8 million in 2024. This increase was primarily attributable to (i) the provision for impairment of contract costs of RMB9.2 million recognized in 2024 for certain project-based contracts mainly from Chinese Mainland, where the estimated delivery costs exceeded the expected revenue; (ii) partially offset by a net reversal of impairment losses on trade receivables of RMB0.4 million in 2024 as compared to a provision of RMB1.6 million in 2023; and (iii) our enhanced collection efforts and the improved aging profile of our trade receivables which resulted in such reversal.

Finance Costs

Our finance costs decreased by 3.3% from RMB0.7 million in 2023 to RMB0.6 million in 2024, primarily attributable to the decrease in interest expenses on lease liabilities following the expiration of certain lease agreements.

Income Tax Expenses

Our income tax expenses increased significantly by 1,134.5% from RMB0.5 million in 2023 to RMB6.0 million in 2024, primarily attributable to (i) the 53.4% increase in our profit before tax; (ii) the recognition of an under-provision of income tax in prior years of RMB2.7 million in 2024 as compared to RMB0.1 million in 2023 relating to final tax settlements; and (iii) the increased contribution of assessable profits from subsidiaries subject to higher statutory tax rates compared to our preferential High and New Technology Enterprise tax rate.

Profit for the Year

As a result of the foregoing, our profit for the year amounted to RMB47.4 million in 2023 and RMB67.4 million in 2024.

DISCUSSION OF KEY ITEMS OF CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

The table below sets forth the selected information from our consolidated statements of financial position as of the dates indicated, which have been extracted from our audited consolidated financial statements included in Appendix I to this prospectus.

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	(RMB in thousands)			
Non-current assets				
Property, plant and equipment	351,793	348,591	356,415	353,892
Right-of-use assets	37,611	30,516	23,149	21,886
Intangible assets	6,359	4,085	2,395	2,088
Equity instruments designated at FVTOCI	31,213	27,198	10,456	10,115
Deferred tax assets	11,316	12,410	15,142	16,675
Other non-current assets	116	25	6	151
Total non-current assets	**438,408**	**422,825**	**407,563**	**404,807**
Current assets				
Trade receivables	155,996	127,790	203,650	155,348
Contract assets	2,657	2,368	3,075	2,928
Contract costs	55,932	28,178	45,852	48,949
Other receivables, deposits and prepayments	12,688	18,450	29,143	39,707
Tax recoverable	5,655	1,345	1,376	1,375
Restricted bank deposits	79,833	82,046	4,383	4,008
Bank balances and cash	999,802	1,109,041	1,073,113	1,128,877
Total current assets	**1,312,563**	**1,369,218**	**1,360,592**	**1,381,192**
Current liabilities				
Trade and other payables	114,065	120,208	94,563	98,056
Contract liabilities	6,409	12,321	17,015	21,633
Tax liabilities	—	1,582	—	1
Lease liabilities	10,259	9,004	3,136	2,704
Total current liabilities	**130,733**	**143,115**	**114,714**	**122,394**
Net current assets	**1,181,830**	**1,226,103**	**1,245,878**	**1,258,798**
Total assets less current liabilities	**1,620,238**	**1,648,928**	**1,653,441**	**1,663,605**
Non-current liabilities				
Deferred tax liabilities	4,343	5,778	8,573	9,373
Lease liabilities	8,520	2,382	1,313	884
Total non-current liabilities	**12,863**	**8,160**	**9,886**	**10,257**
Net assets	**1,607,375**	**1,640,768**	**1,643,555**	**1,653,348**

Current Assets and Current Liabilities

	As of December 31,			As of March 31,	As of July 31,
	2023	2024	2025	2026	2026
	(RMB in thousands)				
					(unaudited)
Current assets					
Trade receivables	155,996	127,790	203,650	155,348	226,906
Contract assets	2,657	2,368	3,075	2,928	2,713
Contract costs	55,932	28,178	45,852	48,949	36,940
Other receivables, deposits and prepayments	12,688	18,450	29,143	39,707	39,921
Financial asset at fair value through profit or loss	—	—	—	—	4,396
Tax recoverable	5,655	1,345	1,376	1,375	94
Restricted bank deposits	79,833	82,046	4,383	4,008	1,418
Bank balances and cash	999,802	1,109,041	1,073,113	1,128,877	967,234
Total current assets	**1,312,563**	**1,369,218**	**1,360,592**	**1,381,192**	**1,279,622**
Current liabilities					
Trade and other payables	114,065	120,208	94,563	98,056	50,538
Contract liabilities	6,409	12,321	17,015	21,633	13,921
Tax liabilities	—	1,582	—	1	—
Lease liabilities	10,259	9,004	3,136	2,704	3,025
Total current liabilities	**130,733**	**143,115**	**114,714**	**122,394**	**67,484**
Net current assets	**1,181,830**	**1,226,103**	**1,245,878**	**1,258,798**	**1,212,138**

Our net current assets increased from RMB1,245.9 million as of December 31, 2025 to RMB1,258.8 million as of March 31, 2026, primarily due to an increase in total current assets of RMB20.6 million, which was partially offset by an increase in total current liabilities of RMB7.7 million. The increase in total current assets was primarily attributable to (i) an increase in bank balances and cash of RMB55.8 million, primarily due to the increased collection of trade receivables during the period; and (ii) an increase in other receivables, deposits and prepayments of RMB10.6 million; partially offset by a decrease in trade receivables of RMB48.3 million as the relatively high balances at the end of 2025 were settled during the period. The increase in total current liabilities was primarily attributable to (i) an increase in contract liabilities of RMB4.6 million; and (ii) an increase in trade and other payables of RMB3.5 million.

Our net current assets increased from RMB1,226.1 million as of December 31, 2024 to RMB1,245.9 million as of December 31, 2025, primarily due to a decrease of RMB28.4 million in total current liabilities, which was partially offset by a decrease of RMB8.6 million in total current assets. The decrease in total current liabilities was primarily attributable to: (i) a decrease in trade and other payables of RMB25.6 million, mainly driven by the decrease in payroll and welfare payables as a result of the reduction in average headcount and the decrease in other payables as accrued expenses and litigation-related amounts were settled during the year; and (ii) a decrease in lease liabilities of RMB5.9 million, primarily due to the expiration of certain office leases and the reclassification of certain lease renewals as short-term leases. The decrease in total current assets was primarily attributable to: (i) a decrease in restricted bank deposits of RMB77.7 million, following the release of frozen funds upon the settlement of the relevant litigation; and (ii) a decrease in bank balances and cash of RMB35.9 million, primarily due to the payment of annual bonuses, dividends and building-related expenditures during the year; partially offset by an increase in trade receivables of RMB75.9 million.

Our net current assets increased from RMB1,181.8 million as of December 31, 2023 to RMB1,226.1 million as of December 31, 2024, primarily due to (i) an increase in bank balances and cash from RMB999.8 million to RMB1,109.0 million; partially offset by: (ii) a decrease in contract costs from RMB55.9 million to RMB28.2 million; and (iii) a decrease in trade receivables from RMB156.0 million to RMB127.8 million.

SELECTED BALANCE SHEET ITEMS

Property, plant and equipment

Our property, plant and equipment consisted of (i) buildings, (ii) equipment, (iii) construction in progress, (iv) leasehold improvement, (v) motor vehicles and (vi) furniture and fixtures. The following table sets out a breakdown of our property, plant and equipment as of the dates indicated:

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	(RMB in thousands)			
Buildings	316,382	309,418	321,595	319,492
Equipment	17,295	21,727	20,973	20,856
Construction in progress	8,524	8,524	8,524	8,524
Leasehold improvement	7,064	6,637	3,766	3,577
Motor vehicles	2,073	1,870	1,158	1,046
Furniture and fixtures	455	415	399	397
Total	**351,793**	**348,591**	**356,415**	**353,892**

Our property, plant and equipment remained relatively stable with an amounts of RMB351.8 million, RMB348.6 million and RMB356.4 million as of December 31, 2023, 2024 and 2025, respectively. These fluctuations were primarily attributable to the net effect of (i) the additions of property, plant and equipment, particularly the addition of buildings of RMB20.2 million in 2025 and electronic equipment to support our business expansion; and (ii) the depreciation charges recognized for the relevant periods. Our property, plant and equipment remained stable at RMB353.9 million as of March 31, 2026, as compared with RMB356.4 million as of December 31, 2025, primarily reflecting the depreciation charges recognized during the period.

Our construction in progress remained stable at RMB8.5 million as of December 31, 2023, 2024, 2025, and March 31, 2026. This balance represented unfinished decoration costs incurred for a certain building, the construction work of which was paused throughout the Track Record Period.

Right-of-use assets

Our right-of-use assets consisted of (i) land use right and (ii) buildings. The following table sets forth a breakdown of our right-of-use assets as of the dates indicated:

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	(RMB in thousands)			
Land use right	19,540	19,019	18,498	18,368
Buildings	18,071	11,497	4,651	3,518
Total	**37,611**	**30,516**	**23,149**	**21,886**

Our right-of-use assets amounted to RMB37.6 million, RMB30.5 million and RMB23.1 million as of December 31, 2023, 2024 and 2025, respectively. The continuous decrease was primarily attributable to (i) the continuous depreciation charges and the expiration of certain office leases; and (ii) the annual amortization of the land use right. Our right-of-use assets decreased to RMB21.9 million as of March 31, 2026, primarily attributable to the continuous depreciation charges and the amortization of the land use right during the period.

Intangible Assets

Our intangible assets represent our software, which amounted to RMB6.4 million, RMB4.1 million, RMB2.4 million and RMB2.1 million as of December 31, 2023, 2024, 2025 and March 31, 2026, respectively. The continuous decrease was primarily attributable to the amortization charges recognized for our capitalized software costs over their estimated useful lives. No significant additions of intangible assets were made during the Track Record Period.

Equity Instruments Designated at FVTOCI

Our equity instruments designated at fair value through other comprehensive income ("**FVTOCI**") primarily represent our minority equity interests in unlisted private companies established in Chinese Mainland. As of December 31, 2023, 2024, 2025 and March 31, 2026, the carrying amount of our equity instruments designated at FVTOCI was RMB31.2 million, RMB27.2 million, RMB10.5 million and RMB10.1 million, respectively. The decrease was primarily attributable to the decline in the fair value of our investments in unlisted private companies during the year. This significant decline was driven by a decrease in the book value of the underlying investee companies, which adversely affected their fair value as determined using the Price-to-Book ratio valuation methodology, adjusted for a discount for lack of marketability. For further details, see note 18 and note 29 to "Appendix I — Accountants' Report".

Deferred Taxation

Our deferred taxation consisted of (i) deferred tax assets and (ii) deferred tax liabilities. The following table sets forth a breakdown of our deferred taxation as of the dates indicated:

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	(RMB in thousands)			
Deferred tax assets	11,316	12,410	15,142	16,675
Deferred tax liabilities	(4,343)	(5,778)	(8,573)	(9,373)
Total	**6,973**	**6,632**	**6,569**	**7,302**

Our deferred taxation amounted to RMB7.0 million, RMB6.6 million, RMB6.6 million and RMB7.3 million as of December 31, 2023, 2024, 2025 and March 31, 2026, respectively. These fluctuations were primarily attributable to movements in temporary differences arising from impairment on assets, fair value change and undistributable profits of subsidiaries.

Trade Receivables

Our trade receivables primarily arise from contracts with customers for the provision of fintech software development services, consulting services and system integration services. The following table sets out a breakdown of our trade receivables as of the dates indicated.

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	(RMB in thousands)			
Trade receivables, gross	164,150	135,542	210,772	161,335
Less: Expected credit losses	(8,154)	(7,752)	(7,122)	(5,987)
Total	**155,996**	**127,790**	**203,650**	**155,348**

Our trade receivables decreased from RMB156.0 million as of December 31, 2023 to RMB127.8 million as of December 31, 2024. This decrease was primarily due to the acceleration of trade receivable settlement by our customers. Our trade receivables increased from RMB127.8 million as of December 31, 2024 to RMB203.7 million as of December 31, 2025, primarily attributable to the slower pace of trade receivable collection during the year, as certain trade receivables arising from revenue recognized in the second half of 2025 had not yet been settled by the end of the reporting period. Our trade receivables decreased from RMB203.7 million as of December 31, 2025 to RMB155.3 million as of March 31, 2026, primarily attributable to the increased collection of trade receivables during the period, as certain relatively high balances arising from revenue recognized in the second half of 2025 were settled during the period.

The following table sets out an aging analysis of our trade receivables as of the dates indicated:

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	(RMB in thousands)			
Within one year	137,402	122,235	202,819	154,609
One to two years	11,701	3,504	556	517
More than two years	6,893	2,051	275	222
Total	**155,996**	**127,790**	**203,650**	**155,348**

The following table sets forth our trade receivables turnover days for the periods indicated:

	Year ended December 31,			Three Months ended March 31,
	2023	2024	2025	2026
Trade receivables turnover days[(1)]	92	74	100	107

(1) Trade receivables turnover days are calculated using the average of opening balance and closing balance of trade receivables (before allowance for credit losses) for a year/period divided by revenue for the relevant year/period and multiplied by 365 days or 90 days.

Our trade receivables turnover days decreased from 92 days in 2023 to 74 days in 2024, primarily attributable to the continued acceleration of collection speed and improved collection efficiency caused by our customers, which are primarily financial institutions, typically accelerate their internal payment approval and settlement processes towards the end of the calendar year, resulting in a lower trade receivables balance. Our trade receivables turnover days increased from 74 days in 2024 to 100 days in 2025, primarily due to an increase in the balance of trade receivables to RMB203.7 million as of December 31, 2025. The increase was mainly attributable to a relatively slower pace of trade receivable collection during the year, resulting in a higher trade receivables balance as compared to 2024. Our trade receivables turnover days further increased to 107 days for the three months ended March 31, 2026, primarily due to the relatively higher average trade receivables balance during the period.

As of July 31, 2026, RMB119.9 million, or 74.3% of our trade receivables as of March 31, 2026, had been settled.

Trade Receivables Recoverability and Provision Sufficiency

Our Directors conclude that we do not anticipate any material recoverability issues with the trade receivables and sufficient provision or impairment loss has been made, on the basis that:

(i) *Provision based on the Expected Credit Loss model:* We measure the loss allowance for trade receivables at an amount equal to lifetime ECL in accordance with IFRS 9. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for forward-looking factors that are specific to the debtors and the general economic conditions of the industry in which the debtors operate. Under the provision matrix, trade receivables are grouped by aging buckets and the historical default rates are applied to each aging bucket, adjusted for current conditions and forward-looking macroeconomic factors. We perform the impairment assessment on trade receivable balances individually and/or collectively at the end of each reporting period to ensure that adequate impairment losses are made for ECL. We have delegated a team responsible for the determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. During the Track Record Period, we recognized impairment losses on trade receivables of RMB1.6 million, reversed impairment losses of RMB0.4 million, recognized impairment losses of RMB1.4 million and reversed impairment losses of RMB1.1 million in 2023, 2024, 2025 and the three months ended March 31, 2026, respectively. Our Directors have assessed the ECL provision rates for each year/period during the Track Record Period and consider them to be reasonable and adequate to cover the potential credit risks. There have been no significant changes to estimation techniques or assumptions, and no changes to our accounting policy in relation to the impairment of trade receivables during the Track Record Period.

(ii) *High credit quality of our customer base and long-term relationships:* Our customers primarily consist of reputable large and medium-sized banks and financial institutions . We have established long-term and stable cooperative relationships with these customers.

(iii) *Immaterial actual write-offs:* The actual write-offs of our trade receivables were immaterial during the Track Record Period. Specifically, the actual write-offs of trade receivables were approximately RMB0.7 million, RMB0.01 million, RMB2.1 million and nil in 2023, 2024, 2025 and the three months ended March 31, 2026, representing merely 0.4%, less than 0.1%, less than 1.0% and nil of the gross trade receivables for the respective periods.

(iv) *Most trade receivables were within one year:* Our trade receivables demonstrate a healthy aging profile with a high proportion recoverable within one year. Based on the gross carrying amount, trade receivables aged within one year accounted for 85.2%, 92.0%, 98.1% and 97.6% of our total trade receivables as of December 31, 2023, 2024, 2025 and March 31, 2026, respectively. Based on the ECL model, 98% of the trade receivables within one year are expected to be recoverable in 2023, 2024, 2025 and the three months ended March 31, 2026.

(v) *Fluctuations in ECL provision correspond with the improvement in aging profile:* The fluctuations in our ECL provision during the Track Record Period were primarily driven by the improvement in the aging structure of our trade receivables, which is consistent with the actual change in credit risk. Our trade receivables increased from RMB135.5 million as of December 31, 2024 to RMB210.8 million as of December 31, 2025, and turnover days increased from 74 days to 100 days, while our ECL provision balance decreased from RMB7.8 million to RMB7.1 million. The increase in trade receivables was primarily attributable to the delayed payment process of one of our major customers, resulting in a slower pace of trade receivable collection and a higher year-end balance. In addition, the 74 turnover days recorded as of December 31, 2024 was a relatively low level, primarily reflecting the acceleration of trade receivable settlement by our financial institution customers during that year. The increase in turnover days to 100 days as of December 31, 2025 was primarily attributable to the payment process adjustment of one of our major customers described above, which resulted in a slower pace of collection and a higher year-end receivables balance. The decrease in our ECL provision balance was because the increase in trade receivables was mainly attributable to trade receivables aged within one year, which increased from RMB124.7 million to RMB206.8 million and raised their proportion from 92.0% to 98.1% of the total balance. At the same time, trade receivables aged over one year decreased significantly by 63.7% from RMB10.8 million to RMB3.9 million. Since the ECL provision matrix applies significantly lower default rates to trade receivables aged within one year, the improvement in aging structure directly drove down the overall provision balance, which is consistent with the actual reduction in credit risk.

Our trade receivables decreased from RMB210.8 million as of December 31, 2025 to RMB161.3 million as of March 31, 2026, while turnover days further increased from 100 days to 107 days. The increase in turnover days was primarily because the calculation incorporated the relatively high opening balance as of December 31, 2025, which inflated the average trade receivables balance relative to the single-quarter revenue figure, and did not reflect a deterioration in our actual collection capability. Our aging profile remained healthy, with trade receivables within one year accounting for 97.6% of the total balance and trade receivables aged over one year maintained at a minimal level. The further decrease in the ECL provision balance to RMB6.0 million was consistent with the decrease in total receivables and the sustained healthy aging structure.

Furthermore, the majority of trade receivables aged over one year were subsequently collected in the following years. Our Directors confirm that there have been no material changes in the credit profiles of our major customers, our collection experience, our ECL assumptions or our accounting policies during the Track Record Period and up to the Latest Practicable Date.

Contract Assets

Our contract assets represent retention monies withheld by customers arising from the provision of fintech software development services and system integration services. The following table sets out a breakdown of our contract assets as of the dates indicated:

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	(RMB in thousands)			
Provision of:				
— Fintech software development services	2,651	2,368	3,075	2,928
— System integration services	6	—	—	—
Total	**2,657**	**2,368**	**3,075**	**2,928**

Our contract assets remained relatively stable with an amount of RMB2.7 million and RMB2.4 million as of December 31, 2023 and 2024, respectively. Our contract assets further increased to RMB3.1 million as of December 31, 2025, primarily representing retention monies receivable from our fintech software development services contracts that were subject to the satisfaction of certain conditions before becoming unconditional receivables. Our Group typically agrees to one year retention period for 10% of the contract value, which is released upon the expiration of the warranty period stipulated in the project-based contracts. The balance of contract assets remained relatively small, representing approximately 0.2% of our total assets as of December 31, 2025. Our contract assets remained relatively stable at RMB2.9 million as of March 31, 2026, as compared with RMB3.1 million as of December 31, 2025. For details, see note 21(b) to "Appendix I — Accountants' Report".

As of July 31, 2026, RMB0.6 million, or 19.6% of our contract assets as of March 31, 2026, had been converted into receivables or had been settled.

Contract Costs

Our contract costs represent costs incurred to fulfill our project-based contracts, including fintech software development services contracts, consulting services contracts, and system integration services contracts. These costs amounted to RMB55.9 million, RMB28.2 million, RMB45.9 million and RMB48.9 million as of December 31, 2023, 2024, 2025 and March 31, 2026, respectively. The fluctuations in our contract costs were primarily attributable to (i) the subsequent recognition of costs as cost of sales accompanying project delivery, which drove the decrease from RMB55.9 million as of December 31, 2023 to RMB28.2 million as of December 31, 2024; and (ii) the accumulation of project implementation costs for ongoing projects pending delivery, which resulted in the increase from RMB28.2 million as of December 31, 2024 to RMB45.9 million as of December 31, 2025. The increase in contract costs as of December 31, 2025 was primarily attributable to the normal accumulation of project implementation costs as we continued to invest in ongoing projects that were pending delivery and acceptance by customers. In addition, impairment provisions of RMB9.2 million and RMB12.3 million were recognized in 2024 and 2025, respectively, primarily attributable to the impairment provision for contract costs recognized for certain project-based contracts mainly from Chinese Mainland, where the estimated delivery costs exceeded the expected revenue.

During the Track Record Period, our impairment losses on financial assets, contract assets and contract costs, net, experienced significant fluctuations, primarily driven by the provisions for impairment of contract costs, which represent our inventory in the form of project fulfilment costs. We recorded nil provision in 2023, but recognized substantial impairment provisions for contract costs of RMB9.2 million and RMB12.3 million for the years ended December 31, 2024 and 2025, respectively and we recorded impairment reversal for contract costs of RMB1.7 million for the three months ended March 31, 2026. These impairment provisions were recognized when the carrying amount of the contract costs exceeded their expected net realizable value, which was primarily attributable to the following two scenarios encountered during our project execution: Such provisions primarily corresponded to our ongoing loss-making projects, which fell into two main categories based on the nature of the engagements during our project execution:

- *Strategically driven projects:* We may offer competitive pricing advantages to secure contracts from our new customers. Furthermore, serving new customers or entering new domains may require us to assemble new project teams. The initial learning curve associated with familiarizing the specific business processes and technical environments may lead to lower initial efficiency and higher preliminary costs than we expected. When estimated contract costs exceeded their expected net realizable value, necessitating impairment provisions for the contract costs incurred.

- *Cost overruns arising from scope changes or underestimation of project complexity:* our customers may request technical modifications or incremental work scope that extended beyond our original contracts. In order to maintain long-term customer relationships and ensure the successful delivery of the projects, we may incur additional development and implementation costs. In addition, the final contract prices negotiated with customers may be lower than our initial expectations, primarily due to intensified industry competition and downward adjustments in our customers' IT budgets. Furthermore, there were instances that we commenced project work and incurred preliminary costs based on clear initial intentions from customers. However, due to subsequent changes in their strategic decisions or budget constraints, our contracts were ultimately not signed as anticipated. These factors led to significant cost overruns where the incurred fulfilment costs exceeded their expected recoverable amounts, resulting in corresponding impairment provisions.

As at the end of each reporting period, no provision for onerous revenue contracts has been made since i) the contract revenue of certain contracts are larger than the unavoidable costs to complete those contracts; or ii) the impairment loss on contract costs substantially represented the provision for onerous contracts; or iii) the expected costs to completed are manageable by the Company.

See "Business — Revenue Model — Project-Based Model" for further details of our ongoing loss-making projects.

Contract Liabilities

Our contract liabilities represent unsatisfied performance obligation for receipt in advance for provision of fintech software development services and consulting services, and amounted to RMB6.4 million, RMB12.3 million, RMB17.0 million and RMB21.6 million as of December 31, 2023, 2024, 2025 and March 31, 2026, respectively. The following table sets out a breakdown of our contract liabilities as of the dates indicated:

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	(RMB in thousands)			
Provision of:				
— Fintech software development services	6,409	11,765	15,001	20,551
— Consultation services	—	556	2,014	1,082
Total	**6,409**	**12,321**	**17,015**	**21,633**

Our contract liabilities increased from RMB6.4 million as of December 31, 2023 to RMB12.3 million as of December 31, 2024, driven by an increase in advance payments received from customers for our projects. The balance then increased to RMB17.0 million as of December 31, 2025, primarily due to primarily attributable to the increase in advance project payments received from customers for project engagements. Our contract liabilities increased to RMB21.6 million as of March 31, 2026, as compared with RMB17.0 million as of December 31, 2025, primarily due to the increase in advance project payments received from customers for project engagements during the period.

As of July 31, 2026, RMB14.5 million, or 67.0% of our contract liabilities as of March 31, 2026, had been recognized as revenue.

Lease Liabilities

As of December 31, 2023, 2024, 2025 and March 31, 2026, we recognized total lease liabilities, including current and non-current lease liabilities, of RMB18.8 million, RMB11.4 million, RMB4.4 million and RMB3.6 million, respectively. Lease liabilities are recognized when a contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. Our Group recognizes a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases and leases of low value assets.

The total lease liabilities amounted to RMB18.8 million as of December 31, 2023. The total lease liabilities decreased to RMB11.4 million as of December 31, 2024, primarily due to the repayment of principal and interest on lease liabilities and the expiration of certain leases. The total lease liabilities further decreased significantly to RMB4.4 million as of December 31, 2025. This significant reduction was primarily attributable to the early termination of certain leases and the reclassification of certain renewals as short-term leases, in addition to continued principal payments. Our total lease liabilities further decreased to RMB3.6 million as of March 31, 2026, primarily attributable to the continued repayment of lease principal during the period.

Other Receivables, Deposits and Prepayments

Our other receivables, deposits and prepayments comprise of (i) deposits and advance to staff; (ii) interest receivable; (iii) prepayments; (iv) prepaid listing expenses and (v) deductible value-added tax. The following table sets forth a breakdown of our other receivables, deposits and prepayments as of the dates indicated:

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	(RMB in thousands)			
Deposits and advance to staff	5,099	5,453	4,608	6,588
Interest receivable	6,271	8,988	11,475	12,904
Prepayments	1,332	4,013	3,980	3,757
Prepaid listing expenses	—	—	8,353	15,229
Deductible value-added tax	37	51	774	1,296
	12,739	18,505	29,190	39,774
Less: Expected credit losses	(51)	(55)	(47)	(67)
Total:	**12,688**	**18,450**	**29,143**	**39,707**

Our other receivables, deposits and prepayments amounted to RMB12.7 million, RMB18.5 million and RMB29.1 million as of December 31, 2023, 2024 and 2025, respectively. The fluctuations in our other receivables, deposits and prepayments over time were primarily attributable to (i) the increase in prepaid listing expenses from nil as of December 31, 2023, 2024 to RMB8.4 million as of December 31, 2025, representing upfront professional fees incurred in connection with the proposed listing of us; (ii) the continuous increase in interest receivable from 2023 to 2025, as a result of our enhanced fund management and the optimization of our cash management strategy, which generated higher deposit interest income; and (iii) the increase in deductible value-added tax from RMB0.1 million as of December 31, 2024 to RMB0.8 million as of December 31, 2025. Our other receivables, deposits and prepayments increased to RMB39.7 million as of March 31, 2026, as compared with RMB29.1 million as of December 31, 2025, primarily attributable to (i) an increase in prepaid listing expenses of RMB6.9 million, representing additional professional fees incurred in connection with the proposed Listing; (ii) an increase in deposits and advance to staff of RMB2.0 million; and (iii) an increase in interest receivable of RMB1.4 million.

As of July 31, 2026, RMB4.8 million, or 12.1% of our other receivables, deposits and prepayments as of March 31, 2026, had been recovered or settled.

Restricted Bank Deposits

During the Track Record Period, our restricted bank deposits primarily consist of frozen funds and guarantee deposits. The following table sets out a breakdown of our restricted bank deposits as of the dates indicated:

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	(RMB in thousands)			
Frozen funds	76,906	76,681	—	—
Guarantee deposits	2,927	5,365	4,383	4,008
Total	**79,833**	**82,046**	**4,383**	**4,008**

Frozen funds represent bank balances that were frozen pursuant to property preservation orders issued by a competent court in the PRC. These orders arose from a commercial dispute regarding construction payments initiated by a third party in July 2021. The funds remained frozen during the legal proceeding. Consequently, such frozen funds constituted the majority of our restricted bank deposits during the Track Record Period. As of March 31, 2026, following the settlement of the legal proceeding, the relevant court orders were discharged, and such frozen funds had been fully released.

Guarantee deposits represent cash collateral pledged to banks for performance guarantees as stipulated in project-based contracts. They secure our contractual performance and delivery quality, and are released and refunded upon satisfactory project completion.

Our restricted bank deposits increased from RMB79.8 million as of December 31, 2023 to RMB82.0 million as of December 31, 2024, primarily attributable to the increase in guarantee deposits. Our restricted bank deposits decreased from RMB82.0 million as of December 31, 2024 to RMB4.4 million as of December 31, 2025, primarily attributable to the release of frozen funds following the settlement of the litigation. Our restricted bank deposits decreased from RMB4.4 million as of December 31, 2025 to RMB4.0 million as of March 31, 2026, primarily due to the decrease of our guarantee deposits.

Bank Balances and Cash

We had bank balances and cash of RMB999.8 million, RMB1,109.0 million and RMB1,073.1 million as of December 31, 2023, 2024 and 2025. Our bank balances and cash increased from RMB1,073.1 million as of December 31, 2025 to RMB1,128.9 million as of March 31, 2026, primarily attributable to the net cash generated from operating activities resulting from the increased collection of trade receivables during the period.

Trade and other payables

Our trade and other payables primarily consisted of (i) trade payables, (ii) payroll and welfare payables, and (iii) other payables. The following table sets out a breakdown of our trade and other payables as of the dates indicated:

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	(RMB in thousands)			
Payroll and welfare payables	98,030	97,771	88,420	92,662
Other payables[(1)]	9,830	12,617	3,270	2,666
Other taxes payables	3,266	8,435	2,831	2,683
Trade payables	2,939	1,385	42	45
Total:	**114,065**	**120,208**	**94,563**	**98,056**

(1) Other payables mainly include (i) accrued expenses; and (ii) litigation-related payables (including interest provisions), except for as of December 31, 2025 and March 31, 2026.

Our trade and other payables increased from RMB114.1 million as of December 31, 2023 to RMB120.2 million as of December 31, 2024, primarily attributable to the increase in other taxes payables and other payables representing accrued expenses. Our trade and other payables decreased from RMB120.2 million as of December 31, 2024 to RMB94.6 million as of December 31, 2025, primarily attributable to (i) a decrease in payroll and welfare payables of RMB9.4 million, primarily due to the reduction in average headcount during the year; (ii) a decrease in other payables of RMB9.3 million, primarily attributable to the settlement of accrued expenses and litigation-related amounts during the year; (iii) a decrease in other taxes payables of RMB5.6 million; and (iv) a decrease in trade payables of RMB1.3 million, mainly due to the settlement in 2025 of most of our trade payables outstanding as of December 31, 2024, coupled with lower procurement amounts for our projects during the year. Our trade payables subsequently remained stable at RMB0.04 million as of December 31, 2025 and March 31, 2026. Our trade and other payables increased from RMB94.6 million as of December 31, 2025 to RMB98.1 million as of March 31, 2026, primarily attributable to an increase in payroll and welfare payables of RMB4.2 million in connection with the accrual of staff costs during the period.

Our other payables primarily consisted of accrued expenses and litigation-related payables (including interest provisions) arising from a commercial dispute regarding a construction project. For details, see "— Restricted Bank Deposits". As of December 31, 2023 and 2024, our other payables amounted to RMB9.8 million and RMB12.6 million, respectively, which included provisions related to the dispute. The balance decreased significantly to RMB3.3 million as of December 31, 2025. This decrease was primarily attributable to the settlement of the relevant dispute during the period, pursuant to which the litigation-related amounts were fully settled. Our other payable further decreased to RMB2.7 million as of March 31, 2026, primarily attributable to the decrease in our accrued expenses.

The following table sets out an aging analysis of our trade payables as of the dates indicated:

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	(RMB in thousands)			
Within one year	2,919	1,297	27	30
Over one years	20	88	15	15
Total	**2,939**	**1,385**	**42**	**45**

The following table sets forth our trade payables turnover days for the Track Record Period:

	Year ended December 31,			Three Months ended March 31,
	2023	2024	2025	2026
Trade payables turnover days[(1)]	1.3	1.6	0.7	0.0

(1) Trade payables turnover days are calculated using the average of opening balance and closing balance of trade payables for a year/period divided by cost of sales used for the relevant year/period and multiplied by 365 days or 90 days.

Our trade payables turnover days remained substantially low throughout the Track Record Period, amounting to 1.3 days, 1.6 days, 0.7 days and 0.0 days for the years ended December 31, 2023, 2024, 2025 and the three months ended March 31, 2026, respectively. This substantially low level of trade payables turnover days reflected our minimal reliance on external procurement for our business lines. Fluctuations in this ratio were primarily attributable to the immaterial trade payables balance, which magnified the effect of minor timing differences in settlement cut-off dates.

As of July 31, 2026, none of our trade payables as of March 31, 2026, had been settled.

LIQUIDITY AND CAPITAL RESOURCES

We have historically funded our cash requirements principally from proceeds from our business operations and capital contribution from shareholders. After the Global Offering, we intend to finance our future capital requirements through cash generated from our business operations and the net proceeds from the Global Offering. We do not anticipate any changes to the availability of financing to fund our operations in the future.

During the Track Record Period, we financed our capital expenditure and working capital requirements primarily through cash generated from operating activities. As of December 31, 2023, 2024, 2025 and March 31, 2026, we had cash and bank balances of RMB999.8 million, RMB1,109.0 million, RMB1,073.1 million and RMB1,128.9 million, respectively.

Going forward, we anticipate that our operating cash flows and the net proceeds from the Global Offering will collectively fulfill our working capital, capital expenditures, and liquidity needs. Our capacity to meet financial commitments will hinge on our operational performance and cash flow generation, which are influenced by economic conditions and various external factors. Should our current funds prove inadequate, we will consider securing additional credit or engaging in equity financing.

Working Capital Sufficiency

Our Directors are of the view that, taking into account our available resources including cash and bank balances on hand, and the estimated net proceeds from the Global Offering, we have sufficient working capital for our present requirements and for the next 12 months from the date of this prospectus.

Cash Flow

The following table sets forth a summary of our cash flows for the periods indicated:

	Year ended December 31,			Three Months ended March 31,	
	2023	2024	2025	2025	2026
	(RMB in thousands)				
				(unaudited)	
Net cash generated from/(used in) operating activities	127,111	168,354	62,447	(35,840)	72,497
Net cash used in investing activities	(7,232)	(14,225)	(25,072)	(2,973)	(1,682)
Net cash used in financing activities	(44,632)	(45,759)	(68,545)	(2,437)	(7,934)
Net increase (decrease) in cash and cash equivalents	75,247	108,370	(31,170)	(41,250)	62,881
Cash and cash equivalents at beginning of year/period	924,242	999,802	1,109,041	1,109,041	1,073,113
Effect of foreign exchange rate changes, net	313	869	(4,758)	(521)	(7,117)
Cash and cash equivalents at end of year/period	**999,802**	**1,109,041**	**1,073,113**	**1,067,270**	**1,128,877**

Net Cash Flows Generated from Operating Activities

In the three months ended March 31, 2026, we had net cash generated from operating activities of RMB72.5 million. This amount represented our profit before tax of RMB9.9 million, adjusted for non-cash and non-operating items, primarily including (i) depreciation of property, plant and equipment of RMB3.4 million; (ii) net impairment reversal recognized for financial assets, contract assets and contract costs of RMB2.8 million; and (iii) depreciation of right-of-use assets of RMB1.2 million. The amount was further adjusted by changes in working capital, primarily (i) a decrease in trade receivables of RMB56.2 million; (ii) an increase in contract liabilities of RMB4.6 million; and (iii) an increase in trade and other payables of RMB3.7 million.

In 2025, we had net cash generated from operating activities of RMB62.4 million. This amount represented our profit before tax of RMB78.8 million, adjusted for non-cash and non-operating items, primarily (i) depreciation of property, plant and equipment of RMB17.0 million; (ii) net impairment losses recognized for financial assets, contract assets and contract costs of RMB13.8 million; and (iii) depreciation of right-of-use assets of RMB7.5 million. The amount was further adjusted by changes in working capital, primarily (i) decrease in restricted bank deposits of RMB77.7 million; (ii) increase in trade receivables of RMB77.3 million; and (iii) increase in contract costs of RMB30.0 million.

In 2024, we had net cash generated from operating activities of RMB168.4 million, which represented our profit before tax of RMB73.4 million, adjusted for non-cash and non-operating items, primarily (i) depreciation of property, plant and equipment of RMB17.7 million; (ii) depreciation of right-of-use assets of RMB13.1 million; and (iii) net impairment losses recognized for financial assets, contract assets and contract costs of RMB8.8 million. The amount was further adjusted by changes in working capital, primarily (i) a decrease in trade receivables of RMB28.6 million, and (ii) a decrease in contract costs of RMB18.6 million.

In 2023, we had net cash generated from operating activities of RMB127.1 million, which represented our profit before tax of RMB47.9 million, adjusted for non-cash and non-operating items, primarily (i) depreciation of property, plant and equipment of RMB17.7 million; (ii) depreciation of right-of-use assets of RMB14.1 million; and (iii) amortization of intangible assets of RMB3.3 million. The amount was further adjusted by changes in working capital, primarily (i) a decrease in trade receivables of RMB40.0 million and (ii) a decrease in contract costs of RMB32.2 million, partially offset by an increase in restricted bank deposits of RMB43.0 million.

Net Cash Flows Used in Investing Activities

In the three months ended March 31, 2026, our net cash flows used in investing activities was RMB1.7 million, which primarily consisted of (i) purchases of property, plant and equipment of RMB1.7 million; and (ii) purchase of intangible assets of RMB0.02 million.

In 2025, our net cash flows used in investing activities was RMB25.1 million, which primarily consisted of (i) purchases of property, plant and equipment of RMB25.0 million; (ii) purchase of intangible assets of RMB0.1 million; and (iii) proceeds on disposal of property, plant and equipment of RMB0.1 million.

In 2024, our net cash flows used in investing activities was RMB14.2 million, which primarily consisted of (i) purchases of property, plant and equipment of RMB14.3 million, (ii) purchase of intangible assets of RMB0.1 million; and (iii) proceeds on disposal of property, plant and equipment of RMB0.1 million.

In 2023, our net cash flows used in investing activities was RMB7.2 million, which primarily consisted of (i) purchases of property, plant and equipment of RMB5.1 million and (ii) purchase of intangible assets of RMB2.1 million.

Net Cash Flows Used in Financing Activities

In the three months ended March 31, 2026, our net cash flows used in financing activities were RMB7.9 million, which primarily consisted of (i) prepaid listing expenses of RMB7.4 million; (ii) capital elements of lease rentals paid of RMB1.0 million; and (iii) interest elements of lease rentals paid of RMB0.04 million.

In 2025, our net cash flows used in financing activities were RMB68.5 million, which primarily consisted of (i) dividend paid of RMB53.1 million; (ii) prepaid listing expenses of RMB8.8 million; and (iii) capital elements of lease rentals paid of RMB7.0 million.

In 2024, our net cash flows used in financing activities were RMB45.8 million, which primarily consisted of (i) dividend paid of RMB31.8 million, (ii) capital elements of lease rentals paid of RMB13.3 million, and (iii) interest elements of lease rentals paid of RMB0.6 million.

In 2023, our net cash flows used in financing activities were RMB44.6 million, which primarily consisted of (i) dividend paid of RMB31.8 million, (ii) capital elements of lease rentals paid of RMB12.1 million, and (iii) interest elements of lease rentals paid of RMB0.7 million.

INDEBTEDNESS

The table below sets forth the breakdown of our indebtedness as of the dates indicated.

	As of December 31,			As of March 31,	As of July 31,
	2023	2024	2025	2026	2026
	(RMB in thousands)				
					(Unaudited)
Current					
Lease liabilities	10,259	9,004	3,136	2,704	3,025
Non-current					
Lease liabilities	8,520	2,382	1,313	884	1,689
Total	**18,779**	**11,386**	**4,449**	**3,588**	**4,714**

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 above, 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 July 31, 2026 up to the date of this prospectus.

As of July 31, 2026, we did not have committed unutilized banking credit facilities.

CONTINGENT LIABILITIES

At the end of each year/period of the Track Record Period, we did not have any significant contingent liabilities.

KEY FINANCIAL RATIOS

The following table sets forth our key financial ratios for the periods indicated:

	As of/Year ended December 31,			As of/Three months ended March 31,
	2023	2024	2025	2026
Gross profit margin (%)(1)	30.2	33.1	37.8	30.3
Net profit margin (%)(2)	6.5	9.1	11.8	6.8
Current ratio(3)	10.04	9.57	11.86	11.28
Quick ratio(4)	9.61	9.37	11.46	10.88

(1) Gross profit margin equals gross profit for the year/period divided by revenue for the year/period and multiplied by 100%.

(2) Net profit margin equals net profit for the year/period divided by revenue for the year/period and multiplied by 100%.

(3) Current ratio equals current assets divided by current liabilities as of the same date.

(4) Quick ratio equals current assets minus inventory and divided by current liabilities as of the same date.

Our current ratio and quick ratio remained exceptionally strong throughout the Track Record Period. Our current ratio remained stable at 10.04 times as of December 31, 2023 and 9.57 times as of December 31, 2024, and further increased to 11.86 times as of December 31, 2025. Our quick ratio remained stable at 9.61 times as of December 31, 2023 and 9.37 times as of December 31, 2024, and further increased to 11.46 times as of December 31, 2025. The improvement in 2025 was primarily attributable to a substantial decrease in our total current liabilities during 2025, specifically: (i) a decrease in payroll and welfare payables, mainly driven by the reduction in our average headcount compared to the previous period as a result of our strategic business optimization; and (ii) a decrease in other payables, primarily because the majority of accrued expenses and litigation-related provisions were settled and paid during the current period. Our current ratio and quick ratio were 11.28 times and 10.88 times as of March 31, 2026, respectively, remaining at strong levels and broadly consistent with those as of December 31, 2025.

CAPITAL EXPENDITURES

At the end of each year/period of the Track Record Period, we did not have any significant capital expenditures.

We plan to continue capital expenditures to support our business growth and expansion strategy. For details, see "Future Plans and Use of Proceeds — Use of Proceeds". We intend to fund these expenditures with available financial resources, including cash generated from operations and net proceeds from the Global Offering.

CAPITAL COMMITMENTS

At the end of each year/period of the Track Record Period, we did not have any significant capital commitments.

RELATED PARTY TRANSACTIONS

Related party transactions are set out in note 33 to "Appendix I — Accountants' Report" to this prospectus. Our Directors confirm that these transactions were conducted in the ordinary and usual course of business and at arm's length basis. 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 non-reflective of our future performance.

PROPERTY INTERESTS AND VALUATION OF PROPERTIES

Greater China Appraisal Limited, an independent qualified property valuer, valued our property interests of us as of July 31, 2026 at no commercial value. Details of the valuation are summarized in Appendix III to this prospectus due to the strict alienation restrictions imposed on the land use right. The following table sets out the reconciliation between the net book value of the property as of March 31, 2026 and the property valuation report as set out in Appendix III to this prospectus as of July 31, 2026:

	RMB'000
Net book value of the property as of March 31, 2026	337,860
Less: Depreciation for the four months ended July 31, 2026	2,977
Net book value of the property as of July 31, 2026	334,883
Valuation deficit as of July 31, 2026	334,883
Market value of the property as of July 31, 2026 as set forth in the property valuation report in Appendix III to this prospectus[(1)]	nil

(1) According to the property valuation report, the property interests were valued at no commercial value by the independent property valuer because the property is restricted to self-use and cannot be transferred freely in the market. This valuation methodology is consistent with industry practice for such restricted properties and does not imply an impairment of the asset's carrying amount in our financial statements.

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

As of the Latest Practicable Date, we had not entered into any off-balance sheet arrangements. We also have not entered into any financial guarantees or other commitments to guarantee the payment obligations of third parties. In addition, we have not entered into any derivative contracts that are indexed to our equity interests and classified as owners' equity. Furthermore, we do not have any retained or contingent interest in assets transferred to an unconsolidated entity that serves as credit, liquidity or market risk support to such entity. We do not have any variable interest in any unconsolidated entity that provides financing, liquidity, market risk or credit support to us or that engages in leasing, hedging or research and development services with us.

FINANCIAL RISKS DISCLOSURE

We are exposed to a variety of financial risks, including credit risk, liquidity risk, interest rate and currency risk. See note 29 to "Appendix I — Accountants' Report".

DIVIDENDS AND DIVIDEND POLICY

During the Track Record Period and up to the Latest Practicable Date, we did not have a formal dividend policy or a pre-determined dividend payout ratio. Subject to PRC laws and regulations, including the PRC Company Law (《中華人民共和國公司法》) and the No. 3 Guideline for the Supervision of Listed Companies — Cash Dividend Distribution of Listed Companies (2025 Revision) (《上市公司監管指引第3號 — 上市公司現金分紅(2025年修訂)》), and pursuant to the requirements under the Articles of Association, if we record profit and positive accumulated undistributed profits for a given year, and our cash flow can satisfy our normal operation and sustainable development needs, we will distribute no less than 20% of the distributable profits realized in that year as cash dividends, except for under special circumstances such as significant investment plans or significant cash expenditures as stipulated in our Articles of Association.

In 2023, 2024 and 2025, we declared dividends of RMB31.8 million, RMB31.8 million and RMB53.1 million in respect of the financial years ended December 31, 2022, 2023 and 2024, respectively. These declared dividends represented dividend payout ratios of 77.3%, 67.2% and 78.8%

in 2022, 2023 and 2024, respectively. Dividend payout ratio is calculated by dividing our dividend declared in respect of a financial year by the net profit for the year attributable to the owners of the Company of the same year. As of the Latest Practicable Date, we have paid the dividends declared in 2023, 2024 and 2025 in full. For details, see note 13 to "Appendix I — Accountants' Report" for our declared dividends during the Track Record Period. We did not declare or pay any dividend during the three months ended March 31, 2026.

On April 24, 2026, being subsequent to the Track Record Period, we declared a dividend of RMB31.8 million in respect of the financial year ended December 31, 2025, representing a dividend payout ratio of 42.9% for 2025. As of the Latest Practicable Date, we have paid such declared dividend in full.

Future profit distributions may be carried out in the form of cash dividends or stock dividends or a combination of cash dividends and stock dividends. We do not have a fixed dividend distribution ratio. Any proposed distribution of dividends is subject to the discretion of our Board and the approval at our Shareholders' meetings. Our Board may recommend a distribution of dividends in the future after taking into account our results of operations, financial condition, operating requirements, capital requirements, shareholders' interests and any other conditions that our Board may deem relevant.

DISTRIBUTABLE RESERVES

As of March 31, 2026, our consolidated retained profit amounted to RMB509.3 million, which is available for distribution to our Shareholders.

LISTING EXPENSES

Listing expenses represent professional fees, underwriting commission and fees incurred in connection with the Listing and the Global Offering. Our listing expenses are estimated to be approximately HK$73.9 million (including underwriting commission) accounting for approximately 7.8% of the gross proceeds of the Global Offering, assuming that an Offer Price of HK$16.0 per Share (being the maximum Offer Price stated in this prospectus). Among our listing expenses, approximately HK$71.4 million is directly attributable to the issuance of Shares and will be charged to equity upon completion of the Listing, and approximately HK$2.5 million has been or will be charged to our consolidated statement of comprehensive income. The listing expenses we incurred in the Track Record Period and expect to incur would consist of approximately HK$38.7 million underwriting related expenses and fees (including underwriting commissions, SFC transaction levy, Stock Exchange trading fee and AFRC transaction levy), approximately HK$27.5 million non-underwriting-related expenses and fees including fees for the Joint Sponsors, legal advisors and reporting accountant and approximately HK$7.7 million for other non-underwriting-related fees and expenses. During the Track Record Period, we incurred listing expense of HK$0.5 million.

The listing expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

UNAUDITED PRO FORMA ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

See "Appendix II — Unaudited Pro Forma Financial Information".

NO MATERIAL ADVERSE CHANGE

Our Directors confirmed that, as of the date of this prospectus, there has been no material adverse change in our financial position since March 31, 2026, and there has been no event since March 31, 2026 that would materially affect the information as set out in the Accountants' Report in Appendix I to this prospectus.

DISCLOSURE REQUIRED UNDER THE LISTING RULES

Our Directors confirm that, as of the Latest Practicable Date, there was no circumstance that would give rise to a disclosure requirement under Rules 13.13 to 13.19 of the Listing Rules.

FUTURE PLANS

See "Business — Our Strategies" for a detailed description of our future plans.

USE OF PROCEEDS

We estimate that the net proceeds from the Global Offering will be approximately HK$869.4 million after deducting underwriting fees and commissions and estimated expenses payable by us in connection with the Global Offering, based on the Offer Price of HK$16.0 per H Share (being the maximum Offer Price Stated in the prospectus).

We intend to use the net proceeds we will receive from the Global Offering for the following purposes.

- Approximately HK$304.3 million, representing 35.0% of the net proceeds, will be used to enhance our R&D capabilities over the next three to five years, focusing on the development of key technologies and services. Specifically, we plan to allocate:

  (a) Approximately HK$139.1 million, representing 16.0% of the net proceeds, will be dedicated to enhancing our capabilities in compliant Web3 practices, including digital asset custody, blockchain infrastructure, BaaS, and smart contract technologies:

    (i) Approximately HK$86.9 million, representing 10.0% of the net proceeds, will support the upgrade of our FINNOSafe platform to launch an assets management safety and trustee platform with high level of compliance. We will purchase licenses of software development tools (including but not limited to JetBrains IntelliJ IDEA and JetBrains PyCharm, which are professional integrated development environments for Java and Python development used for enterprise-level development, debugging, build and deployment processes), design tools, office software, operating systems, security related hardware, development and testing hardware and cloud services, which will be used for R&D projects. To support the FINNOSafe upgrade, we plan to maintain our current team and gradually recruit additional talents, set forth as following:

    To support the FINNOSafe upgrade, we plan to recruit a total of 79 technical and product talents over the next five years, of which the costs attributable to 41 personnel are expected to be funded by the net proceeds. These talents include AI Agent Engineers, Testing Engineers, Product Manager, Back-end Engineers, Front-end Engineers, Blockchain Engineers, and Operations and Maintenance Engineers, with annual cost per person ranging from approximately HK$233,000 to HK$467,000. The total estimated cost for this plan, covering both our existing team and the newly recruited personnel, is approximately HK$125.2 million over the five-year period.

    (ii) Approximately HK$52.2 million, representing 6.0% of the net proceeds, will fund the R&D of our compliant Web3 access platform. This initiative is designed to provide banks and licensed financial institutions with a secure, reliable, and compliant blockchain access solution while maintaining data privacy and security. Similar to the upgrade of FINNOSafe, we will purchase licenses of software development tools, design tools (including but not limited to JetBrains IntelliJ IDEA and JetBrains PyCharm), office software, operating systems, development and testing hardware and cloud services, which will be used for R&D projects.

We plan to maintain our current team and gradually recruit additional talents to support the R&D of this platform. We plan to recruit a total of 56 technical and product talents over the next five years, of which the costs attributable to 33 personnel are expected to be funded by the net proceeds. These talents include AI Agent Engineers, Testing Engineers, Product Manager, Back-end Engineers, Front-end Engineers, Blockchain Engineers, and Operations and Maintenance Engineers, with annual cost per person ranging from approximately HK$220,000 to HK$383,000. The total estimated cost for this plan, covering both our existing team and the newly recruited personnel, is approximately HK$88.3 million over the five-year period.

(b) Approximately HK$130.4 million, representing 15.0% of the net proceeds, will be allocated to continuous enhancement of our FINNOSmart platform. We plan to upgrade the platform to develop specialized SLMs and agents for specific financial scenarios, including product sales, risk management, operations management, compliance review, and customer service. These SLMs and agents will be designed for secure deployment in our customers' on-premises or private cloud environments to ensure data sovereignty, privacy protection, and auditability. By enhancing automation and decision-making capabilities, FINNOSmart will help financial institutions accelerate their digital transformation and improve operational efficiency. We will purchase licenses of software development tools (including but not limited to JetBrains IntelliJ IDEA and JetBrains PyCharm), design tools, office software, operating systems, development and testing hardware and cloud services, which will be used for R&D projects.

We plan to maintain our current team and gradually recruit additional talents to enhance our FINNOSmart platform. We plan to recruit a total of 130 technical and product talents over the next five years, of which the costs attributable to 73 personnel are expected to be funded by the net proceeds. These talents include AI Agent Engineers, Testing Engineers, Product Manager, Back-end Engineers, Front-end Engineers, Blockchain Engineers, and Operations and Maintenance Engineers, with annual cost per person ranging from approximately HK$125,000 to HK$383,000. The total estimated cost for this plan, covering both our existing team and the newly recruited personnel, is approximately HK$193.8 million over the five-year period.

(c) Approximately HK$34.8 million, representing 4.0% of the net proceeds, will be used for strengthening FINNOSafe's security capabilities by developing post-quantum cryptography. We will develop financial-grade quantum security protocol stacks and explore their integration with existing encryption algorithms, hardware security modules, and blockchain infrastructure. Leveraging this investment, we aim to deliver quantum-resistant security capabilities for compliant Web3 infrastructure, cross-border payments, data element circulation, and financial infrastructure as quantum computing approaches commercial viability. We will purchase licenses of software development tools (including but not limited to JetBrains IntelliJ IDEA and JetBrains PyCharm), design tools, office software, operating systems, security related hardware, development and testing hardware and cloud services, which will be used for R&D projects.

We plan to maintain our current team and gradually recruit additional talents to develop post-quantum cryptography. We plan to recruit a total of 17 technical and product talents over the next five years, of which the costs attributable to 12 personnel are expected to be funded by the net proceeds. These talents include Cryptographic Algorithm Engineers, Testing Engineers, Product Manager, Back-end Engineers, Front-end Engineers, Blockchain Engineers, and Operations and Maintenance Engineers, with annual cost per person ranging from approximately HK$260,000 to HK$1,967,000. The total estimated cost for this plan, covering both our existing team and the newly recruited personnel, is approximately HK$53.6 million over the five-year period.

- Approximately HK$217.3 million, representing 25.0% of the net proceeds, will be used to enhancing our delivery capabilities over the next three to five years, supporting our geographic expansion and customer growth strategies.

(a) Approximately HK$86.9 million, representing 10.0% of the net proceeds, will fund our AI Factory. The AI Factory is a five-year initiative to establish an end-to-end infrastructure encompassing data collection, processing, model training, model evaluation, deployment, and application. Building on this infrastructure, the AI Factory is designed to provide technical services to external customers, including operation, maintenance, and data processing services. AI Factory is a service offering to be developed within our existing AI empowered services, which are built on our FINNOSmart platform and have to date been delivered on a bespoke, project basis. We intend to leverage our accumulated expertise to establish AI Factory as a standardized and scalable delivery model for the development and deployment of GenAI solutions. Planned use cases include GenAI agents for risk management, regulatory compliance and customer engagement, targeting banks, insurance companies and other financial institutions. We will purchase licenses of software development tools (including but not limited to JetBrains IntelliJ IDEA and JetBrains PyCharm), design tools, office software, operating systems, development hardware and cloud services, which will be used by programmers.

We plan to gradually recruit talents to develop our AI Factory, specifically we plan to recruit a total of 79 technical talents over the next five years, of which the costs attributable to 38 personnel are expected to be funded by the net proceeds. These talents include AI Engineers, Java Engineers, Front-end Engineers, and Python Engineers, with annual cost per person ranging from approximately HK$320,000 to HK$516,000. The total estimated cost for this recruitment plan is approximately HK$146.7 million over the five-year period. Based on our experience, the planned headcount follows an allocation ratio of approximately 2:2:1 among AI Engineers (responsible for model design, training, tuning and deployment), Java and Front-end Engineers (responsible for backend system development and front-end presentation, respectively), and Python Engineers (responsible for the development of data processing pipelines and automation scripts). As the project involves multidimensional collaboration and requires phased execution, recruitment is concentrated in the first two years, with an initial focus on building the foundational team and infrastructure in year one, followed by system optimization and product refinement in year two. The remaining hires will be made flexibly in subsequent years based on business development, technological iterations and operational requirements.

(b) Approximately HK$86.9 million, representing 10.0% of the net proceeds, will support our ongoing expansion and strengthening of delivery capabilities in Greater Bay Area. We will purchase licenses of software development tools (including but not limited to JetBrains IntelliJ IDEA and JetBrains PyCharm), design tools, office software, operating systems, development hardware and cloud services, which will be used by programmers.

We plan to gradually recruit talents to support our delivery capability expansion in Greater Bay Area, specifically we plan to recruit a total of 100 technical talents over the next five years, of which the costs attributable to 56 personnel are expected to be funded by the net proceeds. These talents include Back Engineers, Front-end Engineers, and Data Engineers, with annual cost per person ranging from approximately HK$175,000 to HK$343,000. The total estimated cost for this recruitment plan is approximately HK$151.2 million over the five-year period.

(c) Approximately HK$43.5 million, representing 5.0% of the net proceeds, will be used to develop local delivery capabilities in Belt and Road countries and regions. We will purchase licenses of software development tools (including but not limited to JetBrains IntelliJ IDEA and JetBrains PyCharm), design tools, office software, operating systems, development hardware and cloud services, which will be used by programmers.

We plan to gradually recruit talents to support our delivery capability expansion in Belt and Road countries and regions. We plan to recruit a total of 30 technical talents over the next five years, of which the costs attributable to 8 personnel are expected to be funded by the net proceeds. These talents include Back Engineers, Front-end Engineers, and Data Engineers, with annual cost per person ranging from approximately HK$67,000 to HK$327,000. The total estimated cost for this recruitment plan is approximately HK$48.6 million over the five-year period.

- Approximately HK$130.4 million, representing 15.0% of the net proceeds, will be used to enhance our sales capabilities across Chinese Mainland and global markets:

(a) Approximately HK$86.9 million, representing 10.0% of the net proceeds, will fund the establishment and expansion of our sales network in Belt and Road markets, such as Southeast Asia and Middle East. We consider that Belt and Road countries represent markets with growing financial needs, which culturally require a sales network that can understand their localized requirements and pain points. Establishing a dedicated local sales team focused on these countries is a more effective approach to enable our entry into these markets and capture emerging opportunities. Furthermore, Belt and Road economies, particularly those where the financial market is less sophisticated than Hong Kong, often reference Hong Kong's regulatory frameworks in areas such as financial regulation, financial infrastructure development, and emerging technology adoption. Through our close collaboration with Hong Kong's regulatory authorities across various projects, we have developed not only technical expertise and project delivery capabilities, but also the ability to provide consulting services that can shape local financial markets in these countries. Our deep understanding of regulatory expectations and potential financial trends provides us with a competitive advantage in capturing market opportunities and a higher likelihood of successfully converting them into long-term stable revenue compared to other competitors. These proceeds will be used for recruitment of sales personnels and purchase office equipment.

We plan to recruit a total of 18 sales talents over the next five years, of which the costs attributable to 7 personnel are expected to be funded by the net proceeds. These talents include Sales Managers and Sales Associates, with annual cost per person ranging from approximately HK$460,000 to HK$1,100,000. The total estimated cost for this recruitment plan is approximately HK$39.0 million over the five-year period.

(b) Approximately HK$43.5 million, representing 5.0% of the net proceeds, will support the development of new sales channels and partner networks in markets such as Hong Kong, Southwest Asia, ASEAN, and the Middle East, including forming partnerships with potential suppliers, sponsoring industry meetings and establishment of sales networks.

- Approximately HK$130.4 million, representing 15.0% of the net proceeds, will be allocated to potential investments and acquisitions to strengthen our technological capabilities, enhance our business ecosystem, and support our long-term growth strategy. We plan to pursue these opportunities primarily through equity investment, while also considering alternative structures where appropriate. We intend to focus on two categories of targets: (i) companies with proprietary Web3 or AI technologies that complement our existing solutions, or companies operating regulated Web3 or Token-as-a-Service businesses that can be developed and expanded with our technology and operational expertise; and (ii) companies providing fintech services, including fintech software development services, consulting services and system integration services, in our target markets, to expand our international customer base and service capabilities. Such target markets include Chinese Mainland, Hong Kong, Southeast Asia, the Middle East, and other Belt and Road countries. For investments to scale our business, we primarily target companies with annual revenue of at least RMB50 million, a proven record of profitability, stable operating cash flows, and clear ownership of intellectual property with no material legal disputes. We do not impose fixed selection criteria for our strategic or early-stage investments. Both types of investments may include targets from either category above. According to CIC, there are no less than 15 targets in market that can meet our selection criteria with at least 6 targets in Chinese Mainland and at least 9 targets overseas, including companies providing Web3 or AI solutions and companies providing fintech services, including fintech software development services, consulting services and system integration services. As of the Latest Practicable Date, no specific investment targets have been identified.

  We expect these investments to broaden our revenue streams and support long-term margin growth. We recognize that returns may not be immediate and that certain investments may carry impairment risks, which we will manage through rigorous due diligence and careful selection of investment targets.

- Approximately HK$87.0 million, representing 10.0% of the net proceeds, will be used for working capital and general corporate purposes.

In the event that certain parts of our development plans are hindered due to factors such as changes in government policies or force majeure events, our directors will carefully evaluate the situation and may reallocate the net proceeds from the Global Offering. Should there be any significant changes to the intended use of proceeds, we will make appropriate disclosures in accordance with the Hong Kong Listing Rules.

To the extent that the net proceeds of the Global Offering are not immediately used for the above purposes or if we are unable to effect any part of our future development plans as intended, we will only deposit such funds in short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions (as defined under the Securities and Futures Ordinance or applicable laws and regulations in other jurisdictions). In such event, we will comply with the appropriate disclosure requirements under the Hong Kong Listing Rules.

HONG KONG UNDERWRITERS

CMB International Capital Limited
Victory Securities Company Limited
Futu Securities International (Hong Kong) Limited
Harmonia Capital Limited
Guosen Securities (HK) Capital Company Limited
Emperio Securities And Assets Management Limited
Get Nice Securities Limited
Innovax Securities 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 subject to the terms and conditions of the International Underwriting Agreement. If, for any reason, the Offer Price is not agreed between the Joint Overall Coordinators (for themselves and on behalf of the Underwriters) and our Company, the Global Offering will not proceed and will lapse.

The Global Offering comprises the Hong Kong Public Offering of initially 5,896,200 Hong Kong Offer Shares and the International Offering of initially 53,064,900 International Offer Shares, subject to reallocation on the basis as described in "Structure of the Global Offering" in this prospectus.

UNDERWRITING ARRANGEMENTS

Hong Kong Public Offering

1. Hong Kong Underwriting Agreement

Pursuant to the Hong Kong Underwriting Agreement, we are offering the Hong Kong Offer Shares (subject to reallocation) for subscription by the public in Hong Kong on the terms and subject to the conditions in this prospectus and the Hong Kong Underwriting Agreement at the Offer Price.

Subject to (a) the Stock Exchange granting approval for the listing of, and permission to deal in, the H Shares to be issued pursuant to the Global Offering and such approval not having been withdrawn; and (b) the conditions set out in the Hong Kong Underwriting Agreement (including but not limited to, among other things, the International Underwriting Agreement having been signed and becoming unconditional and not having been terminated in accordance with its terms), the Hong Kong Underwriters have agreed, severally but not jointly, to subscribe, or procure subscribers to subscribe, for the Hong Kong Offer Shares which are being offered but are not taken up under the Hong Kong Public Offering on the terms and subject to the conditions set out in this prospectus and the Hong Kong Underwriting Agreement.

2. Grounds for Termination

The obligations of the Hong Kong Underwriters to subscribe or procure subscribers for the Hong Kong Offer Shares are subject to termination by notice from the Joint Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters), at any time prior to 8:00 a.m. on the Listing Date if:

(i) there develops, occurs, exists or comes into force:

(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 laws or regulations, or the interpretation or application thereof by any court or any competent Authority (as defined in the Hong Kong Underwriting Agreement) in or affecting Hong Kong, the PRC, the United States, the United Kingdom, the European Union (or any member thereof), Japan, Singapore, or other jurisdictions relevant to the Group or the Global Offering (each a "**Relevant Jurisdiction**" and collectively, the "**Relevant Jurisdictions**"); 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 any local, national, regional or international financial, political, military, industrial, economic, fiscal, legal, regulatory, currency, credit or market conditions or sentiments, taxation, equity securities or currency exchange rate or controls or any monetary or trading settlement system, or foreign investment regulations (including, without limitation, a devaluation of the Hong Kong dollar, U.S. 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 U.S. dollar or the Renminbi is linked to any foreign currency or currencies) or other financial markets (including, without limitation, conditions and sentiments in stock and bond markets, money and foreign exchange markets, the inter-bank markets and credit markets) in or affecting any Relevant Jurisdictions, 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, any acts of government, declaration of a regional, national or international emergency or war, calamity, crisis, economic sanctions, strikes, labor disputes, other industrial actions, lock-outs, fire, explosion, flooding, tsunami, earthquake, volcanic eruption, civil commotion, riots, rebellion, public disorder, paralysis in government operations, acts of war, epidemic, pandemic, outbreak or escalation, mutation or aggravation of diseases , accident or interruption or delay in transportation, local, national, regional or international outbreak or escalation of hostilities (whether or not war is or has been declared), act of God or act of terrorism (whether or not responsibility has been claimed)) in or affecting any of the Relevant Jurisdictions; or

(d) the imposition or declaration of any moratorium, suspension or limitation (including without limitation, any imposition of or requirement for any minimum or maximum price limit or price range) on (i) the trading in shares or securities generally on the Stock Exchange, the Shanghai Stock Exchange, the Shenzhen Stock Exchange, the Tokyo Stock Exchange, the Singapore Stock Exchange, the New York Stock Exchange, the NASDAQ Global Market or the London 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 of the Relevant Jurisdictions or any disruption in commercial banking or foreign exchange trading or securities settlement or clearing services, procedures or matters in or affecting any of the Relevant Jurisdictions; or

(f) other than with the prior written consent of the Joint Overall Coordinators, the issue or requirement to issue by the Company of a supplement 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 (as defined in the Hong Kong Underwriting Agreement) or other regulatory or political body or organization of any public action or investigation against a member of the Group or a director, supervisor or a senior management 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 by or on any Relevant Jurisdiction, or the withdrawal of trading privileges which existed on the date of the Hong Kong Underwriting Agreement, 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 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 Director or senior management members as named in this prospectus; or

(l) any contravention by any member of the Group or any Director or Supervisor of the Listing Rules or applicable Laws; or

(m) any change or prospective change, or a materialization 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 Joint 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, business, general affairs, management, prospects, shareholders' equity, profits, losses, results of operations, position or condition, financial or otherwise, or performance of the Group as a whole; or

(B) has or will have or may have a material adverse effect on the success or marketability 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 or may make it impracticable, inadvisable, 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; or

(D) has or will have the effect of making any part of the Hong Kong Underwriting Agreement (including underwriting) incapable of performance in accordance with its terms or preventing the processing of applications and/or payments pursuant to the Global Offering or pursuant to the underwriting thereof; or

(ii) there has come to the notice of the Joint Sponsors and the Joint Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) that:

(a) any statement contained in any of the Offering Documents, the CSRC Filings and/or any notices, announcements, advertisements, communications or other documents issued or used by, for, 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 that any estimate, forecast, expression of opinion, intention or expectation contained 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, constitute 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 in the Hong Kong Underwriting Agreement or the International Underwriting Agreement; or

(d) any event, act or omission which gives rise or is likely to give rise to any liability of the Indemnifying Party (as defined in the Hong Kong Underwriting Agreement) pursuant to the indemnities in the Hong Kong Underwriting Agreement; or

(e) any breach of any of the obligations or undertakings imposed upon the Company 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; 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 H Shares in issue and to be issued pursuant to the Global Offering 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 Joint 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 Joint 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 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) that (i) a material portion of the orders placed or confirmed in the bookbuilding process or (ii) any investment commitment made by any cornerstone investors under the Cornerstone Investment Agreements signed with such cornerstone investors, have been withdrawn, terminated or cancelled, or with respect to which the payment of the relevant orders and/or investment commitment has not been received or settled in the stipulated time and manner or otherwise,

then, in each case, the Joint Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) may, in their sole and absolute discretion and upon giving notice in writing to the Company, terminate the Hong Kong Underwriting Agreement with immediate effect.

Undertakings to the Stock Exchange pursuant to the Listing Rules

3. Undertakings by our Company

Pursuant to Rule 10.08 of the Listing Rules, our Company has undertaken to the Stock Exchange, that within six months from the Listing Date, no further Shares or securities convertible into equity securities of our Company (whether or not of a class already listed) shall be issued or sold or transferred out of treasury by our Company or form the subject of any agreement to such issue, or sale or transfer out of treasury (whether or not such issue of Shares or securities, or sale or transfer of treasury shares of our Company will be completed within six months from the Listing Date), except pursuant to the Global Offering or under any of the circumstances provided under Rule 10.08 of the Listing Rules.

Undertakings pursuant to the Hong Kong Underwriting Agreement

4. Undertakings by our Company

Our Company undertakes to each of the Joint Sponsors, the Sponsor-Overall Coordinators, the Joint Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Hong Kong Underwriters and the Capital Market Intermediaries, that except pursuant to the Global Offering, at any time after the date of the Hong Kong Underwriting Agreement up to and including the date falling six months after the Listing Date (the "**First Six Month Period**"), our Company will not without the prior written consent of the Joint Sponsors and the Joint Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) and unless in compliance with the requirements of the Listing Rules:

(a) allot, issue, sell, accept subscription for, offer to allot, issue or sell, contract or agree to allot, issue or sell, assign, 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 legal or beneficial interest in any Shares or other securities of our Company, or any interest in any of the foregoing (including, but not limited to, 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 securities of our Company, as applicable), or deposit any Shares or other securities of our Company, as applicable, with a depositary in connection with the issue of depositary receipts; or

(b) 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 our Company, 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

(c) enter into any transaction with the same economic effect as any transaction specified in (a) or (b) above; or

(d) offer to or agree to do any of the foregoing specified in (a), (b) or (c) or announce any intention to do so, in each case, whether any of the foregoing transactions is to be settled by delivery of Shares or other securities of our Company 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).

Our Company further agrees that, in the event our Company is allowed to enter into any of the foregoing transactions or offers to or agrees to or announces any intention to effect any such transaction during the period of six months commencing on the date on which the First Six Month Period expires (the "**Second Six Month Period**"), our Company undertakes to take all reasonable steps to ensure that such an issue or disposal will not, and no other act of the Company will, create a disorderly or false market in the securities of our Company.

Our Company has undertaken to each of the Joint Sponsors, the Sponsor-Overall Coordinators, the Joint Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Hong Kong Underwriters and the Capital Market Intermediaries that that it will comply with the minimum public float requirements (the "**Minimum Public Float Requirement**") and the minimum free float requirements (the "**Minimum Free Float Requirement**") specified in the Listing Rules, and it will not (i) effect any purchase of the H Shares, or agree to do so, which may reduce the holdings of the H Shares held by the public (as defined in Rule 19A.13(A) of the Listing Rules) to below the Minimum Public Float Requirement or any waiver granted and not revoked by the Stock Exchange prior to the expiration of the Second Six Month Period without first having obtained the prior written consent of the Joint Sponsors and the Joint Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters); or (ii) enter into any agreement, arrangement or transaction which shall cause or have the effect of causing the portion of the H Shares that are held by the public and that are available for trading and not subject to any disposal restrictions (whether under contract, the Listing Rules, applicable Laws or otherwise) on the Listing Date to fall below the prescribed level under Rule 19A.13C of the Listing Rules.

5. Indemnity

We agreed to indemnify, among others, the Joint Sponsors, the Sponsor-Overall Coordinators, the Joint Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Hong Kong Underwriters and the Capital Market Intermediaries for certain losses which they may suffer, including, among others, losses arising from the performance of their obligations under the Hong Kong Underwriting Agreement and any breach or alleged breach by our Company.

INTERNATIONAL OFFERING

International Underwriting Agreement

In connection with the International Offering, it is expected that our Company will enter into the International Underwriting Agreement with, among others, the Joint Overall Coordinators, the Joint Global Coordinators and the International Underwriters. Under the International Underwriting Agreement, subject to the conditions set forth therein, the International Underwriters would severally and not jointly agree to purchase, or procure purchasers to purchase, the Offer Shares being offered pursuant to the International Offering (subject to, among others, any reallocation between the International Offering and the Hong Kong Public Offering). It is expected that the International Underwriting Agreement may be terminated on similar grounds as the Hong Kong Underwriting Agreement. Potential investors are reminded that in the event that the International Underwriting Agreement is not entered into, the Global Offering will not proceed.

UNDERWRITING COMMISSIONS AND LISTING EXPENSES

The Underwriters and the Capital Market Intermediaries will receive an underwriting commission equal to 3% of the aggregate Offer Price payable for the Offer Shares (the "**Fixed Fees**"). Our Company may, at our sole discretion, pay to one or more Underwriters or Capital Market Intermediaries an incentive fee of up to 1% of the Offer Price payable for the Offer Shares (the "**Discretionary Fees**"). As of the date of this Prospectus, the allocation of a portion of the Fixed Fees remains subject to our Company's discretion. Assuming the Discretionary Fees are paid in full, the ratio of the fixed fees and the discretionary fees will be approximately 75%:25%.

The aggregate commissions and fees, together with Stock Exchange listing fees, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565%, AFRC transaction levy of 0.00015%, legal and other professional fees and printing and all other expenses relating to the Global Offering, which are currently estimated to amount in aggregate to approximately HK$73.9 million (based on the maximum Offer Price of HK$16.00 and the full payment of the Discretionary Fees), are payable and borne by our Company.

Each of the Joint Sponsors will be paid by our Company a fee of approximately US$450,000 to act as a sponsor to our Company in connection with the Listing.

INDEPENDENCE OF THE JOINT SPONSORS

Each of the Joint Sponsors satisfies the independence criteria applicable to sponsor set out in Rule 3A.07 of the Listing Rules.

UNDERWRITERS' INTERESTS IN OUR COMPANY

The Underwriters will receive an underwriting commission. Particulars of these underwriting commission and expenses are set out in the section headed "— Underwriting Commissions and Listing Expenses" above. Save for the obligations under the Underwriting Agreements and as disclosed in this prospectus, none of the Underwriters have any shareholding or beneficial interests in any member of our Group or has any right or option (whether legally enforceable or not) to subscribe for or purchase or to nominate persons to subscribe for or purchase securities in any member of our Group. Following the completion of the Global Offering, the Underwriters and their affiliated companies may hold a certain portion of the H Shares as a result of fulfilling their obligations under the Underwriting Agreements.

ACTIVITIES BY SYNDICATE MEMBERS

The Underwriters, the Capital Market Intermediaries (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 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 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. These investment and trading activities may involve or relate to our assets, securities and/or instruments and/or persons and entities with relationships with us and may also include swaps and other financial instruments entered into for hedging purposes in connection with our loans and other debt.

In relation to our H Shares, those activities could include acting as agent for buyers and sellers of our H Shares, entering into transactions with those buyers and sellers in a principal capacity, including as a lender to initial purchasers of our H Shares (whose financing may be secured by our H Shares) in the Global Offering, proprietary trading in our H Shares, and entering into over the counter or listed derivative transactions or listed and unlisted securities transactions (including issuing securities such as derivative warrants listed on a stock exchange) which have as their underlying assets, assets including our H 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 our H Shares, which may have a negative impact on the trading price of our H Shares. All such activity 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 our H Shares, in baskets of securities or indices including our H Shares, in units of funds that may purchase our H 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 our H Shares as their underlying securities, whether on the Stock Exchange or on any other stock exchange, the rules of the 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 our H Shares in most cases.

No stabilizing manager will be appointed, and it is anticipated that no stabilization activities will be carried out in relation to the Global Offering.

All these activities may affect the market price or value of our H Shares, the liquidity or trading volume in our H Shares and the volatility of the price of our H 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 or its affiliates 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 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 our Company and our 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.

This prospectus is published in connection with the Hong Kong Public Offering as part of the Global Offering.

The listing of the H Shares on the Main Board of 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 H Shares to be issued as mentioned in this prospectus.

The Global Offering comprises :

(a) the Hong Kong Public Offering of initially 5,896,200 H Shares (subject to reallocation) in Hong Kong as described below in "— The Hong Kong Public Offering;" and

(b) the International Offering of initially 53,064,900 H Shares (subject to reallocation) outside the United States in offshore transactions in reliance on Regulation S as described below in "— The International Offering".

Investors may apply for the Hong Kong Offer Shares under the Hong Kong Public Offering, or, if qualified to do so, apply for or indicate an interest in the International Offer Shares under the International Offering, but may not do both. The Offer Shares will represent approximately 10% of the enlarged issued share capital of the Company immediately following the completion of the Global Offering. The number of Offer Shares to be offered under the Hong Kong Public Offering and the International Offering may be subject to reallocation as described in the paragraph headed "— The Hong Kong Public Offering — Reallocation" below.

THE HONG KONG PUBLIC OFFERING

Number of H Shares Initially Offered

We are initially offering 5,896,200 H Shares, representing approximately 10% of the total number of Offer Shares initially available under the Global Offering, at the Offer Price for subscription by the public in Hong Kong. Subject to the reallocation of the Offer Shares between (1) the International Offering, and (2) the Hong Kong Public Offering, the Hong Kong Offer Shares will represent approximately 1.0% of our Company's total Shares in issue immediately after completion of the Global Offering.

The Hong Kong Public Offering is open to members of the public in Hong Kong as well as to institutional and professional investors. Professional investors generally include brokers, dealers and companies (including fund managers) whose ordinary business involves dealing in shares and other securities, and corporate entities which regularly invest in shares and other securities.

Completion of the Hong Kong Public Offering is subject to the conditions as set out in "— Conditions of the Global Offering" below.

Allocation

Allocation of the 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 the Offer Shares initially available under the Hong Kong Public Offering (after taking into account any reallocation in the number of Offer Shares allocated between the Hong Kong Public Offering and the International Offering referred to below) will be divided into two pools (subject to adjustment of odd lot size): pool A and pool B.

Pool A will initially comprise 2,948,100 Hong Kong Offer Shares and pool B will initially comprise 2,948,100 Hong Kong Offer Shares, both of which are available on a fair basis to successful applicants. All valid applications that have been received for Hong Kong Offer Shares with an aggregate price (excluding brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%) of HK$5 million or below will fall into pool A. All valid applications that have been received for Hong Kong Offer Shares with an aggregate price (excluding brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%) of over HK$5 million and up to the total value of pool B will fall into pool B.

Applicants should be aware that applications in pool A and applications in pool B may receive different allocation ratios. If Hong Kong Offer Shares in one (but not both) of the two pools are undersubscribed, the surplus Hong Kong Offer Shares will be transferred to the other pool to satisfy demand in that other pool and be allocated accordingly. Applicants can only receive an allocation of Hong Kong Offer Shares from either pool A or pool B, but not from both pools. Multiple or suspected multiple applications and any application for more than 2,948,100 Hong Kong Offer Shares (being 50% of the 5,896,200 Offer Shares initially available under the Hong Kong Public Offering) will be rejected.

Reallocation

The Offer Shares to be offered under the Hong Kong Public Offering and the International Offering may, in certain circumstances, be reallocated as between these offerings at the discretion of the Joint Overall Coordinators (for themselves and on behalf of the Underwriters) in accordance with Chapter 4.14 of the Guide for New Listing Applicants and paragraph 4.2 of Practice Note 18 of the Listing Rules. Subject to the allocation cap described in the subsequent paragraph, the Joint Overall Coordinators may in its 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 Joint 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 it 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 Joint Overall Coordinators deem appropriate.

In the event of reallocation of Offer Shares between the International Offering and the Hong Kong Public Offering in the circumstances where (a) the International Offer Shares are fully subscribed or oversubscribed and the Hong Kong Offer Shares are fully subscribed or oversubscribed irrespective of the number of times; or (b) the International Offer Shares are undersubscribed, and the Hong Kong Offer Shares are fully subscribed or oversubscribed irrespective of the number of times, then up to 2,947,900 H 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 8,844,100 H Shares, representing approximately 15% of the number of Offer Shares initially available under the Global Offering in accordance with Chapter 4.14 of the Guide for New Listing Applicants. In the circumstance where the International Offer Shares are fully subscribed or oversubscribed and the Hong Kong Offer Shares are undersubscribed, there will be no reallocation from the International Offering to the Hong Kong Public Offering, and no over-allocation of H Shares to the Hong Kong Public Offering.

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.

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, September 21, 2026.

Where the International Offer Shares are undersubscribed, if the Hong Kong Offer Shares are also 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.

Applications

Each applicant under the Hong Kong Public Offering will be required to give an undertaking and confirmation in the application submitted by him/her/it that he/she/it and any person(s) for whose benefit he/she/it is making the application has not applied for or taken up, or indicated an interest in, and will not apply for or take up, or indicate an interest in, any International Offer Shares under the International Offering, and such applicant's application under the International Offering is liable to be rejected if the said undertaking and/or confirmation is breached and/or untrue (as the case may be).

Applicants under the Hong Kong Public Offering may be required to pay, on application (subject to application channels), the maximum Offer Price of HK$16.00 per Offer Share in addition to the brokerage, SFC transaction levy, Stock Exchange trading fee and AFRC transaction levy payable on each Offer Share. If the Offer Price, as finally determined in the manner described in "— Pricing of the Global Offering" below, is less than the maximum Offer Price of HK$16.00 per Offer Share, appropriate refund payments (including the brokerage, SFC transaction levy, Stock Exchange trading fee and AFRC transaction levy attributable to the surplus application monies) will be made to successful applicants (subject to application channels), without interest. Further details are set out in "How to Apply for Hong Kong Offer Shares" in this prospectus.

References in this prospectus to applications, application monies or the procedure for application relate solely to the Hong Kong Public Offering.

THE INTERNATIONAL OFFERING

Number of Offer Shares Offered

Subject to the reallocation as described above, the number of Offer Shares to be initially offered under the International Offering will be 53,064,900, representing approximately 90% of the total number of Offer Shares initially available under the Global Offering. The International Offering is expected to be fully underwritten by the International Underwriters subject to the terms and conditions of the International Underwriting Agreement, and is subject to the Hong Kong Public Offering becoming unconditional.

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 offshore transactions 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 which regularly invest in shares and other securities. The International Offering is subject to the Hong Kong Public Offering being unconditional.

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" below and based on a number of factors, including the level and timing of demand, 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 hold or sell the Offer Shares after the Listing. Such allocation is intended to result in a distribution of the Offer Shares on a basis which would lead to the establishment of a solid shareholder base to the benefit of our Company and our Shareholders as a whole.

The Joint Overall Coordinators (for themselves and on behalf of the Underwriters) may require any investor who has been offered the International Offer Shares under the International Offering and who has made an application under the Hong Kong Public Offering, to provide sufficient information to the Joint Overall Coordinators (for themselves and on behalf of the Underwriters) so as to allow it to identify the relevant applications under the Hong Kong Public Offering and to ensure that they are excluded from any application of the 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" above and/or any reallocation of unsubscribed Offer Shares originally included in the Hong Kong Public Offering.

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.

Pricing for the Offer Shares for the purpose of the various offerings under the Global Offering will be agreed on the Price Determination Date, which is expected to be on or before Friday, September 18, 2026 and in any event no later than 12:00 noon on Friday, September 18, 2026, by agreement between the Joint Overall Coordinators (for themselves and on behalf of the Underwriters) and our Company and the number of Offer Shares to be allocated under the various offerings will be determined shortly thereafter.

We will determine the Offer Price by reference to, among other factors, the closing price of the A Shares on the Shenzhen Stock Exchange on the last trading day on or before the Price Determination Date (which is accessible to the Shareholders and potential investors at **https://www.szse.cn/English/siteMarketData/siteMarketDatas/lookup/index.html?code=300468**), and the Offer Price will not be more than HK$16.00. The historical closing prices of our A Shares and trading volume on the Shenzhen Stock Exchange are set out below.

Period	High	Low	ADTV(1)
	(RMB)	(RMB)	(A Shares)
Year ended December 31, 2023	13.47	9.95	18,902,626
Year ended December 31, 2024	28.6	6.67	34,000,499
Year ended December 31, 2025	50.5	14.34	61,715,043
Year of 2026 (up to the Latest Practicable Date) . .	38.38	19.89	33,095,627

Note:

1. Average daily trading volume ("**ADTV**") represents daily average number of our A Shares traded over the relevant period.

The final Offer Price, the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering, the basis of allocations of the Hong Kong Offer Shares and the results of allocations in the Hong Kong Public Offering are expected to be made available through a variety of channels in the manner described in "How to Apply for Hong Kong Offer Shares — B. Publication of Results."

The Joint Overall Coordinators (for themselves and on behalf of the Underwriters) may, where considered appropriate, based on the level of indications 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 maximum Offer Price below that 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 last day for lodging applications under the Hong Kong Public Offering, cause to be published on the website of the Company at **www.formssi.com** and the website of the Stock Exchange at **www.hkexnews.hk** notice of such reduction, the cancellation of the Global Offering and the relaunch of the Global Offering at the revised number of Offer Shares and/or the revised Offer Price. Such notice will also include confirmation or revision, as appropriate, of the Global Offering statistics as currently set out in this prospectus, and any other financial information which may change as a result of such reduction. We will also, as soon as practicable following the decision to make such change, issue a supplemental or new 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 cancelled and subsequently relaunched on FINI pursuant to the supplemental or new 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 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 announced and any such supplemental or new prospectus so published, the number of Offer Shares will not be reduced.

If there is any change to the offer size due to change in the number of Offer Shares initially offered in the Global Offering (other than pursuant to the reallocation mechanism as disclosed in this prospectus), or if the Company becomes aware that there has been a significant change affecting any matter contained in this prospectus or a significant new matter has arisen, the inclusion of information in respect of which would have been required to be in this prospectus if it had arisen before this prospectus was issued, after the issue of this prospectus and before the commencement of dealings in our H Shares as prescribed under Rule 11.13 of the Listing Rules, we are required to first cancel the Global Offering and subsequently relaunch on the FINI pursuant to the supplemental or new prospectus.

In the event of a reduction in the number of Offer Shares, the Joint Overall Coordinators (for themselves and on behalf of the Underwriters) may, at its discretion, reallocate the number of Offer Shares to be offered in the Hong Kong Public Offering and the International Offering, provided that the number of Offer Shares comprised in the Hong Kong Public Offering shall not be less than 10% of the total number of Offer Shares available under the Global 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 Overall Coordinators (for themselves and on behalf of the Underwriters).

Announcement of Offer Price and Basis of Allocations

The final Offer Price, the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocation of the Hong Kong Offer Shares are expected to be announced on Monday, September 21, 2026, 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 of the Hong Kong Underwriting Agreement and is subject to our Company and the Joint Overall Coordinators (for themselves and on behalf of the Underwriters) agreeing on the Offer Price.

We expect to enter into the International Underwriting Agreement relating to the International Offering on or around the Price Determination Date.

These underwriting arrangements under the Hong Kong Underwriting Agreement and the International Underwriting Agreement 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:

(a) the Stock Exchange granting approval for the listing of, and permission to deal in, the H Shares to be issued pursuant to the Global Offering, and such approval not subsequently having been revoked prior to the commencement of dealings in the H Shares on the Main Board of the Stock Exchange;

(b) the Offer Price having been duly agreed between our Company and the Joint Overall Coordinators (for themselves and on behalf of the Underwriters);

(c) the execution and delivery of the International Underwriting Agreement on or around the Price Determination Date; and

(d) the obligations of the Underwriters under the respective Underwriting Agreements becoming and remaining unconditional and not having been terminated in accordance with the terms of the respective agreements,

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) and, in any event, not later than the date which is 30 days after the date of this prospectus.

If, for any reason, the Offer Price is not agreed between our Company and the Joint Overall Coordinators (for themselves and on behalf of the Underwriters) by 12:00 noon on Friday, September 18, 2026, the Global Offering will not proceed and will lapse.

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 their respective terms.

If the above conditions are not fulfilled or waived prior to the times and dates 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 by our Company on the website of the Stock Exchange at **www.hkexnews.hk** and the website of our Company at **www.formssi.com** on the next Business Day following such lapse. In such event, all application monies will be returned, without interest, on the terms set out in "How to Apply for Hong Kong Offer Shares." In the meantime, all application monies will be held in separate bank account(s) with the receiving bank or other bank(s) in Hong Kong licensed under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong) (as amended).

H Share certificates for the Offer Shares are expected to be issued on Monday, September 21, 2026, but will only become valid evidence of title at 8:00 a.m. on the Listing Date provided that (1) the Global Offering has become unconditional in all respects, and (2) the right of termination as described in the section headed "Underwriting — Underwriting Arrangements — Hong Kong Public Offering — Grounds for Termination" in this prospectus has not been exercised.

APPLICATION FOR LISTING ON THE STOCK EXCHANGE

We have applied to the Listing Committee of the Stock Exchange for the granting of the listing of, and permission to deal in, the H Shares to be issued pursuant to the Global Offering.

Save for the A Shares that are **listed** on the ChiNext of the Shenzhen Stock Exchange and our application to the Stock Exchange for the listing of, and permission to deal in, the H Shares, no part of our Company's share or debt securities is listed on or dealt in on any other stock exchange and no such listing or permission to deal is being or proposed to be sought in the near future.

H SHARES WILL BE ELIGIBLE FOR CCASS

All necessary arrangements have been made enabling the H Shares to be admitted into CCASS. Subject to the granting of the listing of, and permission to deal in, the H Shares on the Stock Exchange and compliance with the stock admission requirements of HKSCC, the H 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 H Shares on the Stock Exchange or any other date HKSCC chooses. Settlement of transactions between participants of the Stock Exchange (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. Investors should seek the advice of their stockbroker or other professional advisers for details of the settlement arrangements as such arrangements may affect their rights and interests.

DEALING ARRANGEMENTS

Assuming that the Global Offering becomes unconditional at or before 8:00 a.m. in Hong Kong on Tuesday, September 22, 2026, it is expected that dealings in the H Shares on the Stock Exchange will commence at 9:00 a.m. on Tuesday, September 22, 2026. The H Shares will be traded in board lots of 100 H Shares. The stock code of the H Shares will be 6700.

IMPORTANT NOTICE TO INVESTORS OF HONG KONG OFFER SHARES

FULLY ELECTRONIC APPLICATION PROCESS

The Company has 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 the Company's website at www.formssi.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;
- have a Hong Kong address *(for the **White Form eIPO** service only)*; and
- are outside the United States, and are not a U.S. person (as defined in Regulation S under the U.S. Securities Act).

Unless permitted by the Listing Rules or a waiver and/or consent has been granted by the Stock Exchange to the Company, 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 of the Company;
- are a Director or chief executive of the Company and/or a director, supervisor or chief executive of any of its subsidiaries;
- are a close associate (as defined in the Listing Rules) of any of the above persons;
- are a connected person (as defined in the Listing Rules) of the Company or will become a connected person of the Company immediately upon the completion of the Global Offering; or
- have been allocated or have applied for or indicated an interest in any International Offer Shares or otherwise participate in the International Offering.

2. Application Channels

The Hong Kong Public Offering period will begin at 9:00 am on Monday, September 14, 2026 and end at 12:00 noon on Thursday, September 17, 2026 (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 H Share certificate. Hong Kong Offer Shares successfully applied for will be allotted and issued in your own name.	From 9:00 a.m. on Monday, September 14, 2026 until 11:30 a.m. on Thursday, September 17, 2026 and the latest time for completing full payment of application monies in respect of such applications will be 12:00 noon on Thursday, September 17, 2026
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 H 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. Hong Kong identity card ("**HKID**"); 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. Legal entity identifier ("**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 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 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, the Company and the Joint Overall Coordinators, as the Company's agent, have discretion to consider whether to accept it on any conditions they think fit, including evidence of the attorney's authority.

Failing to provide any required information may result in your application being rejected.

4. Permitted Number of Hong Kong Offer Shares for Application

Board lot size . . . . : 100 H 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 maximum Offer Price is HK$16.00 per H 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 H Shares you have selected. You must pay the respective maximum amount payable on application in full upon application for Hong Kong Offer Shares.

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	1,616.13	2,000	32,322.72	30,000	484,840.80	400,000	6,464,544.00
200	3,232.27	3,000	48,484.08	40,000	646,454.40	500,000	8,080,680.00
300	4,848.41	4,000	64,645.45	50,000	808,068.00	600,000	9,696,816.00
400	6,464.54	5,000	80,806.80	60,000	969,681.60	700,000	11,312,952.00
500	8,080.68	6,000	96,968.15	70,000	1,131,295.20	800,000	12,929,088.00
600	9,696.81	7,000	113,129.52	80,000	1,292,908.80	900,000	14,545,224.00
700	11,312.95	8,000	129,290.88	90,000	1,454,522.40	1,000,000	16,161,360.00
800	12,929.09	9,000	145,452.25	100,000	1,616,136.00	1,500,000	24,242,040.00
900	14,545.22	10,000	161,613.60	200,000	3,232,272.00	2,000,000	32,322,720.00
1,000	16,161.35	20,000	323,227.20	300,000	4,848,408.00	2,948,100[(1)]	47,645,305.41

(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, collected by the Stock Exchange on behalf of the SFC; and in the case of the AFRC transaction levy, collected by the Stock Exchange on behalf of the AFRC).

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 International 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 authorize the Company and/or the Joint Overall Coordinators, as the Company's 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 H 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 Company, the Joint Sponsors, the Sponsor-Overall Coordinators, the Joint Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, any of their respective directors, officers, employees, partners, agents, advisers and any other parties involved in the Global Offering (the "**Relevant Persons**"), the H 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 the Company, the Relevant Persons, the H 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 "— G. Personal Data — 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 H 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 the Company 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, supervisors, 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, supervisors, 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 H 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 the Company and the Joint 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 **White Form eIPO** service 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:		
Website	The designated results of allocation website 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, September 21, 2026 to 12:00 midnight on Sunday, September 27, 2026 (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 **White Form eIPO** service at **www.iporesults.com.hk** (alternatively: **www.eipo.com.hk/eIPOAllotment**).	
	The Stock Exchange's website at **www.hkexnews.hk** and the Company's website at **www.formssi.com** which will provide links to the above mentioned websites of the H Share Registrar.	No later than 11:00 p.m. on Monday, September 21, 2026 (Hong Kong time)
Telephone	+852 2862 8555 — the allocation results telephone inquiry line provided by the H Share Registrar	between 9:00 a.m. and 6:00 p.m. on Tuesday, September 22, 2026, Wednesday, September23, 2026, Thursday, September 24, 2026 and Friday, September 25, 2026 (Hong Kong time) on a business day

For those applying through **HKSCC EIPO** channel, you may also check with your **broker** or **custodian** from 6:00 p.m. on Friday, September 18, 2026 (Hong Kong time).

HKSCC Participants can log into FINI and review the allotment result from 6:00 p.m. on Friday, September 18, 2026 (Hong Kong time) on a 24-hour basis and should report any discrepancies on allotments to HKSCC as soon as practicable.

Allocation Announcement

The Company expects to announce the final Offer Price, the results 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 Hong Kong Offer Shares on the Stock Exchange's website at **www.hkexnews.hk** and the Company's website at **www.formssi.com** by no later than 11:00 p.m. on Monday, September 21, 2026 (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 the Company or its agents exercise their discretion to reject your application:

The Company, the Joint Overall Coordinators, the H 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 H 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 the Company 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. Application 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;
- the Company or the Joint Overall Coordinators believe that by accepting your application, it or the Company would violate applicable securities or other laws, rules or regulations.

5. If there is money settlement failure for allotted Offer 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 banks 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 Offer 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 International Offering. 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 the Company, the Relevant Persons, the H 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 H SHARE CERTIFICATES AND REFUND OF APPLICATION MONIES

You will receive one H 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 H Share certificates will be deposited into CCASS as described below).

No temporary document of title will be issued in respect of the Offer Shares. No receipt will be issued for sums paid on application.

H Share certificates will only become valid evidence of title at 8:00 a.m. on Tuesday, September 22, 2026 (Hong Kong time), provided that the Global Offering has become unconditional, and the right of termination described in the section headed "Underwriting" has not been exercised. Investors who trade H Shares prior to the receipt of H Share certificates or the H Share certificates becoming valid evidence of title do so entirely at their own risk.

The right is reserved to retain any H 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 H Share certificate[1]		
For application of 1,000,000 Hong Kong Offer Shares or more	Collection in person from the H Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong	H 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 there is/are a tropical cyclone warning signal number 8 or above, a "black" rainstorm warning and/or Extreme Conditions in force in Hong Kong in the morning on Monday, September 21, 2026 rendering it impossible for the relevant H Share certificates to be dispatched to HKSCC in a timely manner, the Company shall procure the H Share Registrar to arrange for delivery of the supporting documents and H 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, September 22, 2026 (Hong Kong time), or any other place or date notified by the Company	
	If you are an individual applicant, you must not authorize any other person to collect for you. If you are a corporate applicant, your authorized representative must bear a letter of authorization from your corporation stamped with your corporation's chop.	No action by you is required
	Both individuals and authorized representatives must produce, at the time of collection, evidence of identity acceptable to the H Share Registrar. *Note:* If you do not collect your H 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	
For application of less than 1,000,000 Hong Kong Offer Shares	Your H Share certificate(s) will be sent to the address specified in your application instructions by ordinary post at your own risk Time: Monday, September 21, 2026	
Refund mechanism for surplus application monies paid by you		
Date	Tuesday, September 22, 2026	Subject to the arrangement between you and your **broker** or **custodian**
Responsible party	H 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 check(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, September 17, 2026 if, there is/are:

- a tropical cyclone warning signal number 8 or above;
- a black rainstorm warning; and/or
- an Extreme Condition,

(collectively, the "**Severe Weather Signals**"), in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Thursday, September 17, 2026.

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 the Company's website at **www.formssi.com** of the revised timetable.

If a Severe Weather Signal is hoisted on Monday, September 21, 2026, the H Share Registrar will make appropriate arrangements for the delivery of the H Share certificates to the CCASS Depository's service counter so that they would be available for trading on Tuesday, September 22, 2026, and for application of less than 1,000,000 Hong Kong Offer Shares, the despatch of physical H Share certificate(s) and/or refund cheque(if applicable) will be made by ordinary post when the post office reopens after the Severe Weather Signal is lowered or cancelled (e.g. in the afternoon of Monday, September 21, 2026 or on Tuesday, September 22, 2026).

If a Severe Weather Signal is hoisted on Tuesday, September 22, 2026, for application of 1,000,000 Hong Kong Offer Shares or more, the physical H Share certificate(s) and/or refund cheque(if applicable) will be available for collection in person from the H Share Registrar's office after the Severe Weather Signal is lowered or cancelled (e.g. in the afternoon of Tuesday, September 22, 2026 or on Wednesday, September 23, 2026).

Prospective investors should be aware that if they choose to receive physical H Share certificates issued in their own name, there may be a delay in receiving the H Share certificates.

F. ADMISSION OF THE H SHARES INTO CCASS

If the Stock Exchange grants the listing of, and permission to deal in, the H Shares on the Stock Exchange and the Company complies with the stock admission requirements of HKSCC, the H 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 H Shares on the Stock Exchange 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 H Shares to be admitted into CCASS.

You should seek the advice of your broker or other professional adviser 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 H 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 H 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 H 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 H 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 H 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 H 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 H 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 check 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 H 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 H Shares and identifying any duplicate applications for the H Shares;
- facilitating Hong Kong Offer Shares balloting;
- establishing benefit entitlements of holders of the H 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 H 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 H Share Registrar to discharge their obligations to applicants and holders of the H Shares and/or regulatory authorities and/or any other purposes to which applicants and holders of the H Shares may from time to time agree.

4. Transfer of personal data

Personal data held by the Company and the H Share Registrar relating to the applicants for and holders of Hong Kong Offer Shares will be kept confidential but the Company and the H 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 H 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 H Share Registrar in connection with their respective business operations;
- 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 H Share Registrar will keep the personal data of the applicants and holders of Hong Kong Offer Shares for as long as necessary to fulfill 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 H 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 H 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 H 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 H Share Registrar for the attention of the privacy compliance officer.

SHINEWING (HK) CPA Limited
17/F, Chubb Tower, Windsor House,
311 Gloucester Road,
Causeway Bay, Hong Kong

信永中和(香港)會計師事務所有限公司
香港銅鑼灣告士打道311號
皇室大廈安達人壽大樓17樓

ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF SHENZHEN FORMS SYNTRON INFORMATION CO., LTD., CMB INTERNATIONAL CAPITAL LIMITED AND GUOSEN SECURITIES (HK) CAPITAL COMPANY LIMITED

Introduction

We report on the historical financial information of Shenzhen Forms Syntron Information Co., Ltd. (the "**Company**") and its subsidiaries (together, the "**Group**") set out on pages I-4 to I-75, which comprises the consolidated statements of financial position of the Group and the statements of financial position of the Company as at 31 December 2023, 2024 and 2025 and 31 March 2026 and the consolidated statements of profit or loss and other comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows of the Group for each of the years ended 31 December 2023, 2024 and 2025 and the three months ended 31 March 2026 (the "**Track Record Period**") including 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-75 forms an integral part of this report, which has been prepared for inclusion in the Prospectus of the Company dated 14 September 2026 (the "**Prospectus**") in connection with the initial listing of the 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 the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation and presentation set out in Note 2 to the Historical Financial Information, and for such internal control as the directors of the Company determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountants' responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 "*Accountants' Report on Historical Financial Information in Investment Circulars*" issued by the Hong Kong Institute of Certified Public Accountants (the "**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.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants' judgment, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity's preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors of the Company, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion the Historical Financial Information gives, for the purposes of the accountants' report, a true and fair view of the Company's and the Group's financial position as at 31 December 2023, 2024 and 2025 and 31 March 2026 and of the Group's financial performance and cash flows for the Track Record Period in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information.

Review of Stub Period Comparative Financial Information

We have reviewed the stub period comparative financial information of the Group which comprises the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the three months ended 31 March 2025 and other explanatory information (the "**Stub Period Comparative Financial Information**"). The directors of the Company are responsible for the preparation and presentation of the Stub Period Comparative Financial Information in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information.

Our responsibility is to express a conclusion on the Stub Period Comparative Financial Information based on our review. We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA.

A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Based on our review, nothing has come to our attention that causes us to believe that the Stub Period Comparative Financial Information, for the purposes of the accountants' report, is not prepared, in all material respects, in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information.

Report on matters under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited 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 contains information about the dividends declared and paid by the Company in respect of the Track Record Period.

SHINEWING (HK) CPA Limited
Certified Public Accountants
Kwan Chi Fung
Practising Certificate Number: P06614

Hong Kong
14 September 2026

HISTORICAL FINANCIAL INFORMATION OF THE GROUP

Preparation of Historical Financial Information

Set out below is the Historical Financial Information which forms an integral part of this accountants' report.

The consolidated financial statements of the Group for the Track Record Period, on which the Historical Financial Information is based, have been prepared in accordance with the IFRS Accounting Standards issued by International Accounting Standards Board, and were audited by SHINEWING (HK) CPA Limited in accordance with Hong Kong Standards on Auditing issued by the HKICPA (the "**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 PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Year ended 31 December			Three months ended 31 March	
		2023	2024	2025	2025	2026
		RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Revenue	6	730,434	740,376	631,068	131,574	156,332
Cost of sales		(509,580)	(495,411)	(392,573)	(77,231)	(108,936)
Gross profit		220,854	244,965	238,495	54,343	47,396
Other income, gains and losses, net	8	19,094	26,997	17,083	1,063	(4,137)
Selling and distribution expenses		(21,317)	(22,480)	(19,323)	(3,323)	(3,759)
Administrative expenses		(105,823)	(96,552)	(83,584)	(17,387)	(17,190)
Research and development expenses		(62,740)	(70,101)	(59,923)	(17,318)	(15,165)
Impairment losses on financial assets, contract assets and contract costs, net	11	(1,532)	(8,772)	(13,782)	(4,414)	2,826
Finance costs	9	(666)	(644)	(162)	(16)	(40)
Profit before tax		47,870	73,413	78,804	12,948	9,931
Income tax (expense) credit	10	(490)	(6,049)	(4,523)	(51)	680
Profit for the year/period	11	47,380	67,364	74,281	12,897	10,611
Profit for the year/period attributable to:						
— Owners of the Company		47,380	67,364	74,301	12,897	10,606
— Non-controlling interests		—	—	(20)	—	5
		47,380	67,364	74,281	12,897	10,611
Other comprehensive expense						
Items that will not be reclassified to profit or loss:						
Fair value change on equity instruments designated at fair value through other comprehensive income ("**FVTOCI**"), net of tax		(3,320)	(3,413)	(14,231)	(2,713)	(290)
		(3,320)	(3,413)	(14,231)	(2,713)	(290)
Item that may be reclassified to profit or loss:						
Exchange differences arising on translation of foreign operations		215	1,281	(4,648)	(360)	(978)
		215	1,281	(4,648)	(360)	(978)
Other comprehensive expense for the year/period		(3,105)	(2,132)	(18,879)	(3,073)	(1,268)
Total comprehensive income for the year/period		44,275	65,232	55,402	9,824	9,343

	Note	Year ended 31 December			Three months ended 31 March	
		2023	2024	2025	2025	2026
		RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Total comprehensive income for the year/period attributable to:						
— Owners of the Company		44,275	65,232	55,422	9,824	9,338
— Non-controlling interests		—	—	(20)	—	5
Total comprehensive income for the year/period		44,275	65,232	55,402	9,824	9,343
Earnings per share for profit attributable to owners of the Company *(RMB per share)*	14					
— Basic		0.09	0.13	0.14	0.02	0.02
— Diluted		0.09	0.13	0.14	0.02	0.02

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Notes	As at 31 December			As at 31 March
		2023	2024	2025	2026
		RMB'000	RMB'000	RMB'000	RMB'000
Non-current assets					
Property, plant and equipment	15	351,793	348,591	356,415	353,892
Right-of-use assets	16	37,611	30,516	23,149	21,886
Intangible assets	17	6,359	4,085	2,395	2,088
Equity instruments designated at FVTOCI	18	31,213	27,198	10,456	10,115
Deferred tax assets	19	11,316	12,410	15,142	16,675
Other non-current assets		116	25	6	151
Total non-current assets		438,408	422,825	407,563	404,807
Current assets					
Trade receivables	20	155,996	127,790	203,650	155,348
Contract assets	21	2,657	2,368	3,075	2,928
Contract costs	21	55,932	28,178	45,852	48,949
Other receivables, deposits and prepayments	22	12,688	18,450	29,143	39,707
Tax recoverable		5,655	1,345	1,376	1,375
Restricted bank deposits	23	79,833	82,046	4,383	4,008
Bank balances and cash	23	999,802	1,109,041	1,073,113	1,128,877
Total current assets		1,312,563	1,369,218	1,360,592	1,381,192
Current liabilities					
Trade and other payables	24	114,065	120,208	94,563	98,056
Contract liabilities	21	6,409	12,321	17,015	21,633
Tax liabilities		—	1,582	—	1
Lease liabilities	25	10,259	9,004	3,136	2,704
Total current liabilities		130,733	143,115	114,714	122,394
Net current assets		1,181,830	1,226,103	1,245,878	1,258,798
Total assets less current liabilities		1,620,238	1,648,928	1,653,441	1,663,605
Non-current liabilities					
Deferred tax liabilities	19	4,343	5,778	8,573	9,373
Lease liabilities	25	8,520	2,382	1,313	884
Total non-current liabilities		12,863	8,160	9,886	10,257
Net assets		1,607,375	1,640,768	1,643,555	1,653,348
Capital and reserves					
Share capital	26	530,649	530,649	530,649	530,649
Reserves	27	1,076,726	1,110,119	1,112,476	1,121,814
Equity attributable to owners of the Company		1,607,375	1,640,768	1,643,125	1,652,463
Non-controlling interests	1A	—	—	430	885
Total equity		1,607,375	1,640,768	1,643,555	1,653,348

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

	Notes	As at 31 December			As at 31 March
		2023	2024	2025	2026
		RMB'000	RMB'000	RMB'000	RMB'000
Non-current assets					
Property, plant and equipment	15	315,606	314,678	325,087	323,140
Right-of-use assets	16	34,253	25,985	21,375	20,381
Intangible assets	17	6,359	4,085	2,395	2,088
Investments in subsidiaries	1A	47,714	47,714	48,264	48,814
Equity instruments designated at FVTOCI	18	31,213	27,198	10,456	10,115
Deferred tax assets	19	13,196	14,681	20,342	21,875
Other non-current assets		116	25	6	—
Total non-current assets		448,457	434,366	427,925	426,413
Current assets					
Trade receivables	20	565,450	734,505	755,978	811,789
Contract assets	21	2,657	2,368	3,075	2,928
Contract costs	21	52,660	23,279	39,705	40,776
Other receivables, deposits and prepayments	22	59,216	67,011	51,000	61,475
Tax recoverable		4,517	1,345	1,303	1,303
Restricted bank balances	23	79,833	82,046	4,383	4,008
Bank balances and cash	23	530,413	435,572	421,736	370,342
Total current assets		1,294,746	1,346,126	1,277,180	1,292,621
Current liabilities					
Trade and other payables	24	94,213	106,511	89,524	98,643
Contract liabilities	21	2,997	6,886	4,367	3,804
Lease liabilities	25	7,814	5,024	2,361	1,901
Total current liabilities		105,024	118,421	96,252	104,348
Net current assets		1,189,722	1,227,705	1,180,928	1,188,273
Total assets less current liabilities		1,638,179	1,662,071	1,608,853	1,614,686
Non-current liabilities					
Lease liabilities	25	7,415	2,382	346	167
Total non-current liabilities		7,415	2,382	346	167
Net assets		1,630,764	1,659,689	1,608,507	1,614,519
Equity					
Share capital	26	530,649	530,649	530,649	530,649
Reserves	27	1,100,115	1,129,040	1,077,858	1,083,870
Total equity		1,630,764	1,659,689	1,608,507	1,614,519

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the Company						
	Share capital	Capital reserve	Fair value reserve (non-recycling)	Translation reserve	Statutory reserve	Retained profits	Total
	RMB'000	RMB'000 (Note 27(a))	RMB'000	RMB'000 (Note 27(b))	RMB'000 (Note27 (c))	RMB'000	RMB'000
At 1 January 2023	530,649	578,961	(45,442)	1,504	90,163	439,104	1,594,939
Profit for the year	—	—	—	—	—	47,380	47,380
Other comprehensive (expense) income for the year	—	—	(3,320)	215	—	—	(3,105)
Total comprehensive (expense) income for the year	—	—	(3,320)	215	—	47,380	44,275
Appropriation to statutory reserve	—	—	—	—	4,728	(4,728)	—
Dividends recognised as distribution	—	—	—	—	—	(31,839)	(31,839)
At 31 December 2023	530,649	578,961	(48,762)	1,719	94,891	449,917	1,607,375

	Attributable to owners of the Company						
	Share capital	Capital reserve	Fair value reserve (non-recycling)	Translation reserve	Statutory reserve	Retained profits	Total
	RMB'000	RMB'000 (Note 27(a))	RMB'000	RMB'000 (Note 27(b))	RMB'000 (Note 27(c))	RMB'000	RMB'000
At 1 January 2024	530,649	578,961	(48,762)	1,719	94,891	449,917	1,607,375
Profit for the year	—	—	—	—	—	67,364	67,364
Other comprehensive (expense) income for the year	—	—	(3,413)	1,281	—	—	(2,132)
Total comprehensive (expense) income for the year	—	—	(3,413)	1,281	—	67,364	65,232
Appropriation to statutory reserve	—	—	—	—	6,417	(6,417)	—
Dividends recognised as distribution	—	—	—	—	—	(31,839)	(31,839)
At 31 December 2024	530,649	578,961	(52,175)	3,000	101,308	479,025	1,640,768

	Attributable to owners of the Company								
	Share capital	Capital reserve	Fair value reserve (non-recycling)	Translation reserve	Statutory reserve	Retained profits	Total	Non-controlling interests	Total
	RMB'000	RMB'000 (Note 27(a))	RMB'000	RMB'000 (Note 27(b))	RMB'000 (Note 27(c))	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2025	530,649	578,961	(52,175)	3,000	101,308	479,025	1,640,768	—	1,640,768
Profit (loss) for the year	—	—	—	—	—	74,301	74,301	(20)	74,281
Other comprehensive expense for the year	—	—	(14,231)	(4,648)	—	—	(18,879)	—	(18,879)
Total comprehensive (expense) income for the year	—	—	(14,231)	(4,648)	—	74,301	55,422	(20)	55,402
Appropriation to statutory reserve	—	—	—	—	1,611	(1,611)	—	—	—
Capital injection by a non-controlling interest of a subsidiary	—	—	—	—	—	—	—	450	450
Dividends recognised as distribution	—	—	—	—	—	(53,065)	(53,065)	—	(53,065)
At 31 December 2025	530,649	578,961	(66,406)	(1,648)	102,919	498,650	1,643,125	430	1,643,555

	Attributable to owners of the Company								
	Share capital	Capital reserve	Fair value reserve (non-recycling)	Translation reserve	Statutory reserve	Retained profits	Total	Non-controlling interests	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2026	530,649	578,961	(66,406)	(1,648)	102,919	498,650	1,643,125	430	1,643,555
Profit for the period	—	—	—	—	—	10,606	10,606	5	10,611
Other comprehensive expense for the period	—	—	(290)	(978)	—	—	(1,268)	—	(1,268)
Total comprehensive (expense) income for the period	—	—	(290)	(978)	—	10,606	9,338	5	9,343
Capital injection by a non-controlling interest of a subsidiary	—	—	—	—	—	—	—	450	450
At 31 March 2026	530,649	578,961	(66,696)	(2,626)	102,919	509,256	1,652,463	885	1,653,348

	Attributable to owners of the Company						
	Share capital	Capital reserve	Fair value reserve (non-recycling)	Translation reserve	Statutory reserve	Retained profits	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2025 (audited)	530,649	578,961	(52,175)	3,000	101,308	479,025	1,640,768
Profit for the period	—	—	—	—	—	12,897	12,897
Other comprehensive expense for the period	—	—	(2,713)	(360)	—	—	(3,073)
Total comprehensive (expense) income for the period	—	—	(2,713)	(360)	—	12,897	9,824
At 31 March 2025 (unaudited)	530,649	578,961	(54,888)	2,640	101,308	491,922	1,650,592

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
OPERATING ACTIVITIES					
Profit before tax	47,870	73,413	78,804	12,948	9,931
Adjustments for:					
Depreciation of property, plant and equipment	17,722	17,704	16,951	4,345	3,396
Depreciation of right-of-use assets	14,090	13,065	7,455	2,921	1,191
Amortisation of intangible assets	3,278	2,362	1,803	466	322
Finance costs	666	644	162	16	40
Loss on disposal of property, plant and equipment	87	51	351	—	—
Gain on early termination of leases	—	—	(60)	—	—
Impairment losses recognised (reversed) for financial assets, contract assets and contract costs, net	1,532	8,772	13,782	4,414	(2,826)
Operating cash flows before movements in working capital	85,245	116,011	119,248	25,110	12,054
Decrease (increase) in trade receivables	39,961	28,601	(77,296)	(35,533)	56,197
Decrease (increase) in contract costs	32,159	18,588	(30,021)	(22,315)	(1,388)
(Increase) decrease in contract assets	(120)	292	(714)	55	148
Decrease (increase) in other receivables, deposits and prepayments	2,290	(5,766)	(1,920)	(2,989)	(3,220)
Increase (decrease) in trade and other payables	16,550	6,143	(25,645)	(14,092)	3,713
(Decrease) increase in contract liabilities	(2,031)	5,912	4,694	13,526	4,618
(Increase) decrease in restricted bank deposits	(43,025)	(2,213)	77,663	398	375
Cash generated from (used in) operations	131,029	167,568	66,009	(35,840)	72,497
Income taxes (paid) refunded	(3,918)	786	(3,562)	—	—
NET CASH FROM (USED IN) OPERATING ACTIVITIES	127,111	168,354	62,447	(35,840)	72,497
INVESTING ACTIVITIES					
Proceeds on disposal of property, plant and equipment	17	142	64	—	—
Purchases of property, plant and equipment	(5,144)	(14,279)	(25,023)	(2,973)	(1,667)
Purchases of intangible assets	(2,105)	(88)	(113)	—	(15)
NET CASH USED IN INVESTING ACTIVITIES	(7,232)	(14,225)	(25,072)	(2,973)	(1,682)
FINANCING ACTIVITIES					
Dividend paid	(31,839)	(31,839)	(53,065)	—	—
Capital elements of lease rentals paid	(12,127)	(13,276)	(7,003)	(2,421)	(980)
Interest elements of lease rentals paid	(666)	(644)	(162)	(16)	(40)
Prepaid listing expenses	—	—	(8,765)	—	(7,364)
Capital injection by non-controlling interest of a subsidiary	—	—	450	—	450

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
NET CASH USED IN FINANCING ACTIVITIES	(44,632)	(45,759)	(68,545)	(2,437)	(7,934)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	75,247	108,370	(31,170)	(41,250)	62,881
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR/PERIOD	924,242	999,802	1,109,041	1,109,041	1,073,113
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	313	869	(4,758)	(521)	(7,117)
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR/PERIOD	999,802	1,109,041	1,073,113	1,067,270	1,128,877

NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. CORPORATE INFORMATION

Shenzhen Forms Syntron Information Co., Ltd. (the "**Company**") was established in the People's Republic of China (the "**PRC**") as a joint stock company with limited liability. The Company's A shares have been listed on Shenzhen Stock Exchange since 27 May 2015. The addresses of the registered office of the Company and principal places of business of the Company are the same as the registered office in the PRC and the headquarters in the PRC as stated in the section headed "Corporate Information" of the Prospectus. In the opinion of the directors, during the Track Record Period and up to the date of this report, the Company is ultimately controlled by Mr. Chow Chi Kwan.

The Company and its subsidiaries are principally engaged in provision of fintech software development services, consultation services and system integration services.

The Company's major subsidiary is as follows:

			Proportion of ownership interest attributable to the Company					
			As at 31 December			As at 31 March		
Name	Place and date of incorporation/ establishment	Paid up issued share capital	2023	2024	2025	2026	As at the date of this report	Principal activities
Forms Syntron Information (HK) Limited 四方精創資訊(香港)有限公司 *(Note (a))*	Hong Kong 18 February 2009	HKD10,000,000	100%	100%	100%	100%	100%	Provision of fintech software development services, consultation services and system integration services

The above table lists the subsidiary of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

Note:

(a) The statutory financial statements of this company during the years ended 31 December 2023 and 2024 prepared under Hong Kong Generally Accepted Accounting Principles were audited by Kaizen CPA Limited registered in the Hong Kong. No audited statutory report has been issued for the year ended 31 December 2025.

1A. INTERESTS IN SUBSIDIARIES

The Company

	As at 31 December			As at 31 March
	2023	**2024**	**2025**	**2026**
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**
Interests in subsidiaries, at cost *(Note)*	47,714	47,714	48,264	48,814

Note: During the year ended 31 December 2025, the Company incorporated a subsidiary, Shenzhen Sifang Zhishu Technology Co., Ltd.* (深圳四方智數科技有限公司) ("**Forms Data AI**"), with 55% shareholding of Forms Data AI for consideration of RMB550,000 (During the three months ended 31 March 2026: RMB550,000), and the non-controlling interest of the subsidiary contributed RMB450,000 (During the three months ended 31 March 2026: RMB450,000) for 45% shareholding of the subsidiary.

* *English name for identification purpose only.*

2. BASIS OF PREPARATION

The Historical Financial Information has been prepared in accordance with IFRS Accounting Standards, which include all applicable individual IFRS Accounting Standards and Interpretations approved by the International Accounting Standards Board ("**IASB**"). All IFRS Accounting Standards that are effective for the accounting period beginning on 1 January 2026, together with the relevant transitional provisions, have been early adopted by the Group in the preparation of the Historical Financial Information throughout the Track Record Period.

The material accounting policies that have been used in the preparation of this Historical Financial Information are summarised in note 4. These policies have been consistently applied to all the reporting periods presented in the Historical Financial Information, unless otherwise stated.

3. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS

New and amendments to IFRS Accounting Standards in issue but not yet effective

The Group has not applied the following new and revised IFRS Accounting Standards, that have been issued but are not yet effective, in the Historical Financial Information. The Group intends to apply these new and revised IFRS Accounting Standards, if applicable, when they become effective:

IFRS 18	*Presentation and Disclosure in Financial Statements*[1]
IFRS 19	*Subsidiaries without Public Accountability: Disclosure*[1]
IFRS 20	*Regulatory Assets and Regulatory Liabilities*[2]
Amendments to IFRS 10 and IAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[3]
Amendments to IAS 21	*Translation to a Hyperinflationary Presentation Currency*[1]

1 Effective for annual periods beginning on or after 1 January 2027
2 Effective for annual periods beginning on or after 1 January 2029
3 Effective for annual periods beginning on or after a date to be determined

The Group is in the process of making an assessment of the impact of the above new and revised IFRS Accounting Standards upon initial application. So far, it has concluded that, except as described below, the adoption of other new and revised IFRS Accounting Standards will not have a material impact on the Group's financial position and financial performance in the foreseeable future.

IFRS 18 — Presentation and Disclosure in Financial 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 directors are currently assessing the detailed implications of applying the new standard on the Group's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of IFRS 18 will have no impact on the Group's net profit, the Group expects that grouping items of income and expenses in the consolidated statement of profit or loss into the new categories will impact how operating profit is calculated and reported.
- The Group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for:
  - — management-defined performance measures;
  - — a breakdown of the nature of expenses for line items presented by function in the operating category of the consolidated statement of profit or loss — this breakdown is only required for certain nature expenses; and
  - — for the first annual period of application of IFRS 18, a reconciliation for each line item in the consolidated statement of profit or loss between the restated amounts presented by applying IFRS 18 and the amounts previously presented applying IAS 1.
- From a consolidated statement of cash flow perspective, there will be changes to how interest received and interest paid are presented. Interest paid will be presented as financing cash flows and interest received as investing cash flows, which is a change from current presentation as part of operating cash flows.

4. MATERIAL ACCOUNTING POLICY INFORMATION

The Historical Financial Information has been prepared on the historical cost basis except for equity instruments designated at FVTOCI that is measured at fair values at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. Details of fair value measurement are explained in the accounting policies set out below.

The material accounting policies are set out below.

Basis of consolidation

The Historical Financial Information incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved where the Group has: (i) the power over the investee; (ii) exposure, or rights, to variable returns from its involvement with the investee; and (iii) the ability to use its power over the investee to affect the amount of the Group's returns.

The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of these elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and cease when the Group loses control of the subsidiary.

Income and expenses of subsidiaries are included in the consolidated statements of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income of subsidiaries are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group are eliminated in full on consolidation.

Revenue from contracts with customers

Revenue is recognised to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Group uses a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

The Group recognised revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to customers.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct goods or service.

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer, excludes amounts collected on behalf of third parties, discounts and sales related taxes.

Contract assets and contract liabilities

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with IFRS 9 Financial Instruments. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration from the customer. A contract liability would also be recognised if the Group has an unconditional right to receive consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised.

The Group recognised revenue from the following major sources:

- Fintech software development services
- Consultation services
- System integration services

Fintech software development services

Revenue generated from customised fintech software development services which contains software development and maintenance on banking technology services (including banking products portfolio, digital banking channel solutions and banking operations and data services) and financial infrastructure and fintech innovation services according to the requirements of customers, which is recognised i) at the point in time when control of the development achievement created from the customised fintech software development services is transferred to the customer, generally upon the customer's acceptance of the development achievement without unfulfilled obligation that will affect the customer's acceptance or ii) over time when the customer simultaneously receives and benefits from the service, which is to recognise revenue on the basis of monthly usage on our records, which are further adjusted by the usage agreed by customers or based on the maintenance service period. Intellectual property rights arising from customised fintech software development services belong to the customers.

Consultation services

The Group provides consultation services to its customers. The revenue generated from consultation services is recognised i) at the point in time when the performance obligation under the terms of a contract with the customer is satisfied, generally upon the acceptance of the service or ii) over time when the customer simultaneously receives and benefits from the service on the basis of monthly usage on our records, which are further adjusted by the usage agreed by customers or based on the consultation services period.

System integration services

Revenue generated from the system integration services is recognised at the point in time when the performance obligation under the terms of a contract with the customer is satisfied, generally upon the acceptance of the products.

Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Principal versus agent

When another party is involved in providing goods or services to a customer, the Group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for those goods or services to be provided by the other party (i.e. the Group is an agent).

The Group is a principal if it controls the specified good or service before that good or service is transferred to a customer.

The Group is an agent if its performance obligation is to arrange for the provision of the specified good or service by another party. In this case, the Group does not control the specified good or service provided by another party before that good or service is transferred to the customer. When the Group acts as an agent, it recognises revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the specified goods or services to be provided by the other party.

Contract costs

The Group incurs costs (including labour costs, software development and maintenance consumables and others) to fulfil a contract in its services contracts. The Group first assesses whether these costs qualify for recognition as an asset in terms of other relevant standards, failing which it recognised an asset for these costs only if they meet all of the following criteria:

- the costs relate directly to a contract or to an anticipated contract that the Group can specifically identify;

- the costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and

- the costs are expected to be recovered

The asset so recognised is subsequently amortised to profit or loss on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the assets relate.

Capitalised contract costs are stated at cost less accumulated amortisation and impairment losses. Impairment losses are recognised to the extent that the carrying amount of the contract cost asset exceeds the net of (i) remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the asset relates, less (ii) any costs that relate directly to providing those goods or services that have not yet been recognised as expenses.

Leasing

Definition of a lease

A contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less from the commencement date and do not contain a purchase option) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Lease liabilities

At the commencement date, the Group measures lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted by using the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;

- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

- the amount expected to be payable by the lessee under residual value guarantees;

- the exercise price of purchase options if the lessee is reasonably certain to exercise the options; and

- payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease.

The lease liabilities are presented as a separate line in the consolidated statements of financial position.

The lease liabilities are subsequently measured by increasing the carrying amount to reflect interest on the lease liabilities (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Right-of-use assets

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date and any initial direct costs, less lease incentives received.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. They are depreciated over the shorter period of lease term and useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Group presents right-of-use assets as a separate line in the consolidated statements of financial position.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

The Group as lessor

The Group enters into lease agreements as a lessor with respect to its investment properties. Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the Historical Financial Information, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. RMB) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during that period, in which case, the exchange rates prevailing at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve (attributed to non-controlling interests as appropriate).

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Retirement benefits costs and termination benefits

Payments to defined contribution plans, state-managed retirement benefit schemes and Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

Short-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the consolidated statements of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Historical Financial Information and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary differences.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies IAS 12 requirements to the lease liabilities and the related assets separately. The Group recognises a deferred tax asset related to lease liabilities to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised and a deferred tax liability for all taxable temporary differences.

Current and deferred tax are recognised in profit or loss. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Property, plant and equipment

Property, plant and equipment other than construction in progress are stated in the consolidated statements of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Ownership interests in leasehold land and buildings

When the Group makes payments for ownership interests of properties which include both leasehold land and building elements, the entire consideration is allocated between the leasehold land and the building elements in proportion to the relative fair values at initial recognition. To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land is presented as "right-of-use assets" in the consolidated statements of financial position. When the consideration cannot be allocated reliably between non-lease building element and undivided interest in the underlying leasehold land, the entire properties are classified as property, plant and equipment.

Depreciation is recognised so as to allocate the cost of items of property, plant and equipment (other than construction in progress) less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, including cost of testing whether the related assets are functioning properly and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets with indefinite useful lives that are acquired separately are carried at cost less any subsequent accumulated impairment losses.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss in the period when the asset is derecognised.

Internally-generated intangible assets — research and development expenditure

An internally-generated intangible asset arising from development activities (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible asset is reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

Impairment on property, plant and equipment, right-of-use assets and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its plant and equipment, right-of-use assets and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any).

The recoverable amount of plant and equipment, right-of-use assets and intangible assets are estimated individually. When it is not possible to estimate the recoverable amount of an asset individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating unit, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of cash-generating units. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of cash-generating units. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or the cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately in profit or loss.

Cash and cash equivalents

In the consolidated statements of financial position, bank balances and cash comprise cash (i.e. cash on hand and demand deposits) and cash equivalents. Cash equivalents are short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather for investment or other purposes.

For the purpose of the consolidated statements of cash flows, cash and cash equivalents consist of cash and cash equivalents, as defined above.

Investments in subsidiaries

Investments in subsidiaries are stated at cost less accumulated impairment loss in the statement of financial position of the Company.

Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statements of financial position when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables arising from contracts with customers which are initially measured in accordance with IFRS 15 Revenue from Contracts with Customers. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, FVTOCI and fair value through profit or loss ("**FVTPL**").

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them.

Financial assets at amortised cost (debt instruments)

The Group measures financial assets subsequently at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding the expected credit losses ("**ECL**"), through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

The Group's debt instruments are classified and measured subsequently at FVTOCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Equity instruments designated as at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the fair value reserve (non-recycling). The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, instead, they will be transferred to retained earnings.

Dividends from investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the 'other income, gains and losses, net' line item in profit or loss.

Impairment of financial assets and other items subject to impairment assessment under IFRS 9 Financial Instruments

The Group always recognises lifetime ECL for trade receivables and contract assets. The expected credit losses on these financial assets and other items are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group measures the loss allowance equal to 12-month ECL, unless there has been a significant increase in credit risk since initial recognition, in which case the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increase in the likelihood or risk of a default occurring since initial recognition.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken in to account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular debtor, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if i) the debt instrument has a low risk of default, ii) the debtor has a strong capacity to meet its contractual cash flow obligations in the near term, and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there is no past due amounts.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the group entities are recognised at the proceeds received, net of direct listing expenses.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, are measured in accordance with the specific accounting policies set out below.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not 1) contingent consideration of an acquirer in a business combination, 2) held-for-trading, or 3) designated as at FVTPL, are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Fair value measurement

When measuring fair value except for the Group's leasing transactions, net realisable value of inventories and value in use of property, plant and equipment, right-of-use assets, and intangible assets for the purpose of impairment assessment, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Specifically, the Group categorised the fair value measurements into three levels, based on the characteristics of inputs, as follow:

Level 1 — Fair value measurements are those derived from quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 — Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

At the end of the reporting period, the Group determines whether transfer occur between levels of the fair value hierarchy for assets and liabilities which are measured at fair value on recurring basis by reviewing their respective fair value measurement.

5. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 4, the directors of the Company are required to make estimates about the amounts of assets, liabilities, revenue and expenses reported and disclosures made in the Historical Financial Information. The estimates are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Provision of ECL for financial assets at amortised cost and contract assets

The Group calculates ECL for trade receivables, contract assets, other receivables and deposits, restricted bank balances and cash and cash equivalent under IFRS 9. The provision rates are based on the Group's historical default rates taking into consideration forward-looking information that is reasonable and supportable available without undue costs or effort. At every reporting date, the historical observed default rates are reassessed and changes in the forward-looking information are considered.

The provision of ECL is sensitive to changes in estimates. Details of the key assumptions and inputs used are set out in Note 29(b). Changes in these assumptions and estimation could materially affect the assessment and it may be necessary to make additional loss allowance in future periods.

Impairment assessment of non-financial assets and contract costs

Non-financial assets and contract costs are reviewed for impairment, whenever events or changes in circumstances that may cause the carrying amounts of the assets to exceed their recoverable amounts. The recoverable amount of an asset or a cash generating unit is determined as the higher of their unit's fair value less cost of disposal and its value-in-use which requires the use of assumptions and estimates.

6. REVENUE

An analysis of the Group's revenue for the year is as follows:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Types of goods or services					
Fintech software development services					
Banking technology services					
— Banking product portfolio	361,755	343,839	251,346	50,326	64,031
— Digital banking channel solutions	146,789	146,221	138,572	33,322	35,099
— Banking operations and data services	124,069	135,391	95,242	16,895	22,109
Financial infrastructure and fintech innovation services	67,306	94,970	119,918	26,430	31,249
Consultation services	29,987	19,487	24,046	4,601	3,561
System integration services	528	468	1,944	—	283
Revenue from contracts with customers	730,434	740,376	631,068	131,574	156,332
Timing of revenue recognition					
Over time	627,189	631,233	541,549	118,310	136,790
At a point of time	103,245	109,143	89,519	13,264	19,542
Total revenue from contracts with customers	730,434	740,376	631,068	131,574	156,332

Transaction price allocated to the remaining performance obligation for contracts with customers

The transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) at the end of the reporting period and the expected timing of recognition are, as follows:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Within 1 year	50,471	76,439	84,574	60,998	94,834
1–2 years	8,675	9,415	19,060	33,264	4,534
2–3 years	12	1,158	299	2,360	2,237
Over 3 years	9	738	—	692	763
Total	59,167	87,750	103,933	97,314	102,368

7. SEGMENT INFORMATION

The directors of the Company, being the chief operating decision makers, review the Group's internal reporting in order to assess performance and allocate resource. The Group is principally engaged in the provision of fintech software development services, consultation services and system integration services. Information reported to the chief operating decision makers, for the purpose of resources allocation and performance assessment, focuses on the operating results of the Group as a whole as the Group's resources are integrated and no discrete operating segment financial information is available.

Geographical information

The Group's operations and location of non-current assets are in Chinese Mainland and overseas. Information about the Group's revenue from external customers is presented based on location of the customers. Information about the Group's non-current assets is presented based on the geographical location of the assets.

Revenue from the external customers, based on the location of its customers, are as follows:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Geographical region					
Chinese Mainland	285,368	293,863	122,396	16,913	28,908
Overseas	445,066	446,513	508,672	114,661	127,424
Total	730,434	740,376	631,068	131,574	156,332

Non-current assets based on their locations are as follows:

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Geographical region				
Chinese Mainland	388,983	379,371	378,035	374,328
Overseas	6,896	3,846	3,930	3,689
Total	395,879	383,217	381,965	378,017

Note: Non-current assets excluded financial instruments and deferred tax assets.

Information about major customers

Revenue from customers contributing over 10% of the total revenue of the Group during the Track Record Period are as follows:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Customer A	300,352	314,154	332,824	73,226	81,005
Customer B *(Note)*	242,522	247,065	91,130	N/A*	19,148
Customer C	N/A*	84,812	94,709	22,737	23,010

* *The corresponding revenue did not exceed 10% of total revenue of the Group during the Track Record Period.*

Note: The customer is a group consolidating the transaction amounts of entities within such group.

8. OTHER INCOME, GAINS AND LOSSES, NET

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Exchange gains (losses), net	3,504	5,441	(9,996)	(7,351)	(7,170)
Bank interest income	9,844	18,848	24,429	6,931	3,355
Government grants *(Note)*	5,063	2,765	5,620	697	22
Others	683	(57)	(2,970)	786	(344)
Total	19,094	26,997	17,083	1,063	(4,137)

Note:

During the years ended 31 December 2023, 2024, 2025 and the three months ended 31 March 2025 and 2026, government grants of approximately RMB5,063,000, RMB2,765,000, RMB5,620,000, RMB697,000 and RMB22,000 respectively represented unconditional cash payments granted by government authorities. There are no unfulfilled conditions and other contingencies attached to the receipts of those subsidies.

9. FINANCE COSTS

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Interests on lease liabilities	666	644	162	16	40

10. INCOME TAX EXPENSE

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Current tax-The PRC and other jurisdictions					
— Charge for the year	214	2,440	1,943	557	1
Under-provision in prior years	62	2,666	6	—	—
Deferred tax (credit) charge *(note 19)*	214	943	2,574	(506)	(681)
Total	490	6,049	4,523	51	(680)

The PRC

The income tax provision of certain PRC entities of the Group has been calculated at the statutory tax rate of 25% on the estimated assessable profits during the Track Record Period, based on the existing legislation, interpretations and practices in respect thereof.

The Company was eligible for a preferential income tax rate of 15% for a qualification of "High and New Technology Enterprise" during the Track Record Period and the three months ended 31 March 2025.

According to the relevant laws and regulations promulgated by the State Council of the People's Republic of China that was effective from 2008 onwards, enterprises engaging in research and development activities were entitled to claim 150% of their research and development expenses so incurred as tax deductible expenses when determining their assessable profits for that year. The State Taxation Administration of The People's Republic of China ("**STA**") further announced in March 2021 that manufacturing enterprises engaging in research and development activities would entitle to claim 200% of their research and development expenses as Additional Deduction since 1 January 2021. The STA further announced in March 2023 that eligible enterprises would entitle to claim 200% of their research and development expenses as Additional Deduction since 1 January 2023. The Group has made its best estimate for the Additional Deduction to be claimed for the Group's entities in ascertaining their assessable profits during the Track Record Period and the three months ended 31 March 2025.

Hong Kong and other jurisdictions

For subsidiaries incorporated in Hong Kong, under the two-tiered profits tax rates regime, the first HK$2 million of profits of qualifying corporation will be taxed at 8.25%, and profits above HK$2 million will be taxed at 16.5%. For the Track Record Period, Hong Kong profits tax of the qualified entity of the Group is calculated in accordance with the two-tiered profits tax rates regime. The profits of other entities of the Group in Hong Kong not qualifying for the two-tiered profits tax rates regime will continue to be taxed at the flat rate of 16.5%.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

The income tax expense for the Track Record Period and the three months ended 31 March 2025 can be reconciled to the profit before tax per the consolidated statements of profit or loss and other comprehensive income as follows:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Profit before tax	47,870	73,413	78,804	12,948	9,931
Tax at the domestic income tax rate of 15%	7,180	11,012	11,821	1,942	1,490
Tax effect of different tax rates of subsidiaries	339	1,517	480	123	527
Tax effect of non-deductible expenses	360	1,392	3,872	942	32
Tax effect of non-taxable income	(169)	(1,984)	(3,585)	(906)	(2,212)
Tax effect of deductible temporary differences and tax losses not recognised	1,784	1,871	1,858	510	1,710
Utilisation of tax losses previously not recognised	(183)	(46)	(1,183)	(12)	—
Under-provision in prior years	62	2,666	6	—	—
Additional deduction for qualified research and development expenses	(8,883)	(10,379)	(8,746)	(2,548)	(2,227)
Income tax expense (credit)	490	6,049	4,523	51	(680)

11. PROFIT FOR THE YEAR/PERIOD

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Profit before tax has been arrived at after charging/(crediting):					
Directors' and supervisors' emoluments *(Note 12)*	9,417	7,627	6,676	1,380	1,123
Other staffs' salaries	552,095	543,045	428,648	91,551	115,214
Other staffs' retirement benefit scheme contributions	50,896	50,345	54,741	8,682	14,800
Total other staff costs	602,991	593,390	483,389	100,233	130,014
Auditor's remuneration	807	1,699	321	—	—
Listing expenses	—	—	412	—	64
Depreciation of property, plant and equipment	17,722	17,704	16,951	4,345	3,396
Depreciation of right-of-use assets	14,090	13,065	7,455	2,921	1,191
Amortisation of intangible assets	3,278	2,362	1,803	466	322
Loss on disposal of property, plant and equipment	87	51	351	—	—
Gain on early termination of leases	—	—	(60)	—	—
Impairment losses recognised (reversed) on financial assets, contract assets and contract costs, net					
— Trade receivables	1,589	(395)	1,436	1,024	(1,136)
— Other receivables	(41)	4	(8)	2	20
— Contract assets	(16)	(3)	7	(1)	(1)
— Contract costs	—	9,166	12,347	3,389	(1,709)
	1,532	8,772	13,782	4,414	(2,826)

12. DIRECTORS' AND SUPERVISORS' EMOLUMENTS AND FIVE HIGHEST PAID EMPLOYEES

(a) Directors' and supervisors' emoluments

Details of the emoluments paid to the directors and supervisors of the Company during the Track Record Period and the three months ended 31 March 2025 disclosed pursuant to the applicable Listing Rules and the Hong Kong Companies Ordinance are as follows:

	Fees	Salaries and allowances	Performance related bonus	Retirement benefit scheme contributions	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
For the year ended 31 December 2023					
Executive directors:					
Chow Chi Kwan (Chief executive)	—	1,546	1,170	16	2,732
Li Lam	—	1,546	1,215	16	2,777
Teng Hsiu Shen	—	—	—	—	—
Chan Wing Fat	—	1,374	360	16	1,750
Independent non-executive directors:					
Yeung Sze Fei	120	—	—	—	120
So Chit Fung	120	—	—	—	120
Mak Wing Cheong	120	—	—	—	120
Supervisors:					
Huang Kai Bing	—	396	280	64	740
Zhao Hai Yang	—	384	38	46	468
Deng Yu Gui	—	432	107	51	590
	360	5,678	3,170	209	9,417

	Fees	Salaries and allowances	Performance related bonus	Retirement benefit scheme contributions	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
For the year ended 31 December 2024					
Executive directors:					
Chow Chi Kwan (Chief executive)	—	1,595	1,205	16	2,816
Li Lam *(Note (i))*	—	257	—	2	259
Teng Hsiu Shen *(Note (i))*	—	—	—	—	—
Chan Wing Fat	—	1,418	542	16	1,976
Ho Man *(Note (iv))*	207	—	—	—	207
Independent non-executive directors:					
Yeung Sze Fei *(Note (ii))*	16	—	—	—	16
So Chit Fung *(Note (ii))*	16	—	—	—	16
Mak Wing Cheong *(Note (ii))*	16	—	—	—	16
Zhang Li *(Note (v))*	—	104	—	—	104
Ku Ka Yung *(Note (v))*	104	—	—	—	104
Supervisors:					
Huang Kai Bing	—	411	220	65	696
Zhao Hai Yang	—	386	250	46	682
Deng Yu Gui	—	433	250	52	735
	359	4,604	2,467	197	7,627

	Fees	Salaries and allowances	Performance related bonus	Retirement benefit scheme contributions	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
For the year ended 31 December 2025					
Executive directors:					
Chow Chi Kwan (Chief executive)	—	1,603	1,211	16	2,830
Chan Wing Fat	—	1,425	458	16	1,899
Ho Man	240	—	—	—	240
Huang Kai Bing *(Note (iv))*	—	116	195	20	331
Independent non-executive directors:					
Zhang Li	—	120	—	—	120
Ku Ka Yung	120	—	—	—	120
Chan Ka Po Rachel *(Note (v))*	34	—	—	—	34
Supervisors:					
Huang Kai Bing *(Note (iii))*	—	305	25	51	381
Zhao Hai Yang *(Note (iii))*	—	278	23	38	339
Deng Yu Gui *(Note (iii))*	—	314	26	42	382
	394	4,161	1,938	183	6,676

	Fees	Salaries and allowances	Performance related bonus	Retirement benefit scheme contributions	Total
	RMB'000 (Unaudited)	RMB'000 (Unaudited)	RMB'000 (Unaudited)	RMB'000 (Unaudited)	RMB'000 (Unaudited)
For the three months ended 31 March 2025					
Executive directors:					
Chow Chi Kwan (Chief executive)	—	404	50	4	458
Chan Wing Fat	—	359	45	4	408
Ho Man	60	—	—	—	60
Independent non-executive directors:					
Zhang Li	—	30	—	—	30
Ku Ka Yung	30	—	—	—	30
Supervisors:					
Huang Kai Bing *(Note (iii))*	—	106	13	18	137
Zhao Hai Yang *(Note (iii))*	—	97	12	12	121
Deng Yu Gui *(Note (iii))*	—	109	14	13	136
	90	1,105	134	51	1,380

	Fees	Salaries and allowances	Performance related bonus	Retirement benefit scheme contributions	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
For the three months ended 31 March 2026					
Executive directors:					
Chow Chi Kwan (Chief executive)	—	390	49	4	443
Chan Wing Fat	—	346	43	4	393
Ho Man	60	—	—	—	60
Huang Kai Bing	—	106	13	18	137
Independent non-executive directors:					
Zhang Li	—	30	—	—	30
Ku Ka Yung	30	—	—	—	30
Chan Ka Po Rachel *(Note (v))*	30	—	—	—	30
	120	872	105	26	1,123

Notes:

(i) Li Lam and Teng Hsiu Shen resigned as executive directors of the Company on 19 February 2024.

(ii) Yeung Sze Fei, So Chit Fung and Mak Wing Cheong resigned as independent non-executive directors of the Company on 19 February 2024.

(iii) Huang Kai Bing, Zhao Hai Yang and Deng Yu Gui resigned as supervisors of the Company on 19 September 2025.

(iv) Ho Man and Huang Kai Bing were appointed as executive directors of the Company on 19 February 2024 and 19 September 2025 respectively.

(v) Zhang Li and Ku Ka Yung were appointed as independent non-executive directors of the Company on 19 February 2024. Chan Ka Po Rachel was appointed as an independent non-executive director of the Company on 19 September 2025.

Performance related bonuses are determined based on the Group's performance and performance of the relevant individual within the Group.

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group.

The independent non-executive directors' emoluments shown above were mainly for their services as independent non-executive directors of the Company.

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the Track Record Period and the three months ended 31 March 2025.

(b) Five highest paid employees

The five highest paid individuals of the Group included 3, 2, 2, 2 and 2 directors whose emoluments for the years ended 31 December 2023, 2024 and 2025 and the three months ended 31 March 2025 and 2026, respectively are included in the disclosure above. The remuneration of the remaining 2, 3, 3, 3 and 3 individuals during the years ended 31 December 2023, 2024 and 2025 and the three months ended 31 March 2025 and 2026, respectively were as follows:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Salaries and other allowances	1,671	2,733	3,192	1,150	1,085
Performance related bonuses	2,200	3,179	2,311	48	45
Retirement benefit scheme contributions	149	167	187	12	12
	4,020	6,079	5,690	1,210	1,142

The number of the highest paid employees who are not the directors of the Company whose remuneration fell within the following bands is as follows:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	No. of employees	No. of employees	No. of employees	No. of employees (Unaudited)	No. of employees
Nil to HKD1,000,000	—	—	—	3	3
HKD2,000,001 to HKD2,500,000	2	2	3	—	—
HKD2,500,001 to HKD3,000,000	—	1	—	—	—
	2	3	3	3	3

During the Track Record Period and the three months ended 31 March 2025, no emolument was paid by the Group to any of the directors of the Company or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

13. DIVIDENDS

The dividends declared and paid by the Company during the Track Record Period were as follows:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Dividends declared by the Company	31,839	31,839	53,065	—	—

On 12 May 2023, the Company's shareholders approved the 2022 profit distribution plan at an annual general meeting, pursuant to which an aggregate amount of approximately RMB31,839,000 (inclusive of tax) was subsequently paid in May 2023 to the shareholders of the Company on the record date for determining the shareholders' entitlement to the 2022 profit distribution plan, which amounted to a dividend of RMB0.6 (inclusive of tax) for every 10 shares of the Company.

On 23 May 2024, the Company's shareholders approved the 2023 profit distribution plan at an annual general meeting, pursuant to which an aggregate amount of approximately RMB31,839,000 (inclusive of tax) were subsequently paid in June 2024 to the shareholders of the Company on the record date for determining the shareholders' entitlement to the 2023 profit distribution plan, which amounted to a dividend of RMB0.6 (inclusive of tax) for every 10 shares of the Company.

On 23 May 2025, the Company's shareholders approved the 2024 profit distribution plan at an annual general meeting, pursuant to which an aggregate amount of approximately RMB53,065,000 (inclusive of tax) were subsequently paid in June 2025 to the shareholders of the Company on the record date for determining the shareholders' entitlement to the 2024 profit distribution plan, which amounted to a dividend of RMB1.0 (inclusive of tax) for every 10 shares of the Company.

On 24 April 2026, the Company's shareholders approved the 2025 profit distribution plan at an annual general meeting, pursuant to which an aggregate amount of approximately RMB31,839,000 (inclusive of tax) were subsequently paid in May 2026 to the shareholders of the Company on the record date for determining the shareholders' entitlement to the 2025 profit distribution plan, which amounted to a dividend of RMB0.6 (inclusive of tax) for every 10 shares of the Company.

14. EARNINGS PER SHARE

The calculations of the basic and diluted earnings per share are based on:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Earnings					
Profit for the year/period attributable to owners of the Company for the purpose of basic and diluted earnings per share	47,380	67,364	74,301	12,897	10,606
Number of shares	'000	'000	'000	'000	'000
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	530,649	530,649	530,649	530,649	530,649

Basic earnings per share is calculated by dividing the profit for the year/period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the Track Record Period and the three months ended 31 March 2025.

The diluted earnings per share is equivalent to the basic earnings per share as there were no dilutive potential ordinary shares outstanding for the Track Record Period and the three months ended 31 March 2025.

15. PROPERTY, PLANT AND EQUIPMENT

The Group

	Buildings	Equipment	Motor vehicles	Furniture and fixtures	Construction in progress	Leasehold improvement	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
COST							
At 1 January 2023	350,679	62,052	5,485	3,922	8,524	12,199	442,861
Additions	—	3,062	19	2	—	4,526	7,609
Disposals	—	(834)	—	(39)	—	(626)	(1,499)
At 31 December 2023	350,679	64,280	5,504	3,885	8,524	16,099	448,971
Additions	920	9,797	702	7	—	2,944	14,370
Disposals	—	(1,134)	(697)	(68)	—	(2,934)	(4,833)
Exchange adjustment	—	293	30	2	—	—	325
At 31 December 2024	351,599	73,236	5,539	3,826	8,524	16,109	458,833
Additions	20,207	4,694	—	—	—	141	25,042
Disposals	—	(3,031)	—	(1)	—	(8,256)	(11,288)
Exchange adjustment	—	185	(35)	(2)	—	—	148
At 31 December 2025	371,806	75,084	5,504	3,823	8,524	7,994	472,735
Additions	—	1,107	—	—	—	314	1,421
Disposals	—	—	—	—	—	(1,062)	(1,062)
Exchange adjustment	—	(515)	(31)	(2)	—	—	(548)
At 31 March 2026	371,806	75,676	5,473	3,821	8,524	7,246	472,546
DEPRECIATION							
At 1 January 2023	26,430	42,206	2,548	3,299	—	6,204	80,687
Provided for the year	7,867	5,374	868	156	—	3,457	17,722
Written-off upon disposals	—	(743)	—	(26)	—	(626)	(1,395)
Exchange adjustment	—	148	15	1	—	—	164
At 31 December 2023	34,297	46,985	3,431	3,430	—	9,035	97,178
Provided for the year	7,884	5,542	865	42	—	3,371	17,704
Written-off upon disposals	—	(1,018)	(627)	(61)	—	(2,934)	(4,640)
At 31 December 2024	42,181	51,509	3,669	3,411	—	9,472	110,242
Provided for the year	8,030	5,218	677	14	—	3,012	16,951
Written-off upon disposal	—	(2,616)	—	(1)	—	(8,256)	(10,873)
At 31 December 2025	50,211	54,111	4,346	3,424	—	4,228	116,320
Provided for the period	2,103	709	81	—	—	503	3,396
Written-off upon disposals	—	—	—	—	—	(1,062)	(1,062)
At 31 March 2026	52,314	54,820	4,427	3,424	—	3,669	118,654
CARRYING VALUES							
At 31 December 2023	316,382	17,295	2,073	455	8,524	7,064	351,793
At 31 December 2024	309,418	21,727	1,870	415	8,524	6,637	348,591
At 31 December 2025	321,595	20,973	1,158	399	8,524	3,766	356,415
At 31 March 2026	319,492	20,856	1,046	397	8,524	3,577	353,892

The Company

	Buildings	Equipment	Motor vehicles	Furniture and fixtures	Construction in progress	Leasehold improvement	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
COST							
At 1 January 2023	320,179	49,660	4,136	3,795	8,524	9,803	396,097
Additions	—	2,665	—	—	—	829	3,494
Disposals	—	(818)	—	(17)	—	(626)	(1,461)
At 31 December 2023	320,179	51,507	4,136	3,778	8,524	10,006	398,130
Additions	—	9,693	—	6	—	2,944	12,643
Disposals	—	(1,126)	—	(68)	—	(2,934)	(4,128)
At 31 December 2024	320,179	60,074	4,136	3,716	8,524	10,016	406,645
Additions	20,207	4,680	—	—	—	141	25,028
Disposals	—	(2,700)	—	—	—	(5,854)	(8,554)
At 31 December 2025	340,386	62,054	4,136	3,716	8,524	4,303	423,119
Additions	—	1,090	—	—	—	313	1,403
Disposals	—	—	—	—	—	(1,062)	(1,062)
At 31 March 2026	340,386	63,144	4,136	3,716	8,524	3,554	423,460
DEPRECIATION							
At 1 January 2023	25,388	35,554	1,527	3,228	—	4,651	70,348
Provided for the year	6,825	3,273	745	139	—	2,570	13,552
Written-off upon disposals	—	(735)	—	(15)	—	(626)	(1,376)
At 31 December 2023	32,213	38,092	2,272	3,352	—	6,595	82,524
Provided for the year	6,825	3,355	745	28	—	2,499	13,452
Written-off upon disposals	—	(1,014)	—	(61)	—	(2,934)	(4,009)
At 31 December 2024	39,038	40,433	3,017	3,319	—	6,160	91,967
Provided for the year	6,952	4,615	570	12	—	2,200	14,349
Written-off upon disposals	—	(2,430)	—	—	—	(5,854)	(8,284)
At 31 December 2025	45,990	42,618	3,587	3,331	—	2,506	98,032
Provided for the period	1,833	1,131	68	—	—	318	3,350
Written-off upon disposals	—	—	—	—	—	(1,062)	(1,062)
At 31 March 2026	47,823	43,749	3,655	3,331	—	1,762	100,320
CARRYING VALUES							
At 31 December 2023	287,966	13,415	1,864	426	8,524	3,411	315,606
At 31 December 2024	281,141	19,641	1,119	397	8,524	3,856	314,678
At 31 December 2025	294,396	19,436	549	385	8,524	1,797	325,087
At 31 March 2026	292,563	19,395	481	385	8,524	1,792	323,140

The estimated useful lives of items of property, plant and equipment are as follows:

	Useful lives
Buildings	42.5 years
Equipment	5 years
Motor vehicles	5 years
Furniture and fixtures	5 years
Leasehold improvement	Over the term of lease, or 1–5 years

16. RIGHT-OF-USE ASSETS

The Group as a lessee

The Group has lease contracts for various items of properties. Leases of properties generally have lease terms from 24 months to 36 months.

Land use rights are all located in the PRC with a lease period of 50 years when granted.

The Group

	Land use right	Buildings	Total
	RMB'000	RMB'000	RMB'000
COST			
At 1 January 2023	26,038	34,731	60,769
Additions	—	12,129	12,129
Write-off upon termination of lease	—	(14,066)	(14,066)
Exchange adjustment	—	66	66
At 31 December 2023	26,038	32,860	58,898
Additions	—	5,883	5,883
Write-off upon termination of lease	—	(9,245)	(9,245)
Exchange adjustment	—	87	87
At 31 December 2024	26,038	29,585	55,623
Additions	—	2,976	2,976
Write-off upon early termination of leases	—	(20,258)	(20,258)
Exchange adjustment	—	(38)	(38)
At 31 December 2025	26,038	12,265	38,303
Exchange adjustment	—	(72)	(72)
At 31 March 2026	26,038	12,193	38,231

	Land use right	Buildings	Total
	RMB'000	RMB'000	RMB'000
DEPRECIATION			
At 1 January 2023	5,977	15,286	21,263
Provided for the year	521	13,569	14,090
Eliminated on termination of lease	—	(14,066)	(14,066)
At 31 December 2023	6,498	14,789	21,287
Provided for the year	521	12,544	13,065
Eliminated on termination of lease	—	(9,245)	(9,245)
At 31 December 2024	7,019	18,088	25,107
Provided for the year	521	6,934	7,455
Eliminated on early termination of leases	—	(17,408)	(17,408)
At 31 December 2025	7,540	7,614	15,154
Provided for the period	130	1,061	1,191
At 31 March 2026	7,670	8,675	16,345
CARRYING VALUES			
At 31 December 2023	19,540	18,071	37,611
At 31 December 2024	19,019	11,497	30,516
At 31 December 2025	18,498	4,651	23,149
At 31 March 2026	18,368	3,518	21,886

During the year ended 31 December 2025, the Group early terminated lease contracts, the respective right-of-use assets and lease liabilities of approximately RMB2,850,000 and RMB2,910,000 were derecognised accordingly, resulting in gain on early termination of leases of approximately RMB60,000 recognised on profit or loss.

The Company as a lessee

The Company has lease contracts for various items of properties. Leases of properties generally have lease terms from 24 months to 36 months.

Land use rights are all located in the PRC with a lease period of 50 years when granted.

The Company

	Land use right	Buildings	Total
	RMB'000	RMB'000	RMB'000
COST			
At 1 January 2023	26,038	23,701	49,739
Additions	—	9,075	9,075
Write-off upon termination of lease	—	(9,589)	(9,589)
At 31 December 2023	26,038	23,187	49,225
Write-off upon termination of lease	—	(3,445)	(3,445)
At 31 December 2024	26,038	19,742	45,780
Additions	—	997	997
Write-off upon early termination of lease	—	(10,453)	(10,453)
At 31 December 2025 and 31 March 2026	26,038	10,286	36,324
DEPRECIATION			
At 1 January 2023	5,977	9,748	15,725
Provided for the year	521	8,315	8,836
Eliminated on termination of lease	—	(9,589)	(9,589)
At 31 December 2023	6,498	8,474	14,972
Provided for the year	521	7,747	8,268
Eliminated on termination of lease	—	(3,445)	(3,445)
At 31 December 2024	7,019	12,776	19,795
Provided for the year	521	5,030	5,551
Eliminated on early termination of lease	—	(10,397)	(10,397)
At 31 December 2025	7,540	7,409	14,949
Provided for the period	130	864	994
At 31 March 2026	7,670	8,273	15,943
CARRYING VALUES			
At 31 December 2023	19,540	14,713	34,253
At 31 December 2024	19,019	6,966	25,985
At 31 December 2025	18,498	2,877	21,375
At 31 March 2026	18,368	2,013	20,381

17. INTANGIBLE ASSETS

The Group and the Company

	Software
	RMB'000
COST	
At 1 January 2023	20,708
Additions	2,105
At 31 December 2023	22,813
Additions	88
At 31 December 2024	22,901
Additions	113
At 31 December 2025	23,014
Additions	15
At 31 March 2026	23,029
AMORTISATION AND IMPAIRMENT	
At 1 January 2023	13,176
Provided for the year	3,278
At 31 December 2023	16,454
Provided for the year	2,362
At 31 December 2024	18,816
Provided for the year	1,803
At 31 December 2025	20,619
Provided for the period	322
At 31 March 2026	20,941
CARRYING VALUES	
At 31 December 2023	6,359
At 31 December 2024	4,085
At 31 December 2025	2,395
At 31 March 2026	2,088

The useful lives of software are 5 years.

18. EQUITY INSTRUMENTS DESIGNATED AT FVTOCI

The Group and the Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Unlisted equity instruments	31,213	27,198	10,456	10,115

Equity instruments designated at FVTOCI represent the Group's equity interest in unlisted entities established in the PRC. The management of the Company have elected to designate these investments in equity instruments as at FVTOCI as they believe that recognising short-term fluctuations in these investments fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes and realising their performance potential in the long run. For the details of fair value measurement of the above equity instruments, please refer to note 29(c).

19. DEFERRED TAXATION

The Group

For the purpose of presentation in the consolidated statements of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Deferred tax assets	11,316	12,410	15,142	16,675
Deferred tax liabilities	(4,343)	(5,778)	(8,573)	(9,373)
	6,973	6,632	6,569	7,302

The Company

For the purpose of presentation in the statements of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Deferred tax assets	13,196	14,681	20,342	21,875
Deferred tax liabilities	—	—	—	—
	13,196	14,681	20,342	21,875

The Group

The deferred tax assets/(liabilities) recognised by the Group and movements thereon during the Track Record Period are as follows:

	Tax losses	Impairment on assets	Fair value change	Property, plant and equipment	Right-of-use assets	Provision on estimated liabilities	Lease liabilities	Undistributable profits of subsidiaries	Unrealised profits	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2023	943	827	8,019	(89)	(2,262)	913	2,245	(4,101)	106	6,601
(Charge)/credit to profit or loss for the year	(324)	310	—	18	31	—	65	(242)	(72)	(214)
Credit to reserves	—	—	586	—	—	—	—	—	—	586
At 31 December 2023	619	1,137	8,605	(71)	(2,231)	913	2,310	(4,343)	34	6,973
(Charge)/credit to profit or loss for the year	(619)	1,106	—	18	1,015	—	(1,057)	(1,405)	(1)	(943)
Credit to reserves	—	—	602	—	—	—	—	—	—	602
At 31 December 2024	—	2,243	9,207	(53)	(1,216)	913	1,253	(5,748)	33	6,632
Credit/(charge) to profit or loss for the year	—	1,241	—	18	785	(913)	(847)	(2,825)	(33)	(2,574)
Credit to reserves	—	—	2,511	—	—	—	—	—	—	2,511
At 31 December 2025	—	3,484	11,718	(35)	(431)	—	406	(8,573)	—	6,569
Credit/(charge) to profit or loss for the period	1,707	(264)	—	4	130	—	(96)	(800)	—	681
Credit to reserves	—	—	51	—	—	—	—	—	—	51
Exchange realignment	—	1	—	—	—	—	—	—	—	1
At 31 March 2026	1,707	3,221	11,769	(31)	(301)	—	310	(9,373)	—	7,302

The Company

The deferred tax assets/(liabilities) recognised by the Company and movements thereon during the Track Record Period are as follows:

	Tax losses	Impairment on assets	Fair value change	Property, plant and equipment	Right-of-use assets	Provision on estimated liabilities	Lease liabilities	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2023	943	826	8,019	(89)	(2,093)	913	2,107	10,626
(Charge)/credit to profit or loss for the year	(324)	2,226	—	18	(114)	—	178	1,984
Credit to reserves	—	—	586	—	—	—	—	586
At 31 December 2023	619	3,052	8,605	(71)	(2,207)	913	2,285	13,196
(Charge)/credit to profit or loss for the year	(619)	1,496	—	18	1,162	—	(1,174)	883
Credit to reserves	—	—	602	—	—	—	—	602
At 31 December 2024	—	4,548	9,207	(53)	(1,045)	913	1,111	14,681
Credit/(charge) to profit or loss for the year	—	4,136	—	18	614	(913)	(705)	3,150
Credit to reserves	—	—	2,511	—	—	—	—	2,511
At 31 December 2025	—	8,684	11,718	(35)	(431)	—	406	20,342
Credit/(charge) to profit or loss for the period	1,707	(265)	—	4	132	—	(96)	1,482
Credit to reserves	—	—	51	—	—	—	—	51
At 31 March 2026	1,707	8,419	11,769	(31)	(299)	—	310	21,875

The Group

At the end of each of the Track Record Period, the Group has unused tax losses available for offset against future profits and deductible temporary differences, no deferred tax asset has been recognised due to the unpredictability of future profit streams as below:

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Deductible temporary differences	10	10	—	16

The unrecognised tax losses will expire in the following years:

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
2024	2,181	—	—	—
2025	2,401	2,401	—	—
2026	39,324	22,233	20,753	—
2027	23,805	23,313	16,960	16,960
2028	12,577	12,499	6,096	6,096
2029	—	12,560	5,859	5,859
2030	—	—	5,173	5,173
2031 and beyond	6,629	—	—	2,837
	86,917	73,006	54,841	36,925

The Company

At the end of each of the Track Record Period, the Company does not have any unused tax losses and deductible temporary differences.

20. TRADE RECEIVABLES

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Trade receivables	164,150	135,542	210,772	161,335
Less: Expected credit losses	(8,154)	(7,752)	(7,122)	(5,987)
	155,996	127,790	203,650	155,348

As at 31 December 2023, 2024 and 2025 and 31 March 2026, the gross amount of trade receivables arising from contracts with customers amounted to approximately RMB164,150,000, RMB135,542,000, RMB210,772,000 and RMB161,335,000 respectively.

The Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Trade receivables	572,970	741,453	775,648	831,664
Less: Expected credit losses	(7,520)	(6,948)	(19,670)	(19,875)
	565,450	734,505	755,978	811,789

As at 31 December 2023, 2024 and 2025 and 31 March 2026, the gross amount of trade receivables arising from contracts with customers amounted to approximately RMB572,970,000, RMB741,453,000, RMB775,648,000 and RMB831,664,000 respectively.

Included in the Company's trade receivables are amounts due from subsidiaries of approximately RMB440,501,000, RMB646,093,000, RMB752,617,000 and RMB791,504,000 as at 31 December 2023, 2024 and 2025 and 31 March 2026 respectively, which are unsecured, non-interest bearing and repayable on demand.

(a) The Group generally allows credit period within 3 months, depending on the specific payment terms in each contract. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

The Group

The following is an analysis of trade receivables by age, net of allowance for credit losses, presented based on the date of revenue recognition as at 31 December 2023, 2024 and 2025 and 31 March 2026:

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Within 1 year	137,402	122,235	202,819	154,609
1 to 2 years	11,701	3,504	556	517
2 to 3 years	6,893	2,051	275	222
	155,996	127,790	203,650	155,348

The Company

The following is an analysis of trade receivables by age, net of allowance for credit losses, presented based on the date of revenue recognition as at 31 December 2023, 2024 and 2025 and 31 March 2026:

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Within 1 year	551,227	728,950	755,147	811,050
1 to 2 years	7,330	3,504	556	517
2 to 3 years	6,893	2,051	275	222
	565,450	734,505	755,978	811,789

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. There has been no change in the estimation techniques or significant assumptions made during the Track Record Period.

The Group

The Group recognised lifetime ECL for trade receivables based on individually significant customer or the ageing of customers collectively that are not individually significant as follows:

	Weighted average expected loss rate	Gross carrying amount	Loss allowance
As at 31 December 2023		RMB'000	RMB'000
Within 1 year	2%	139,816	2,414
1 to 2 years	7%	12,592	891
2 to 3 years	24%	9,085	2,192
More than 3 years	100%	1,743	1,743
		163,236	7,240
Individually assessed	100%	914	914
		164,150	8,154

As at 31 December 2024	Weighted average expected loss rate	Gross carrying amount RMB'000	Loss allowance RMB'000
Within 1 year	2%	124,695	2,460
1 to 2 years	12%	3,999	495
2 to 3 years	26%	2,765	714
More than 3 years	100%	3,169	3,169
		134,628	6,838
Individually assessed	100%	914	914
		135,542	7,752

As at 31 December 2025	Weighted average expected loss rate	Gross carrying amount RMB'000	Loss allowance RMB'000
Within 1 year	2%	206,830	4,011
1 to 2 years	11%	626	70
2 to 3 years	29%	388	113
More than 3 years	100%	2,539	2,539
		210,383	6,733
Individually assessed	100%	389	389
		210,772	7,122

As at 31 March 2026	Weighted average expected loss rate	Gross carrying amount RMB'000	Loss allowance RMB'000
Within 1 year	2%	157,511	2,902
1 to 2 years	11%	582	65
2 to 3 years	29%	314	92
More than 3 years	100%	2,539	2,539
		160,946	5,598
Individually assessed	100%	389	389
		161,335	5,987

The Company

As at 31 December 2023	Weighted average expected loss rate	Gross carrying amount RMB'000	Loss allowance RMB'000
Within 1 year	0%	553,096	1,869
1 to 2 years	10%	8,132	802
2 to 3 years	24%	9,085	2,192
More than 3 years	100%	1,743	1,743
		572,056	6,606
Individually assessed	100%	914	914
		572,970	7,520

As at 31 December 2024	Weighted average expected loss rate	Gross carrying amount	Loss allowance
		RMB'000	RMB'000
Within 1 year	0%	730,606	1,656
1 to 2 years	12%	3,999	495
2 to 3 years	26%	2,765	714
More than 3 years	100%	3,169	3,169
		740,539	6,034
Individually assessed	100%	914	914
		741,453	6,948

As at 31 December 2025	Weighted average expected loss rate	Gross carrying amount	Loss allowance
		RMB'000	RMB'000
Within 1 year	0%	739,100	256
1 to 2 years	11%	626	70
2 to 3 years	29%	388	113
More than 3 years	100%	2,539	2,539
		742,653	2,978
Individually assessed	51%	32,995	16,692
		775,648	19,670

As at 31 March 2026	Weighted average expected loss rate	Gross carrying amount	Loss allowance
		RMB'000	RMB'000
Within 1 year	0%	795,150	487
1 to 2 years	11%	582	65
2 to 3 years	29%	314	92
More than 3 years	100%	2,539	2,539
		798,585	3,183
Individually assessed	50%	33,079	16,692
		831,664	19,875

(b) The movements in the allowance for impairment of trade receivables are set out below:

The Group

	Year ended 31 December			Three months ended 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
At the beginning of the year/period	7,260	8,154	7,752	7,122
Impairment losses recognised (reversed)	1,589	(395)	1,436	(1,136)
Exchange realignment	—	—	—	1
Write-off	(695)	(7)	(2,066)	—
At the end of the year/period	8,154	7,752	7,122	5,987

The Company

	Year ended 31 December			Three months ended 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
At the beginning of the year/period	5,424	7,520	6,948	19,670
Impairment losses recognised (reversed)	2,791	(565)	14,788	205
Write-off	(695)	(7)	(2,066)	—
At the end of the year/period	7,520	6,948	19,670	19,875

21. CONTRACT COSTS, CONTRACT ASSETS AND CONTRACT LIABILITIES

(a) Contract costs

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Cost to fulfil contract	55,932	28,178	45,852	48,949

During the years ended 31 December 2023, 2024 and 2025 and three months ended 31 March 2025 and 2026, contract costs of approximately RMB65,887,000, RMB44,518,000, RMB18,884,000, RMB4,722,000 and RMB16,473,000 respectively are recognised in profit or loss. During the years ended 31 December 2023, 2024 and 2025 and three months ended 31 March 2025, impairment losses on contract costs of approximately nil, RMB9,166,000, RMB12,347,000 and RMB3,389,000 respectively are recognised and charged to profit or loss. During the three months ended 31 March 2026, reversals of impairment losses of contract assets of approximately RMB1,709,000 were recognised.

At the end of each reporting period, an impairment loss of contract costs is recognized when the carrying amount of the related contract costs exceeds the net amount of: (i) the remaining consideration expected to be received for the related goods or services, less (ii) any directly related costs that have not yet been recognized as expenses.

The impairment losses of contract costs during the Track Record Period were primarily due to: (i) cost overruns caused by factors such as scope changes or underestimation of project costs. Such underestimation may result from information gaps at the time of bidding, the complexity of project requirements, changes in labour costs, or project delays and the additional resources required due to external uncertainties; and (ii) strategic considerations, including projects pursued to maintain existing customer relationships or to explore new business opportunities where short-term profitability was intentionally subordinated to longer-term commercial objectives.

The Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Cost to fulfil contract	52,660	23,279	39,705	40,776

(b) Contract assets

The Group and the Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Provision of:				
— Fintech software development services	2,651	2,368	3,075	2,928
— System integration services	6	—	—	—
	2,657	2,368	3,075	2,928

The Group's contracts include payment schedules which require stage payments over the project period once milestones are reached. The Group typically agrees to one year retention period for 10% of the contract value. This amount is included in contract assets until the end of the retention period as the Group's entitlement to this final payment is conditional on the Group's work satisfactorily passing inspection. As at 31 December 2023, 2024 and 2025 and 31 March 2026, included in contract assets of RMB381,000, RMB288,000, RMB472,000 and RMB472,000, respectively, were expected to be recovered after more than one year.

During the year ended 31 December 2025, an impairment loss on contract assets of approximately RMB7,000 was recognised. During the years ended 31 December 2023 and 2024 and the three months ended 31 March 2025 and 2026, reversals of impairment losses of contract assets of approximately RMB16,000, RMB3,000, RMB1,000 and RMB1,000, respectively, were recognised.

(c) Contract liabilities

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Provision of:				
— Fintech software development services	6,409	11,765	15,001	20,551
— Consultation services	—	556	2,014	1,082
	6,409	12,321	17,015	21,633

Contract liabilities include unsatisfied performance obligation for provision of fintech software development services, and consultation services.

Revenue recognised during the years ended 31 December 2023, 2024 and 2025 and three months ended 31 March 2025 and 2026 that were included in the contract liabilities at the beginning of the year/period are approximately RMB6,824,000, RMB5,086,000, RMB10,549,000, RMB3,336,000 and RMB3,008,000 respectively. There was no revenue recognised in the current year/period that related to performance obligations that were satisfied in prior year/period.

The Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Provision of:				
Fintech software development services	2,997	6,886	2,486	2,849
Consultation services	—	—	1,881	955
	2,997	6,886	4,367	3,804

22. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Deposits and advances to staff	5,099	5,453	4,608	6,588
Deductible value-added tax	37	51	774	1,296
Interest receivable	6,271	8,988	11,475	12,904
Prepayments	1,332	4,013	3,980	3,757
Prepaid listing expenses	—	—	8,353	15,229
	12,739	18,505	29,190	39,774
Less: Expected credit losses	(51)	(55)	(47)	(67)
	12,688	18,450	29,143	39,707
Analysed for reporting purposes as:				
— Current assets	12,688	18,450	29,143	39,707

The Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Deposits and advances to staff	3,363	3,698	3,425	5,444
Deductible value-added tax	29	15	—	429
Interest receivable	6,271	7,863	10,700	11,605
Prepayments	791	1,159	1,345	1,611
Prepaid listing expenses	—	—	8,353	15,229
Amounts due from subsidiaries *(note)*	51,564	59,670	35,575	35,579
	62,018	72,405	59,398	69,897
Less: Expected credit losses	(2,802)	(5,394)	(8,398)	(8,422)
	59,216	67,011	51,000	61,475

Note: Amounts due from subsidiaries were unsecured, interest-free and repayable on demand.

Details of impairment assessment are set out in Note 29(b).

23. RESTRICTED BANK DEPOSITS /BANK BALANCES AND CASH

The bank balances and cash and restricted bank deposits are denominated in the following currencies:

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Denominated in RMB	859,957	924,262	801,220	984,779
Denominated in United States Dollar (USD)	1,067	1,088	2	30
Denominated in Hong Kong Dollar (HKD)	173,879	220,782	242,257	116,061
Denominated in Thai Baht (THB)	44,732	44,955	34,017	32,015
	1,079,635	1,191,087	1,077,496	1,132,885

The Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Denominated in RMB	610,245	517,618	335,792	374,348
Denominated in HKD	1	—	90,327	2
	610,246	517,618	426,119	374,350

The RMB is not freely convertible into other currencies, however, under the PRC's Foreign Exchange Control Regulations and Administration of Settlement, and Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default. The carrying amounts of the cash and cash equivalents approximate to their fair values.

As at the end of each of the Track Record Period, the internal credit rating of restricted deposits and cash and cash equivalents was regarded as the grade of performing. The Group has assessed that the credit risk of the restricted deposits and cash and cash equivalents and considered its credit risks have not increased significantly since initial recognition. The Group has measured the impairment based on the 12-month ECL, and has assessed that the expected credit losses are immaterial.

24. TRADE AND OTHER PAYABLES

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Trade payables	2,939	1,385	42	45
Other taxes payables	3,266	8,435	2,831	2,683
Payroll and welfare payables	98,030	97,771	88,420	92,662
Other payables	9,830	12,617	3,270	2,666
	114,065	120,208	94,563	98,056

The Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Trade payables	2,931	1,392	45	45
Amounts due to subsidiaries *(Note)*	—	462	7,071	13,901
Other taxes payables	3,197	8,396	2,818	2,669
Payroll and welfare payables	80,374	85,266	77,459	81,069
Other payables	7,711	10,995	2,131	959
	94,213	106,511	89,524	98,643

Note: Amounts due to subsidiaries were unsecured, interest-free and repayable on demand.

The trade payables are non-interest-bearing and are normally settled within 1 year. The fair value of trade payables approximates to their carrying amount.

The following is an aged analysis of trade payables presented based on the date of service provided and date of goods acceptance at the end of each reporting period.

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Within one year	2,919	1,297	27	30
Over 1 years	20	88	15	15
	2,939	1,385	42	45

The Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Within one year	2,912	1,305	30	30
Over 1 years	19	87	15	15
	2,931	1,392	45	45

25. LEASE LIABILITIES

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Lease liabilities payable:				
Within one year	10,259	9,004	3,136	2,704
Within a period of more than one year but not more than two years	6,139	2,382	1,029	688
Within a period of more than two years but not more than three years	2,381	—	284	196
Total	18,779	11,386	4,449	3,588
Less: Amount due for settlement with 12 months shown under current liabilities	(10,259)	(9,004)	(3,136)	(2,704)
Amount due for settlement after 12 months shown under non-current liabilities	8,520	2,382	1,313	884

The weighted average incremental borrowing rates applied to lease liabilities range from 3.13% to 4.25% per annum during the Track Record Period.

(a) Amounts recognised in profit or loss

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Depreciation expense on right-of-use assets	14,090	13,065	7,455	2,921	1,191
Interests on lease liabilities	666	644	162	16	40

The Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Lease liabilities payable:				
Within one year	7,814	5,024	2,361	1,901
Within a period of more than one year but not more than two years	5,034	2,382	346	167
Within a period of more than two years but not more than three years	2,381	—	—	—
Total	15,229	7,406	2,707	2,068
Less: Amount due for settlement with 12 months shown under current liabilities	(7,814)	(5,024)	(2,361)	(1,901)
Amount due for settlement after 12 months shown under non-current liabilities	7,415	2,382	346	167

26. SHARE CAPITAL

	Number of shares	Share capital
		RMB'000
A shares of RMB 1 each		
As at 1 January 2023, 31 December 2023, 2024 and 2025 and 31 March 2026	530,649,275	530,649

The holders of shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings of the Company. All ordinary shares rank equally with regard to the Company's residual net assets.

27. RESERVES

The amounts of the Group's reserves and the movements therein during the Track Record Period are presented in the consolidated statements of changes in equity.

(a) Capital reserve

Capital reserve mainly represents the difference between the cost of acquisition and the non-controlling interests acquired in the case of acquisition of additional non-controlling interests of subsidiaries, or the difference between the proceeds from disposal and the non-controlling interests disposed of in the case of disposal of partial equity interests in subsidiaries to non-controlling shareholders without loss of control. Details of the movements in the capital reserve are set out in the consolidated statements of changes in equity.

(b) Translation reserve

Translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations.

(c) Statutory reserve

In accordance with the PRC Company Law and the articles of association of the subsidiaries established in the PRC, the Group is required to appropriate 10% of its net profit after tax, as determined under the Chinese Accounting Standards, to the statutory surplus reserve until the reserve balance reaches 50% of its registered capital. Subject to certain restrictions set out in the relevant PRC regulations and in the articles of association of the subsidiaries established in the PRC, the statutory surplus reserve may be used either to offset losses, or to be converted to share capital provided that the balance after such conversion is not less than 25% of the registered capital of the Group. The reserve cannot be used for purposes other than those for which it is created and is not distributable as cash dividends.

The Company

	Capital reserve	Fair value reserve (non-recycling)	Statutory reserve	Retained profits	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2023	580,915	(45,442)	90,163	462,356	1,087,992
Profit for the year	—	—	—	47,282	47,282
Other comprehensive expense for the year	—	(3,320)	—	—	(3,320)
Total comprehensive (expense) income for the year	—	(3,320)	—	47,282	43,962
Appropriation to statutory reserve	—	—	4,728	(4,728)	—
Dividends recognised as distribution	—	—	—	(31,839)	(31,839)
At 31 December 2023	580,915	(48,762)	94,891	473,071	1,100,115

The Company

	Other reserves	Fair value reserve (non-recycling)	Statutory reserve	Retained profits	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2024	580,915	(48,762)	94,891	473,071	1,100,115
Profit for the year	—	—	—	64,177	64,177
Other comprehensive expense for the year	—	(3,413)	—	—	(3,413)
Total comprehensive (expense) income for the year	—	(3,413)	—	64,177	60,764
Appropriation to statutory reserve	—	—	6,417	(6,417)	—
Dividends recognised as distribution	—	—	—	(31,839)	(31,839)
At 31 December 2024	580,915	(52,175)	101,308	498,992	1,129,040
Profit for the year	—	—	—	16,114	16,114
Other comprehensive expense for the year	—	(14,231)	—	—	(14,231)
Total comprehensive (expense) income for the year	—	(14,231)	—	16,114	1,883
Appropriation to statutory reserve	—	—	1,611	(1,611)	—
Dividends recognised as distribution	—	—	—	(53,065)	(53,065)
At 31 December 2025	580,915	(66,406)	102,919	460,430	1,077,858
Profit for the period	—	—	—	6,302	6,302
Other comprehensive expense for the period	—	(290)	—	—	(290)
Total comprehensive (expense) income for the period	—	(290)	—	6,302	6,012
At 31 March 2026	580,915	(66,696)	102,919	466,732	1,083,870

28. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of net debts, net of cash and cash equivalents and restricted bank deposits, and equity attributable to owners of the Company, comprising share capital and reserves.

The management of the Group reviews the capital structure periodically. As part of this review, the management of the Group considers the cost of capital and the risks associated with each class of capital and balance its overall capital structure through the payment of dividends, new share issues and share buy-back as well as the issue of new debts or the redemption of existing debts.

The asset-liability ratios at the end of each of the Relevant Periods are as follows:

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Total assets	1,750,971	1,792,043	1,768,155	1,785,999
Total liabilities	143,596	151,275	124,600	132,651
Asset-liability ratio*	8.20%	8.44%	7.05%	7.43%

* The asset-liability ratio is calculated by dividing total liabilities by total assets.

29. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Financial assets				
Financial assets at amortised cost (including cash and cash equivalents)	1,246,950	1,333,263	1,297,182	1,307,658
Equity instruments designated at FVTOCI	31,213	27,198	10,456	10,115
	1,278,163	1,360,461	1,307,638	1,317,773
Financial liabilities				
At amortised cost	12,769	14,002	3,312	2,711

The Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Financial assets				
Financial assets at amortised cost (including cash and cash equivalents)	1,234,092	1,317,960	1,223,399	1,230,345
Equity instruments designated at FVTOCI	31,213	27,198	10,456	10,115
	1,265,305	1,345,158	1,233,855	1,240,460
Financial liabilities				
At amortised cost	10,642	12,849	9,247	14,905

(b) Financial risk management objectives and policies

The Group's and the Company's major financial instruments include equity instruments designated at FVTOCI, trade receivables, other receivables and deposits, restricted bank deposits, bank balances and cash and trade and other payables. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (interest rate risk and foreign currency risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below.

The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

(i) Interest rate risk

The Group and the Company are exposed to cash flow interest rate risk related primarily to its variable-rate restricted bank deposits and bank balances.

Sensitivity analysis

The Group and the Company currently do not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider other necessary actions when significant interest rate exposure is anticipated. It is the Group's and the Company's policy to keep its deposits at floating rate of interests so as to minimise the fair value interest rate risk. The management of the Group and the Company considered that the exposure to cash flow in interest rate risk in relation to restricted bank deposits and bank balances are minimal and no sensitivity analysis is presented accordingly.

(ii) Foreign currency risk

The Group and the Company currently do not have a foreign exchange hedging policy. However, the management of the Group monitors foreign exchange exposure and will consider hedging significant foreign exchange exposure should the need arise.

Credit risk and impairment assessment

In order to minimise the credit risk of trade receivables and contract assets, the management of the Group and the Company has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group and the Company review the expected credit losses on these balances individually and/or collectively at the end of the reporting period to ensure that adequate impairment losses are made for ECL. In addition, the Group and the Company perform impairment assessment under ECL model in accordance with IFRS 9 on trade balances individually or based on provision matrix. For trade receivables and contract assets, the Group has applied the simplified approach under IFRS 9 to measure the loss allowance at lifetime ECL. The Group's lifetime ECL provided for trade receivables and contract assets are in aggregate of approximately RMB1,573,000, RMB1,443,000 and RMB1,023,000 (life-time not credit-impaired) for the years ended 31 December 2023 and 2025 and the three months ended 31 March 2025, respectively, and the Group's lifetime ECL reversed for trade receivables and contract assets are in aggregate of approximately RMB398,000 and RMB1,137,000 for the year ended 31 December 2024 and the three months ended 31 March 2026, respectively, based on historical credit loss experience adjusted by forward-looking estimates without undue cost or effort.

The credit risk of other receivables and deposits are managed through an internal process. The credit quality of each counterparty is investigated before an advance is made. The Group and the Company also actively monitor the outstanding amounts owed by each debtor and identifies any credit risks in a timely manner in order to reduce the risk of a credit related loss. The Group and the Company perform impairment assessment under ECL model in accordance with IFRS 9 on these outstanding balances.

For other receivables and deposits, the Group and the Company measure the loss allowance at 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, in which case the Group and the Company recognise lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increase in likelihood or risk of a default occurring since initial recognition. Certain other receivables and deposits had significant increase in credit risk since initial recognition. The balances are monitored on an ongoing basis and the Group's and the Company's exposure to credit risk is not significant since the Group and the Company only trade with creditworthy third parties, and the Group and the Company do not require any collateral from other debtors.

The 12m ECL on the other receivables and deposits are considered as insignificant during the years ended 31 December 2023, 2024 and 2025 and the three months ended 31 March 2025 and 2026 as the counterparties involved are considered with limited credit risk and the ECL involved is not material. For details of provision for ECL on other receivables and deposits, please refer to Note 22.

The credit risk on liquid funds is low because the counterparties are banks with high credit ratings assigned by international credit-rating agencies or state-owned banks in the PRC. The management of the Company consider the probability of default is negligible on the basis of high credit-rating issuers during the Track Record Period and the three months ended 31 March 2025.

There has been no significant changes to estimation techniques or assumptions made during the Track Record Period and the three months ended 31 March 2025..

The concentration of credit risk in respect of trade receivables is minimal, as the Group has a large number of customers. The management of the Company continue to monitor and assess the financial status of the counterparties, and they believe the exposure to credit risk on these balances is not significant as the counterparties are of good financial position.

Liquidity risk

In the management of the liquidity risk, the Group and the Company monitor and maintain a level of bank balance and cash deemed adequate by the management to finance the Group's and the Company's operations and mitigate the effects of fluctuations in cash flows.

The following tables detail the Group's and the Company's remaining contractual maturity for its non-derivative financial liabilities and lease liabilities. For non-derivative financial liabilities and lease liabilities, the tables have been drawn up based on the undiscounted cash flows of financial liabilities and lease liabilities based on the earliest date on which the Group and the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate at the end of the reporting period.

The Group

	On demand or within 1 year	1–2 years	2–5 years	Total	Carrying amount
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 31 December 2023					
Trade and other payables	12,769	—	—	12,769	12,769
Lease liabilities	10,801	6,334	2,419	19,554	18,779

	On demand or within 1 year	1–2 years	2–5 years	Total	Carrying amount
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 31 December 2024					
Trade and other payables	14,002	—	—	14,002	14,002
Lease liabilities	9,294	2,419	—	11,713	11,386

	On demand or within 1 year	1–2 years	2–5 years	Total	Carrying amount
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 31 December 2025					
Trade and other payables	3,312	—	—	3,312	3,312
Lease liabilities	3,236	1,055	289	4,580	4,449

	On demand or within 1 year	1–2 years	2–5 years	Total	Carrying amount
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 31 March 2026					
Trade and other payables	2,711	—	—	2,711	2,711
Lease liabilities	2,774	705	199	3,678	3,588

The Company

	On demand or within 1 year	1–2 years	2–5 years	Total	Carrying amount
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 31 December 2023					
Trade and other payables	10,642	—	—	10,642	10,642
Lease liabilities	8,273	5,214	2,418	15,905	15,229

	On demand or within 1 year	1–2 years	2–5 years	Total	Carrying amount
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 31 December 2024					
Trade and other payables	12,849	—	—	12,849	12,849
Lease liabilities	5,204	2,419	—	7,623	7,406

	On demand or within 1 year	1–2 years	2–5 years	Total	Carrying amount
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 31 December 2025					
Trade and other payables	9,247	—	—	9,247	9,247
Lease liabilities	2,416	353	—	2,769	2,707

	On demand or within 1 year	1–2 years	2–5 years	Total	Carrying amount
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 31 March 2026					
Trade and other payables	14,905	—	—	14,905	14,905
Lease liabilities	1,934	170	—	2,104	2,068

(c) Fair value measurement of financial instruments

The Group and the Company

Some of the Group's and the Company's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (level 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

Financial instruments	As at 31 December 2023	As at 31 December 2024	As at 31 December 2025	As at 31 March 2026	Fair value hierarchy	Valuation techniques and key inputs	Range As at 31 December 2023	Range As at 31 December 2024	Range As at 31 December 2025	Range As at 31 March 2026
	RMB'000	RMB'000	RMB'000	RMB'000						
Equity instruments designated at FVTOCI — unlisted equity investments	31,213	27,198	10,456	10,115	Level 3	Market comparable companies — Price-to-book ratio *(note (i) and (ii))*	From 0.47 to 4.30 times	From 0.56 to 5.22 times	From 0.56 to 8.56 times	From 0.56 to 8.56 times

Notes:

(i) The higher the price-to-book ratio, the higher the fair value.

(ii) Should the price-to-book be increased/decreased by 10% the fair value of unlisted equity investment would be increased/decreased by approximately RMB3,121,000, RMB2,720,000, RMB1,046,000 and RMB1,012,000 as at 31 December 2023, 2024 and 2025 and 31 March 2026, respectively.

The Group and the Company

The following table presents the reconciliation of Level 3 measurements of financial assets throughout the Track Record Period:

	Equity instruments designated at FVTOCI-unlisted equity investments
	RMB'000
At 1 January 2023	35,119
Fair value loss during the year	(3,906)
At 31 December 2023	31,213
Fair value loss during the year	(4,015)
At 31 December 2024	27,198
Fair value loss during the year	(16,742)
At 31 December 2025	10,456
Fair value loss during the period	(341)
At 31 March 2026	10,115

Except for equity instruments designated at FVTOCI, the management of the Group considers that the carrying amounts of the other financial assets and financial liabilities of the Group and the Company recorded at amortised costs in the financial statements approximate their fair values at the end of each reporting period.

The fair values of financial assets and financial liabilities (other than equity instruments designated at FVTOCI) of the Group and the Company are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

30. NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWS

(a) Major non-cash transactions

During the years ended 31 December 2023, 2024 and 2025 and the three months ended 31 March 2025, the Group entered into new lease agreements and recognised right-of-use assets for buildings of approximately RMB12,129,000, RMB5,883,000, RMB2,976,000 and RMB840,000 and lease liabilities for buildings of approximately RMB12,129,000, RMB5,883,000, RMB2,976,000 and RMB840,000, respectively.

(b) Changes in liabilities arising from financing activities

	Lease liabilities
	RMB'000
At 1 January 2023	18,777
Cash flows used in financing activities	(12,793)
Finance cost for the year	666
Non-cash changes	12,129
At 31 December 2023	18,779
Cash flows used in financing activities	(13,920)
Finance cost for the year	644
Non-cash changes	5,883
At 31 December 2024	11,386
Cash flows used in financing activities	(7,165)
Finance cost for the year	162
Non-cash changes	66
At 31 December 2025	4,449
Cash flows used in financing activities	(1,020)
Finance cost for the period	40
Non-cash changes	119
At 31 March 2026	3,588
At 1 January 2025	11,386
Cash flows used in financing activities	(2,437)
Finance cost for the period	16
Non-cash changes	(2,027)
At 31 March 2025 (Unaudited)	6,938

(c) Total cash outflow for leases:

The total cash outflow for leases included in the consolidated statements of cash flows is as follows:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Within financing activities	12,793	13,920	7,165	2,437	1,020

31. CONTINGENT LIABILITIES

At the end of each of the Track Record Period, the Group and the Company did not have any significant contingent liabilities.

32. RETIREMENT BENEFITS PLANS

According to the relevant laws and regulations in the PRC, the Company's PRC subsidiaries are required to participate in a defined contribution retirement scheme administrated by the local municipal government. The Group's PRC subsidiaries contribute funds which are calculated on certain percentage of the average employee salary as agreed by local municipal government to the scheme to fund the retirement benefits of the employees. The principal obligation of the Group with respect to the retirement benefits scheme is to make the required contributions under the scheme.

The Group also operates a Mandatory Provident Fund Scheme for all qualified employees in Hong Kong. The assets of the scheme are held separately from those of the Group, in funds under the control of trustee. The Group contributes 5% of relevant payroll costs, capped at HK$1,500 per month, to the MPF Scheme, in which the contribution is matched with that made by the employee.

The Group also operates a number of defined contribution schemes in other overseas jurisdictions. Arrangements for these staff retirement benefits vary from country to country and are made in accordance with local regulations and custom.

The Group recognised the retirement benefit contributions of approximately RMB51,105,000, RMB50,542,000, RMB54,924,000, RMB8,733,000 and RMB14,826,000 for the years ended 31 December 2023, 2024 and 2025 and the three months ended 31 March 2025 and 2026, respectively.

33. RELATED PARTY TRANSACTIONS

(a) The remuneration of key management personnel during the Track Record Period and the three months ended 31 March 2025, is as follows:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Salaries and other allowances	6,038	4,963	4,555	1,195	992
Performance related bonuses	3,170	2,467	1,938	134	105
Retirement benefit scheme contributions	209	197	183	51	26
	9,417	7,627	6,676	1,380	1,123

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

34. COMMITMENTS

At the end of each of the Track Record Periods, the Group did not have any significant contractual commitments.

35. SUBSEQUENT EVENTS

On 9 April 2026, the Group entered into a sale and purchase agreement to acquire properties for own use for an aggregate consideration of HK$66,100,000 (equivalent to approximately RMB57,717,000), and the acquisition was completed in May 2026.

On 24 April 2026, the Company's shareholders approved the 2025 profit distribution plan at an annual general meeting, pursuant to which an aggregate amount of approximately RMB31,839,000 (inclusive of tax) were subsequently paid in May 2026 to the shareholders of the Company on the record date for determining the shareholders' entitlement to the 2025 profit distribution plan, which amounted to a dividend of RMB0.6 (inclusive of tax) for every 10 shares of the Company.

Except for the above, there are no other significant subsequent events have occurred since 31 March 2026 and up to the date of this report.

36. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company, the Group or any of the companies now comprising the Group in respect of any period subsequent to 31 March 2026.

SHINEWING (HK) CPA Limited
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REVIEW REPORT ON CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE DIRECTORS OF SHENZHEN FORMS SYNTRON INFORMATION CO., LTD.
(A joint stock company established in the People's Republic of China with limited liability)

Introduction

We have reviewed the condensed consolidated financial statements of Shenzhen Forms Syntron Information Co., Ltd. (the "**Company**") and its subsidiaries (collectively referred to the "**Group**") set out on pages IA-3 to IA-21, which comprises the condensed consolidated statement of financial position as at 30 June 2026 and the related condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes (the "**Interim Financial Information**"). The Interim Financial Information has been prepared by the directors of the Company solely for the purpose of inclusion in the prospectus of the Company dated 14 September 2026 (the "**Prospectus**") in connection with the initial listing of H shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard ("**IAS**") 34 "Interim Financial Reporting" issued by the International Accounting Standards Board ("**IASB**"). The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity as issued by the Hong Kong Institute of Certificate Public Accountants ("**HKICPA**"). A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Other Matter

The comparative condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the six months ended 30 June, 2025, and related explanatory notes included in this Interim Financial Information, have not been audited or reviewed.

SHINEWING (HK) CPA Limited
Certified Public Accountants
Kwan Chi Fung
Practising Certificate Number: P06614

Hong Kong
14 September 2026

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	For the six months ended 30 June 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Revenue	5	352,796	307,106
Cost of sales		(231,714)	(186,348)
Gross profit		121,082	120,758
Other income, gains and losses, net	7	(2,998)	6,944
Selling and distribution expenses		(8,586)	(7,083)
Administrative expenses		(37,251)	(36,517)
Research and development expenses		(31,719)	(31,226)
Impairment losses recognised on financial assets, contract assets and contract costs, net	10	(1,415)	(5,982)
Finance costs	8	(69)	(76)
Profit before tax		39,044	46,818
Income tax expense	9	(1,699)	(2,853)
Profit for the period	10	37,345	43,965
Profit for the period attributable to:			
— Owners of the Company		36,344	43,965
— Non-controlling interests		1,001	—
		37,345	43,965
Other comprehensive expense			
Items that will not be reclassified to profit or loss:			
Fair value change on equity instruments designated at fair value through other comprehensive income ("**FVTOCI**"), net of tax		(407)	(3,740)
		(407)	(3,740)
Item that may be reclassified to profit or loss:			
Exchange differences arising on translation of foreign operations		(2,176)	(2,924)
		(2,176)	(2,924)
Other comprehensive expense for the period		(2,583)	(6,664)
Total comprehensive income for the period		34,762	37,301
Total comprehensive income for the period attributable to:			
— Owners of the Company		33,761	37,301
— Non-controlling interests		1,001	—
Total comprehensive income for the period		34,762	37,301
Earnings per share for profit attributable to owners of the Company (RMB per share)	12		
— Basic		0.07	0.08
— Diluted		0.07	0.08

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Notes	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Non-current assets			
Property, plant and equipment	13	410,760	356,415
Right-of-use assets	14	20,836	23,149
Intangible assets	15	1,794	2,395
Equity instruments designated at FVTOCI	16	9,977	10,456
Deferred tax assets		16,260	15,142
Other non-current assets		334	6
Total non-current assets		459,961	407,563
Current assets			
Trade receivables	17	188,901	203,650
Contract assets	18	2,713	3,075
Contract costs	18	45,459	45,852
Other receivables, deposits and prepayments	19	41,099	29,143
Financial asset at fair value through profit or loss		4,393	—
Tax recoverable		1,053	1,376
Restricted bank deposits	20	1,032	4,383
Bank balances and cash	20	984,736	1,073,113
Total current assets		1,269,386	1,360,592
Current liabilities			
Trade and other payables	21	55,187	94,563
Contract liabilities	18	12,809	17,015
Tax liabilities		832	—
Lease liabilities	22	1,952	3,136
Total current liabilities		70,780	114,714
Net current assets		1,198,606	1,245,878
Total assets less current liabilities		1,658,567	1,653,441
Non-current liabilities			
Deferred tax liabilities		10,163	8,573
Lease liabilities	22	576	1,313
Total non-current liabilities		10,739	9,886
Net assets		1,647,828	1,643,555
Capital and reserves			
Share capital	23	530,649	530,649
Reserves		1,114,398	1,112,476
Equity attributable to owners of the Company		1,645,047	1,643,125
Non-controlling interests		2,781	430
Total equity		1,647,828	1,643,555

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the Company								
	Share capital	Capital reserve	Fair value reserve (non-recycling)	Translation reserve	Statutory reserve	Retained profits	Total	Non-controlling interests	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2026 (audited)	530,649	578,961	(66,406)	(1,648)	102,919	498,650	1,643,125	430	1,643,555
Profit for the period	—	—	—	—	—	36,344	36,344	1,001	37,345
Other comprehensive expense for the period	—	—	(407)	(2,176)	—	—	(2,583)	—	(2,583)
Total comprehensive (expense) income for the period	—	—	(407)	(2,176)	—	36,344	33,761	1,001	34,762
Dividends recognised as distribution	—	—	—	—	—	(31,839)	(31,839)	—	(31,839)
Capital injection by a non-controlling interest of a subsidiary	—	—	—	—	—	—	—	1,350	1,350
At 30 June 2026 (unaudited)	530,649	578,961	(66,813)	(3,824)	102,919	503,155	1,645,047	2,781	1,647,828

	Attributable to owners of the Company						
	Share capital	Capital reserve	Fair value reserve (non-recycling)	Translation reserve	Statutory reserve	Retained profits	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2025 (audited)	530,649	578,961	(52,175)	3,000	101,308	479,025	1,640,768
Profit for the period	—	—	—	—	—	43,965	43,965
Other comprehensive expense for the period	—	—	(3,740)	(2,924)	—	—	(6,664)
Total comprehensive (expense) income for the period	—	—	(3,740)	(2,924)	—	43,965	37,301
Dividends paid	—	—	—	—	—	(53,065)	(53,065)
At 30 June 2025 (unaudited)	530,649	578,961	(55,915)	76	101,308	469,925	1,625,004

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the six months ended 30 June	
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
OPERATING ACTIVITIES		
Profit before tax	39,044	46,818
Adjustments for:		
Depreciation of property, plant and equipment	7,115	8,698
Depreciation of right-of-use assets	2,393	4,890
Amortisation of intangible assets	632	932
Finance costs	69	76
Gain on disposal of plant and equipment	—	145
Fair value change on financial asset at fair value through profit or loss	(51)	—
Impairment losses recognised for financial assets, contract assets and contract costs, net	1,415	5,982
Operating cash flows before movements in working capital	50,617	67,541
Decrease (increase) in trade receivables	23,327	(43,437)
Increase in contract costs	(1,539)	(16,195)
Decrease (increase) in contract assets	366	(474)
Increase in other receivables, deposits and prepayments	(3,861)	(4,415)
Decrease in trade and other payables	(39,552)	(59,984)
Increase in contract liabilities	(4,206)	(417)
Decrease in restricted bank deposits	3,351	53
Cash generated from (used in) operations	28,503	(57,328)
Income taxes (paid) refunded	(1)	1,307
NET CASH FROM (USED IN) OPERATING ACTIVITIES	28,502	(56,021)
INVESTING ACTIVITIES		
Purchase of financial asset at fair value through profit or loss	(4,412)	—
Proceeds on disposal of property, plant and equipment	176	—
Purchases of property, plant and equipment and other non-current assets	(63,248)	(4,631)
Purchases of intangible assets	(31)	—
NET CASH USED IN INVESTING ACTIVITIES	(67,515)	(4,631)
FINANCING ACTIVITIES		
Prepaid listing expenses	(8,104)	—
Capital elements of lease rentals paid	(2,040)	(4,373)
Interest elements of lease rentals paid	(69)	(76)
Dividends paid	(31,839)	(53,065)
Capital injection by non-controlling interest of a subsidiary	1,350	—
NET CASH USED IN FINANCING ACTIVITIES	(40,702)	(57,514)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(79,715)	(118,166)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	1,073,113	1,109,041
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	(8,662)	(10,483)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	984,736	980,392

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Shenzhen Forms Syntron Information Co., Ltd. (the "**Company**") was established in the People's Republic of China (the "**PRC**") as a joint stock company with limited liability. The Company's A shares have been listed on Shenzhen Stock Exchange since 27 May 2015. The addresses of the registered office of the Company and principal places of business of the Company are the same as the registered office in the PRC and the headquarters in the PRC as stated in the section headed "Corporate Information" of the prospectus issued by the Company in connection with the initial public offering of the Company's H shares on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Prospectus**"). In the opinion of the directors, during the six months ended 30 June 2026 and 2025 and up to the date of this report, the Company is ultimately controlled by Mr. Chow Chi Kwan.

The Company and its subsidiaries are principally engaged in provision of fintech software development services, consultation services and system integration services.

2. BASIS OF PREPARATION

This condensed consolidated financial information for the six months ended 30 June 2026, has been prepared in accordance with International Accounting Standard ("**IAS**") 34, "Interim Financial Reporting" issued by the International Accounting Standards Board ("**IASB**") and the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

This condensed consolidated financial information does not include all of the information and disclosures required for a full set of financial statements prepared in accordance with IFRS Accounting Standards. Accordingly, this condensed consolidated financial information should be read in conjunction with the Group's consolidated financial statements as set out in the accountant's report (the "**Accountant's Report**") included in Appendix I to the Company's Prospectus.

The accounting policies adopted in the preparation of this condensed consolidated financial information are consistent with those applied in the preparation of the Group's Accountants' Report.

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values.

3. ADOPTION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS

New and amendments to IFRS Accounting Standards in issue but not yet effective

The Group has not applied the following new and revised IFRS Accounting Standards, that have been issued but are not yet effective, in the condensed consolidated financial statements. The Group intends to apply these new and revised IFRS Accounting Standards, if applicable, when they become effective:

IFRS 18	*Presentation and Disclosure in Financial Statements*[1]
IFRS 19	*Subsidiaries without Public Accountability: Disclosure*[1]
Amendments to IFRS 10 and IAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[2]
Amendments to IAS 21	*Translation to a Hyperinflationary Presentation Currency*[1]

1 Effective for annual periods beginning on or after 1 January 2027
2 Effective for annual periods beginning on or after a date to be determined

The Group is in the process of making an assessment of the impact of the above new and revised IFRS Accounting Standards upon initial application. So far, it has concluded that, except as described below, the adoption of other new and revised IFRS Accounting Standards will not have a material impact on the Group's financial position and financial performance in the foreseeable future.

IFRS 18 — Presentation and Disclosure in Financial 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.

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the condensed consolidated financial statements in conformity with IAS 34 requires management to make estimates and assumptions that affect the application of the Group's accounting policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

In preparing the condensed consolidated financial statements, the key sources of estimation uncertainty are the same as those applied to the Historical Financial Information.

5. REVENUE

An analysis of the Group's revenue for the period is as follows:

	For the six months ended 30 June	
	2026	**2025**
	RMB'000 (Unaudited)	**RMB'000 (Unaudited)**
Types of goods or services		
Fintech software development services		
Banking technology services		
— Banking product portfolio	136,248	113,665
— Digital banking channel solutions	75,851	65,689
— Banking operations and data services	51,368	42,940
Financial infrastructure and fintech innovation services	62,586	72,105
Consultation services	7,005	11,588
Systems integration services	19,738	1,119
Revenue from contracts with customers	352,796	307,106
Timing of revenue recognition		
Over time	283,276	254,810
At a point of time	69,520	52,296
Total revenue from contracts with customers	352,796	307,106

Transaction price allocated to the remaining performance obligation for contracts with customers

The transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) at the end of the reporting period and the expected timing of recognition are, as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Within 1 year	84,255	71,119
1–2 years	5,126	30,086
2–3 years	2,028	4,137
Over 3 years	417	2,310
Total	91,826	107,652

6. SEGMENT INFORMATION

The directors of the Company, being the chief operating decision makers, review the Group's internal reporting in order to assess performance and allocate resource. The Group is principally engaged in the provision of fintech software development services, consultation services and systems integration services. Information reported to the chief operating decision makers, for the purpose of resources allocation and performance assessment, focuses on the operating results of the Group as a whole as the Group's resources are integrated and no discrete operating segment financial information is available.

Geographical information

The Group's operations and location of non-current assets are in Chinese Mainland and overseas. Information about the Group's revenue from external customers is presented based on location of the customers. Information about the Group's non-current assets (excluding financial instruments and deferred tax assets) is presented based on the geographical location of the assets.

Revenue from the external customers, based on the location of its customers, are as follows:

	For the six months ended 30 June	
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Geographical region		
Chinese Mainland	74,028	66,782
Overseas	278,768	240,324
Total	352,796	307,106

Non-current assets based on their locations are as follows:

	As at 30 June	As at 31 December
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Audited)
Geographical region		
Chinese Mainland	370,024	378,035
Overseas	63,700	3,930
Total	433,724	381,965

Note: Non-current assets excluded financial instruments and deferred tax assets.

Information about major customers

Revenue from customers contributing over 10% of the total revenue of the Group during the six months ended 30 June 2026 and 2025 are as follows:

	For the six months ended 30 June	
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Customer A	167,338	155,927
Customer B *(Note)*	N/A*	36,759
Customer C	48,748	46,646

* The corresponding revenue did not exceed 10% of total revenue of the Group during the six months ended 30 June 2026.

Note: The customer is a group consolidating the transaction amounts of entities within such group.

7. OTHER INCOME, GAINS AND LOSSES, NET

	For the six months ended 30 June	
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Exchange losses, net	(10,319)	(7,812)
Bank interest income	6,364	14,742
Government grants *(Note)*	822	702
Others	135	(688)
Total	(2,998)	6,944

Note:

During the six months ended 30 June 2026, government grants of approximately RMB822,000 (six months ended 30 June 2025: RMB702,000), represented unconditional cash payments granted by government authorities. There are no unfulfilled conditions and other contingencies attached to the receipts of those subsidies.

8. FINANCE COSTS

	For the six months ended 30 June	
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Interests on lease liabilities	69	76

9. INCOME TAX EXPENSE

	For the six months ended 30 June	
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Current tax-The PRC and other jurisdictions		
— Charge for the period	834	1,929
Under-provision in prior years	321	9
Deferred tax	544	915
Total	1,699	2,853

The PRC

The income tax provision of certain PRC entities of the Group has been calculated at the statutory tax rate of 25% on the estimated assessable profits during the six months ended 30 June 2026 and 2025, based on the existing legislation, interpretations and practices in respect thereof.

The Company was eligible for a preferential income tax rate of 15% for a qualification of "High and New Technology Enterprise" during the six months ended 30 June 2026 and 2025.

According to the relevant laws and regulations promulgated by the State Council of the People's Republic of China that was effective from 2008 onwards, enterprises engaging in research and development activities were entitled to claim 150% of their research and development expenses so incurred as tax deductible expenses when determining their assessable profits for that year. The State Taxation Administration of The People's Republic of China ("**STA**") further announced in March 2021 that manufacturing enterprises engaging in research and development activities would entitle to claim 200% of their research and development expenses as Additional Deduction since 1 January 2021. The STA further announced in March 2023 that eligible enterprises would entitle to claim 200% of their research and development expenses as Additional Deduction since 1 January 2023. The Group has made its best estimate for the Additional Deduction to be claimed for the Group's entities in ascertaining their assessable profits during the six months ended 30 June 2026 and 2025.

Hong Kong and other jurisdictions

For subsidiaries incorporated in Hong Kong, under the two-tiered profits tax rates regime, the first HK$2 million of profits of qualifying corporation will be taxed at 8.25%, and profits above HK$2 million will be taxed at 16.5%. For the Six months ended 30 June 2026 and 2025, Hong Kong profits tax of the qualified entity of the Group is calculated in accordance with the two-tiered profits tax rates regime. The profits of other entities of the Group in Hong Kong not qualifying for the two-tiered profits tax rates regime will continue to be taxed at the flat rate of 16.5%.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

10. PROFIT FOR THE PERIOD

	For the six months ended 30 June	
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Profit before tax has been arrived at after charging/ (crediting):		
Directors' and supervisors' emoluments	2,142	2,578
Other staffs' salaries	233,004	205,358
Other staffs' retirement benefit scheme contributions	29,463	24,331
Total other staff costs	262,467	229,689
Listing expenses	76	—
Depreciation of property, plant and equipment	7,115	8,698
Depreciation of right-of-use assets	2,393	4,890
Amortisation of intangible assets	632	932
Impairment losses (reversed) recognised on financial assets, contract assets and contract costs, net		
— Trade receivables	(522)	224
— Other receivables	9	(8)
— Contract assets	(4)	5
— Contract costs	1,932	5,761
	1,415	5,982

11. DIVIDENDS

On 24 April 2026, the Company's shareholders approved the 2025 profit distribution plan at an annual general meeting, pursuant to which an aggregate amount of approximately RMB31,839,000 (inclusive of tax) were subsequently paid in May 2026 to the shareholders of the Company on the record date for determining the shareholders' entitlement to the 2025 profit distribution plan, which amounted to a dividend of RMB0.6 (inclusive of tax) for every 10 shares of the Company.

On 23 May 2025, the Company's shareholders approved the 2024 profit distribution plan at an annual general meeting, pursuant to which an aggregate amount of approximately RMB53,065,000 (inclusive of tax) were subsequently paid in June 2025 to the shareholders of the Company on the record date for determining the shareholders' entitlement to the 2024 profit distribution plan, which amounted to a dividend of RMB1.0 (inclusive of tax) for every 10 shares of the Company.

12. EARNINGS PER SHARE

The calculations of the basic and diluted earnings per share are based on:

	For the six months ended 30 June	
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Earnings		
Profit for the period attributable to owners of the Company for the purpose of basic and diluted earnings per share	36,344	43,965
	'000	'000
Number of shares		
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	530,649	530,649

Basic earnings per share is calculated by dividing the profit for the period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the six months ended 30 June 2026 and 2025.

The diluted earnings per share is equivalent to the basic earnings per share as there were no dilutive potential ordinary shares outstanding for the six months ended 30 June 2026 and 2025.

13. PROPERTY, PLANT AND EQUIPMENT

	Buildings	Equipment	Motor vehicles	Furniture and fixtures	Construction in progress	Leasehold improvement	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
CARRYING VALUES							
At 30 June 2026 (Unaudited)	377,162	20,374	940	393	8,524	3,367	410,760
At 31 December 2025 (Audited)	321,595	20,973	1,158	399	8,524	3,766	356,415

During the six months ended 30 June 2026, the Group acquired assets with a cost of approximately RMB62,920,000 (six months ended 30 June 2025: RMB3,793,000).

During the six months ended 30 June 2026, depreciation of approximately RMB7,115,000 (six months ended 30 June 2025: RMB8,698,000) was charged to profit or loss.

14. RIGHT-OF-USE ASSETS

The Group as a lessee

The Group has lease contracts for various items of properties. Leases of properties generally have lease terms from 24 months to 36 months.

Land use rights are all located in the PRC with a lease period of 50 years when granted.

	Land use rights	Buildings	Total
	RMB'000	RMB'000	RMB'000
CARRYING VALUES			
At 30 June 2026 (Unaudited)	18,237	2,599	20,836
At 31 December 2025 (Audited)	18,498	4,651	23,149

During the six months ended 30 June 2026, depreciation of approximately RMB2,393,000 (six months ended 30 June 2025: RMB4,890,000) was charged to profit or loss.

15. INTANGIBLE ASSETS

	As at 30 June 2026	As at 31 December 2025
	RMB'000 (Unaudited)	RMB'000 (Audited)
Softwares	1,794	2,395

16. EQUITY INSTRUMENTS DESIGNATED AT FVTOCI

	As at 30 June 2026	As at 31 December 2025
	RMB'000 (Unaudited)	RMB'000 (Audited)
Unlisted equity instruments	9,977	10,456

Equity instruments designated at FVTOCI represent the Group's equity interest in unlisted entities established in the PRC. The management of the Company have elected to designate these investments in equity instruments as at FVTOCI as they believe that recognising short-term fluctuations in these investments fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes and realising their performance potential in the long run. For the details of fair value measurement of the above equity instruments, please refer to note 24.

17. TRADE RECEIVABLES

	As at 30 June 2026	As at 31 December 2025
	RMB'000 (Unaudited)	RMB'000 (Audited)
Trade receivables	195,500	210,772
Less: Expected credit losses	(6,599)	(7,122)
	188,901	203,650

The Group generally allows credit period of within 3 months, depending on the specific payment terms in each contract. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

The following is an analysis of trade receivables by age, net of allowance for credit losses, presented based on the date of revenue recognition as at 30 June 2026 and 31 December 2025:

	As at 30 June	As at 31 December
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Audited)
Within 1 year	188,195	202,819
1 to 2 years	478	556
2 to 3 years	228	275
	188,901	203,650

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. There has been no change in the estimation techniques or significant assumptions made during the six months ended 30 June 2026 and 2025.

18. CONTRACT COSTS, CONTRACT ASSETS AND CONTRACT LIABILITIES

(a) Contract costs

	As at 30 June	As at 31 December
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Audited)
Cost to fulfil contract	45,459	45,852

During the six months ended 30 June 2026 and 2025, contract costs of approximately RMB29,912,000 and RMB13,238,000 respectively are recognised in profit or loss. During the six months ended 30 June 2026, impairment loss of contract costs of approximately RMB1,932,000 (Six months ended 30 June 2025: RMB5,761,000) is recognised and charged to profit or loss.

(b) Contract assets

	As at 30 June	As at 31 December
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Audited)
Provision of:		
— Fintech software development services	2,713	3,075

The Group's contracts include payment schedules which require stage payments over the project period once milestones are reached. The Group typically agrees to one year retention period for 10% of the contract value. This amount is included in contract assets until the end of the retention period as the Group's entitlement to this final payment is conditional on the Group's work satisfactorily passing inspection. As at 30 June 2026 and 31 December 2025, included in contract assets of RMB593,000 and RMB472,000, respectively, are expected to be recovered in more than one year.

During the six months ended 30 June 2026, a reversal of impairment loss of contract assets of approximately RMB4,000 (six months ended 30 June 2025: impairment loss of contract assets of approximately RMB5,000) was recognised.

(c) Contract liabilities

	As at 30 June	As at 31 December
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Audited)
Provision of:		
— Fintech software development services	12,369	15,001
— Consultation services	440	2,014
	12,809	17,015

Contract liabilities include unsatisfied performance obligation for provision of fintech software development services, and consultation services.

Revenue recognised during the six months ended 30 June 2026 that were included in the contract liabilities at the beginning of the period are approximately RMB11,793,000 (six months ended 30 June 2025: RMB9,455,000). There was no revenue recognised in the current period that related to performance obligations that were satisfied in prior period.

19. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	As at 30 June	As at 31 December
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Audited)
Deposits and advances to staff	5,449	4,608
Deductible value-added tax	1,473	774
Interest receivable	13,682	11,475
Prepayments	4,170	3,980
Prepaid issue costs	16,381	8,353
	41,155	29,190
Less: Expected credit losses	(56)	(47)
	41,099	29,143
Analysed for reporting purposes as:		
— Current assets	41,099	29,143

20. RESTRICTED BANK DEPOSITS /BANK BALANCES AND CASH

The bank balances and cash and restricted bank deposits are denominated in the following currencies:

	As at 30 June	As at 31 December
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Audited)
Denominated in RMB	903,915	801,220
Denominated in United States Dollar (USD)	98	2
Denominated in Hong Kong Dollar (HKD)	51,639	242,257
Denominated in Thai Baht (THB)	30,116	34,017
	985,768	1,077,496

The RMB is not freely convertible into other currencies, however, under the PRC's Foreign Exchange Control Regulations and Administration of Settlement, and Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default. The carrying amounts of the cash and cash equivalents approximate to their fair values.

21. TRADE AND OTHER PAYABLES

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Trade payables	2,495	42
Other taxes payables	3,276	2,831
Payroll and welfare payables	47,152	88,420
Other payables	2,264	3,270
	55,187	94,563

The trade payables are non-interest-bearing and are normally settled within 1 year. The fair value of trade payables approximates to their carrying amount.

The following is an aged analysis of trade payables presented based on the date of service provided and date of goods acceptance at the end of each reporting period.

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Within one year	2,480	27
Over 1 years	15	15
	2,495	42

22. LEASE LIABILITIES

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Lease liabilities payable:		
Within one year	1,952	3,136
Within a period of more than one year but not more than two years	457	1,029
Within a period of more than two years but not more than three years	119	284
Total	2,528	4,449
Less: Amount due for settlement with 12 months shown under current liabilities	(1,952)	(3,136)
Amount due for settlement after 12 months shown under non-current liabilities	576	1,313

Amounts recognised in profit or loss:

	Six months ended 30 June	
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Depreciation expense on right-of-use assets	2,393	4,890
Interests on lease liabilities	69	76

23. SHARE CAPITAL

	Number of shares	Share capital
		RMB'000
A shares of RMB 1 each		
As at 1 January 2025 (Audited), 31 December 2025 (Audited), and 30 June 2026 (Unaudited)	530,649,275	530,649

The holders of shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings of the Company. All ordinary shares rank equally with regard to the Company's residual net assets.

24. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

The Group's major financial instruments include equity instruments designated at FVTOCI, financial asset at fair value though profit or loss ("**FVTPL**") trade receivables, other receivables and deposits, restricted bank deposits, bank balances and cash and trade and other payables. Details of these financial instruments are disclosed in respective notes.

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (level 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

					Range	
Financial instruments	As at 30 June 2026	As at 31 December 2025	Fair value hierarchy	Valuation techniques and key inputs	As at 30 June 2026	As at 31 December 2025
	RMB'000 (Unaudited)	RMB'000 (Audited)			(Unaudited)	(Audited)
Financial asset at FVTPL — Convertible loan	4,393	—	Level 3	Recombining Binomial Lattice model — Bond yield *(notes (i) and (ii))*	7%	N/A
Equity instruments designated at FVTOCI — unlisted equity investments	9,977	10,456	Level 3	Market comparable companies — Price-to-book ratio *(notes (iii) and (iv))*	From 0.56 to 8.56 times	From 0.56 to 8.56 times

Notes:

(i) The higher the bond yield, the lower the fair value.

(ii) Should the bond yield be increased/decreased by 5%, the fair value of unlisted equity investments would be decreased/increased by approximately RMB51,000 as at 30 June 2026.

(iii) The higher the price-to-book ratio, the higher the fair value.

(iv) Should the price-to-book be increased/decreased by 10%, the fair value of unlisted equity investments would be increased/decreased by approximately RMB998,000 and RMB1,046,000 as at 30 June 2026 and 31 December 2025, respectively.

The following table presents the reconciliation of Level 3 measurements of financial assets throughout the six months ended 30 June 2026 and year ended 31 December 2025:

	Equity instruments designated at FVTOCI — unlisted equity investments	**Financial asset at FVTPL — convertible loan**
	RMB'000	**RMB'000**
At 1 January 2025 (Audited)	27,198	—
Fair value loss during the year	(16,742)	—
At 31 December 2025 (Audited)	10,456	—
Addition	—	4,412
Fair value (loss) gain during the period	(479)	51
Exchange realignment	—	(70)
At 30 June 2026 (Unaudited)	9,977	4,393

Except for equity instruments designated at FVTOCI and financial asset at FVTPL, the management of the Group considers that the carrying amounts of the other financial assets and financial liabilities of the Group recorded at amortised costs in the financial statements approximate their fair values at the end of each reporting period.

The fair values of financial assets and financial liabilities (other than equity instruments designated at FVTOCI and financial asset at FVTPL) of the Group are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

25. NOTES TO THE CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

Total cash outflow for leases:

The total cash outflow for leases included in the consolidated statements of cash flows is as follows:

	Six months ended 30 June	
	2026	**2025**
	RMB'000 (Unaudited)	**RMB'000 (Unaudited)**
Within financing activities	2,109	4,449

26. CONTINGENT LIABILITIES

At 30 June 2026 and 31 December 2025, the Group did not have any significant contingent liabilities.

27. RELATED PARTY TRANSACTIONS

The remuneration of key management personnel during the six months ended 30 June 2026 and 2025, is as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Salaries and other allowances	2,019	2,383
Performance related bonuses	70	89
Retirement benefit scheme contributions	53	106
	2,142	2,578

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

28. COMMITMENTS

At 30 June 2026 and 31 December 2025, the Group did not have any significant contractual commitments.

29. SUBSEQUENT EVENTS

There are no significant subsequent events have occurred since 30 June 2026 and up to the date of this report.

The information set forth in this Appendix II does not form part of the Accountants' Report issued by SHINEWING (HK) CPA Limited Certified Public Accountants, Hong Kong, the Company's reporting accountants, as set forth in Appendix I to this prospectus, and is included herein for illustrative purpose only.

The unaudited pro forma financial information should be read in conjunction with the section headed Financial Information in this prospectus and the Accountants' Report set forth in Appendix I to this prospectus.

A. THE STATEMENT OF UNAUDITED PRO FORMA ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS OF THE GROUP ATTRIBUTABLE TO OWNERS OF THE COMPANY

The following statement of unaudited pro forma adjusted consolidated net tangible assets of the Company and its subsidiaries (collectively "**the Group**") is prepared in accordance with Rule 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the basis set out below is for illustrative purpose only, and is set out below to illustrate the effect of the proposed offering of the Company's H shares on The Stock Exchange of Hong Kong Limited (the "**Global Offering**") on the audited consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 March 2026, as if the Global Offering had taken place on 31 March 2026.

This statement of unaudited pro forma adjusted consolidated net tangible assets has been prepared for illustrative purposes only, based on the judgments and assumptions of the directors of the Company, and because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group attributable to the owners of the Company had the Global Offering been completed as at 31 March 2026 or at any future dates.

	Audited consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 March 2026	Estimated net proceeds from the Global Offering	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 March 2026	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company per share as at 31 March 2026	
	RMB'000 (Note 1)	RMB'000 (Note 2)	RMB'000	RMB (Note 3)	HK$ (Note 4)
Based on the Offer Price of HK$16.00 per share	1,650,375	752,190	2,402,565	4.07	4.71

Notes:

1. The audited consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 March 2026 is based on the audited consolidated net assets of the Group attributable to the owners of the Company of approximately RMB1,652,463,000 as at 31 March 2026, as extracted from the Accountants' Report of the Group set out in the Appendix I to this prospectus after deducting the Group's intangible assets attributable to owners of the Company of approximately RMB2,088,000 as at 31 March 2026.

2. The estimated net proceeds from the Global Offering are based on 58,961,100 H shares expected to be issued under the Global Offering ("**Offer Shares**") and the indicative Offer Prices of HKD16.00 per share, after deduction of the underwriting fees and commissions and other related fees and expenses in relation to the Global Offering incurred or expected to be incurred by the Group subsequent to 31 March 2026, other than those expenses which had been recognised in profit or loss prior to 31 March 2026. The estimated net proceeds from the Global Offering do not take into account any shares which may be allotted and issued by the Company upon the exercise of the over-allotment option.

   The estimated net proceeds from the Global Offering is converted from Hong Kong dollars ("**HK$**") into Renminbi ("**RMB**") at an exchange rate of HK$1.00 to RMB0.8646, which was the exchange rate published by the People's Bank of China ("**PBOC rate**") prevailing on 4 September 2026. No representation is made that HK$ amounts have been, could have been or may be converted to RMB, or vice versa at that rate.

3. The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company per share as at 31 March 2026 is calculated based on 589,610,375 shares in issue (representing 530,649,275 shares in issue as of 31 March 2026, adding 58,961,100 offer shares), assuming that the Global Offering has been completed on 31 March 2026, but does not take into account of any shares which may be allotted and issued by the Company upon the exercise of the over-allotment option.

4. The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company per share as at 31 March 2026 is translated from RMB to HK$ at an exchange rate of HK$1.00 to RMB0.8646, which was the PBOC rate prevailing on 4 September 2026. No representation is made that the RMB amounts have been, could have been or may be converted to HK$, or vice versa, at that rate.

5. No adjustments have been made to the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company to reflect any trading results or other transactions of the Group entered into subsequent to 31 March 2026.

6. If the Company had taken into account the approval and payment of 2025 final dividend of approximately RMB31,839,000 as at 31 March 2026, the unaudited pro forma adjusted consolidated net tangible assets of the Group per share would be HK$4.65 based on the offer price of HK$16.00 per share.

B. INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

SHINEWING (HK) CPA Limited
17/F, Chubb Tower, Windsor House,
311 Gloucester Road,
Causeway Bay, Hong Kong

信永中和(香港)會計師事務所有限公司
香港銅鑼灣告士打道311號
皇室大廈安達人壽大樓17樓

To the Directors of Shenzhen Forms Syntron Information Co., Ltd.

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Shenzhen Forms Syntron Information Co., Ltd. (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") by the directors of the Company for illustrative purposes only. The unaudited pro forma financial information consists of the statement of unaudited pro forma adjusted consolidated net tangible assets of the Group as at 31 March 2026 and related notes as set out on pages II-1 to II-2 of Appendix II to the prospectus dated 2 July 2026 (the "**Prospectus**") in connection the proposed listing of shares of the Company on The Stock Exchange of Hong Kong Limited (the "**Proposed Listing**") (the "**Unaudited Pro Forma Financial Information**"). The applicable criteria on the basis of which the directors of the Company have compiled the Unaudited Pro Forma Financial Information are described on pages II-1 to II-2 in Appendix II to the Prospectus.

The Unaudited Pro Forma Financial Information has been compiled by the directors of the Company to illustrate the impact of the Proposed Listing on the Group's net tangible assets as of 31 March 2026 as if the Proposed Listing had been taken place at 31 March 2026. As part of this process, information about the Group's financial position has been extracted by the directors of the Company from the Group's financial information as at 31 March 2026, on which an accountants' report has been included in the Appendix I to the Prospectus.

Directors' Responsibility for the Unaudited Pro Forma Financial Information

The directors of the Company are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 29 of Chapter 4 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" ("**AG7**") issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**").

Our Independence and Quality Management

We have complied with the independence and other ethical requirement 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 behavior.

The firm applies Hong Kong Standard on Quality Management 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, 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 Accountants' Responsibilities

Our responsibility is to express an opinion, as required by paragraph 29(7) of Chapter 4 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 accountants plan and perform procedures to obtain reasonable assurance about whether the directors of the Company have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 29 of Chapter 4 of the Listing Rules and with reference to AG7 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 the Prospectus is solely to illustrate the impact of the Proposed Listing on unadjusted financial information of the Group as if the Proposed Listing 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 Listing at 31 March 2026 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 of the Company 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 unaudited 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 accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the event or the 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.

Opinion

In our opinion:

(a) the Unaudited Pro Forma Financial Information has been properly compiled 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 29(1) of Chapter 4 of the Listing Rules.

SHINEWING (HK) CPA Limited
Certified Public Accountants
Kwan Chi Fung
Practising Certificate Number: P06614

Hong Kong
14 September 2026

The following is the text of a letter and a valuation certificate prepared for the purpose of incorporation in this prospectus received from Greater China Appraisal Limited, an independent valuer, in connection with their valuation as at July 31, 2026 of the real property interest held by the Group.

GREATER CHINA APPRAISAL LIMITED
漢 華 評 值 有 限 公 司

Room 1505, 15/F.,
No. 8 Queen's Road East,
Wan Chai, Hong Kong

September 14, 2026

The Board of Directors
Shenzhen Forms Syntron Information Co., Ltd.
3/F, Forms Syntron Building
8 No. 7 South Gaoxin Road
Nanshan District
Shenzhen
The People's Republic of China

Dear Sirs,

Re: Valuation of a real property interest located in the People's Republic of China (the "PRC") (the "Real Property")

In accordance with the instructions from Shenzhen Forms Syntron Information Co., Ltd. (the "**Company**") for us to value a real property interest held by the Company in the PRC, details of which are provided in the enclosed valuation certificate, we confirm that we have carried out an inspection, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of such real property interest as at July 31, 2026 (referred to as the "**valuation date**").

This letter which forms part of our valuation report explains the basis and methodology of valuation, and clarifies our assumptions made, title investigation of the Real Property and the limiting conditions.

I. BASIS OF VALUATION

The valuation is our opinion of the market value which we would define as intended to mean "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

Market value is understood as the value of an asset or liability estimated without regard to costs of sale or purchase (or transaction) and without offset for any associated taxes or potential taxes.

II. VALUATION METHODOLOGY

We have attributed no commercial value to the Real Property, due to the prohibition against assignment.

III. ASSUMPTIONS

Our valuation has been made on the assumption that the owner sells the real property interest on the open market in its existing state without the benefit of any deferred term contracts, leasebacks, joint ventures, management agreements or any similar arrangement which would serve to affect the value of the real property interest.

All applicable zoning and use regulations and restrictions have been complied with unless nonconformity has been stated, defined, and considered in the valuation report.

No environmental impact study has been ordered or made. Full compliance with applicable local, provincial and national environmental regulations and laws is assumed unless otherwise stated, defined, and considered in the report. In addition, it is assumed that all required licences, consents, or other legislative or administrative authority from any local, provincial, or national government or private entity or organisation either have been or can be obtained or renewed for any use which the report covers.

Other specific assumptions of the Real Property, if any, have been stated out in the footnotes of the valuation certificate.

IV. TITLESHIP INVESTIGATION

We have been provided with copies of legal documents regarding the Real Property. However, due to the current registration system of the PRC, we are unable to conduct any search or investigations regarding the legal title or any liabilities attached to the Real Property.

In the course of our valuation, we have relied upon the legal opinion given by the Company's PRC legal adviser — King & Wood (金杜律師事務所) in relation to the legal title to the Real Property. All legal documents disclosed in this report are for reference only and no responsibility is assumed for any legal matters concerning the legal title to the Real Property set out in this report.

V. LIMITING CONDITIONS

We have inspected the exterior and, where possible, the interior of the Real Property. However, no structural survey has been made and we are therefore unable to report as to whether the Real Property is free from rot, infestation or any other structural defects. Also, no tests were carried out on any of the services.

We have not carried out detailed site measurements to verify the correctness of the areas in respect of the Real Property but have assumed that the areas shown on the relevant documents provided to us are correct. Based on our experience of valuation of similar real properties, we consider the assumptions so made to be reasonable. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations.

Having examined all relevant documentation, we have relied to a very considerable extent on the information provided and have accepted advice given to us by the Company on such matters as planning approvals, statutory notices, easements, tenure, occupation, site and floor areas and in the identification of the Real Property. We have had no reason to doubt the truth and accuracy of the information provided by the Company. We were also advised by the Company that no material factors have been omitted from the information supplied. We consider that we have been provided with sufficient information to reach an informed view, and have no reason to suspect that any material information has been withheld.

No allowances have been made in our valuation for any charges, mortgages or amounts owing on the real property valued nor for any expenses or taxation which may be incurred in effecting a sale.

Since the Real Property is located in a relatively under-developed market, the PRC, those assumptions are often based on imperfect market evidence. A range of values may be attributable to the Real Property depending upon the assumptions made. While we have exercised our professional judgment in arriving at the value, report readers are urged to consider carefully the nature of such assumptions which are disclosed in the valuation report and should exercise caution in interpreting the valuation report.

VI. OPINION OF VALUE

Our opinion of the market value of the Real Property is set out in the attached the valuation certificate.

VII. REMARKS

Our valuation has been prepared in accordance with generally accepted valuation procedures and in compliance with the requirements contained in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited.

In valuing the real property interest, we have complied with the requirements contained in the HKIS Valuation Standards (2024 Edition) published by The Hong Kong Institute of Surveyors and the RICS Valuation — Global Standards (effective from January 31, 2025) published by The Royal Institution of Chartered Surveyors.

Site inspection of the Real Property was conducted in November 2025 by Derrick Chau (MHKIS). The Real Property is maintained in a reasonable condition commensurate with its age and use, and equipped with normal building services.

Unless otherwise stated, all monetary amounts stated herein are dominated in the currency of Renminbi ("**RMB**").

We enclose herewith the valuation certificate.

This valuation report is issued subject to our General Service Conditions.

Yours faithfully,
For and on behalf of
GREATER CHINA APPRAISAL LIMITED

Mr. Man Lam
MRICS, MHKIS, RPS (G.P.)
Director

Mr. Andy Lee
MRICS, MHKIS
Assistant Director

Notes:

Mr. Man Lam is a Chartered Surveyor who has more than 20 years of real property valuation experience in Hong Kong, the PRC and the Asia-Pacific region.

Mr. Andy Lee is a Chartered Surveyor who has more than 10 years of real property valuation experience in Hong Kong, the PRC and the Asia-Pacific region.

VALUATION CERTIFICATE

Real property interest held and occupied by the Group in the PRC

Real Property	Descriptions and Tenure	Particulars of Occupancy	Market Value in existing state as at July 31, 2026
Forms Syntron Building located at No. 7 South Gaoxin Road, Nanshan District, Shenzhen City, Guangdong Province, the PRC	The Real Property is located at the Ke Ji Yuan District of Nanshan District in Shenzhen. Ke Ji Yuan District is a centre for technological innovation in Shenzhen. The Real Property is about 25 kilometres and 5 kilometres respectively from Shenzhen Bao An International Airport and Shenzhen Bay Port. The immediate locality is a new technology innovation area. The Real Property comprises a land parcel with a site area of approximately 3,735.68 square metres (the "**Land Parcel**") and a building (the "**Building**") erected thereon. The Building is of 19-storey ("**above-ground portion**") with a 4-storey basement for car park ("**under-ground portion**") which were completed in 2018. The total gross floor area ("**GFA**") of the above-ground portion of the Real Property is approximately 22,525.81 square metres. The breakdowns of which are as follows:	The Real Property is currently occupied by the Group for R&D and ancillary purpose.	No commercial value

Usage	**Approximate GFA** *(square metres)*
Commercial Portion	2,173.93
R&D Portion	20,292.46*
Civil Defence Alarm Room	13.11
Fire Control Room	46.31
Total:	22,525.81

**Remark:* 3,652.59 square metres of Machine Room is included in the GFA of R&D Portion.

160 car parking spaces are situated at the under-ground portion of the Real Property.

The land use rights of the Real Property have been granted for R&D, and commercial uses for a term of 50 years expiring on June 13, 2061.

Notes:

(i) According to an Immovable Property Rights Certificate (不動產權證), known as Yue (2018) Shenzhen City Bu Dong Chan Quan Di No. 0201059 dated November 8, 2018 and issued by Ministry of Natural Resources of the People's Republic of China, land use rights of the Land Parcel of the Real Property with a site area of approximately 3,735.68 square metres have been granted to 深圳四方精創資訊股份有限公司 (Shenzhen Forms Syntron Information Co., Ltd.), (referred to as "**Shenzhen Forms Syntron**"), for a term of 50 years expiring on June 13, 2061 for R&D, and commercial uses.

(ii) According to the Immovable Property Rights Certificate stated in note (i), the building ownership of the above-ground portion of the Real Property with a total gross floor area of approximately 22,525.81 square metres has been vested by Shenzhen Forms Syntron for R&D, and commercial uses.

(iii) According to the Immovable Property Rights Certificate stated in note (i), the Real Property is restricted to self-use only.

(iv) According to the Immovable Property Rights Certificate stated in note (i), the R&D portion of the above-ground portion of the Real Property could not be leased.

(v) We have been provided with a legal opinion regarding the real property interest issued by the Company's PRC legal adviser which is summarised below:

1. According to the Immovable Property Rights Certificate and the file search certificate document issued by the Real Estate Registration Center, the Real Property with an Immovable Property Rights Certificate, known as Yue (2018) Shenzhen City Bu Dong Chan Quan Di No. 0201059 has the following restrictions on rights: "The prescribed gross floor area of this registration is 22,525.81 square meters, and the nature of which is commodity housing, including 2,173.93 square meters for commercial, 20,292.46 square meters for R&D (including 3,652.59 square meters of machine room on Level 03–05), 13.11 square meters for civil defence alarm room, and 46.31 square meters for fire control room. All of this land is limited to self-use and could not be transferred. If it is necessary for the Real Property to be transferred, the Government would resume the residual value after depreciation of the cost price; the R&D and production could not be leased; if it is used for mortgage, the mortgage value shall not be higher than the cost price. Other rights and responsibilities of this land shall be implemented in accordance with Shen Di He Zi (2011) 8018 Hao Shenzhen City Land Use Rights Grant Contract and its first supplementary agreement."; and

2. As of March 31, 2026, Shenzhen Forms Syntron has obtained the real estate ownership certificate of the above-mentioned self-owned real estate in accordance with the law and legally own the above-mentioned real estate ownership. Except for the disclosed restrictions on rights, the above-mentioned self-owned real estate does not have any mortgage or other restrictions on rights.

(vi) Given that the Real Property is restricted to be transferred freely in the market, we have attributed no commercial value to the Real Property. However, for reference purpose, we are of the opinion that the depreciated replacement cost of the Real Property (excluding the land) as at the valuation date would be RMB298,000,000.

1. TAXATION OF SECURITY HOLDERS

Income tax and capital gains tax for holders of H Shares are provided for under the laws and practices of Chinese Mainland and the jurisdictions in which the holders of H Shares are resident or otherwise subject to tax. The following summary of certain relevant tax provisions is based on current laws and practices and does not take into account anticipated changes or modifications in relevant laws or policies and does not constitute any opinion or recommendation. The discussion does not address all of the possible tax implications relating to the H Shares, nor does it consider the specific circumstances of any particular investors, some of which may be subject to special rules. Accordingly, you should consult your tax advisers as to the tax implications of the H Shares. This discussion is based on the laws and relevant interpretations in force as at the Latest Practicable Date, all of which are subject to change or adjustment and may have retrospective effect.

This discussion does not cover any aspects of PRC taxes other than income tax, capital gains tax and profits tax, value-added tax, stamp duty and estate tax. Prospective investors should consult their financial advisers regarding Chinese Mainland and other tax implications of owning and disposing of the H shares.

The PRC Taxation

Taxation on Dividends

Individual Investors

According to the Individual Income Tax Law of the People's Republic of China (《中華人民共和國個人所得稅法》), or the Individual Income Tax Law, amended by the SCNPC on August 31, 2018 and effective on January 1, 2019, and the Implementation Rules of the Individual Income Tax Law of the People's Republic of China (《中華人民共和國個人所得稅法實施條例》) amended by the State Council on December 18, 2018 and effective on January 1, 2019, dividends paid by PRC companies to individual investors are ordinarily subject to a withholding income tax levied at a flat rate of 20%. Meanwhile, according to the Notice on Issues Concerning Differentiated Individual Income Tax Policies on Dividends and Bonus of Listed Companies (《關於上市公司股息紅利差別化個人所得稅政策有關問題的通知》) issued by the Ministry of Finance, the State Administration of Taxation and the CSRC on September 7, 2015 and effective on September 8, 2015, where an individual holds the shares of a listed company obtained from the public offering for more than one year and transfers the stock of the listed company on the stock market, the dividend and bonus income shall be temporarily exempted from individual income tax. Where an individual acquires shares of a listed company from the public offering and transfers the stock of the listed company on the stock market, if the holding period is within one month (inclusive), the dividend income shall be included in the taxable income in full; if the holding period is more than one month but less than one year (inclusive), the dividend income shall be included in the taxable income at the rate of 50%; the aforesaid income shall be subject to individual income tax at a uniform rate of 20%.

Pursuant to the Arrangement between the Mainland 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 Income (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》), or the Arrangement for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income, executed on August 21, 2006, the PRC government may impose tax on dividends paid by a PRC company to a Hong Kong resident (including natural person and legal entity), but such tax shall not exceed 10% of the total amount of dividends payable. If a Hong Kong resident directly holds 25% or more of the equity interests in a PRC company and the Hong Kong resident is the beneficial owner of the dividends and meets other conditions, such tax shall not exceed 5% of the total amount of dividends payable by the PRC company. The Fifth Protocol to the Arrangement between the

Mainland 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 Income (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》第五議定書), or the Fifth Protocol, issued by The State Administration of Taxation and effective on December 6, 2019 provides that such provisions shall not apply to arrangements or transactions made for one of the primary purposes of obtaining such tax benefits.

Enterprise Investors

In accordance with the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法》) (the "**EIT Law**") effective as at December 29, 2018 and the Implementation Provisions for the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法實施條例》) last amended on December 6, 2024 and came into effect on January 20, 2025, a non-resident enterprise is generally subject to a 10% enterprise income tax on PRC-sourced income (including dividends received from a PRC resident enterprise that issues shares in Hong Kong), if such non-resident enterprise does not have an establishment or place in Chinese Mainland or has an establishment or place in Chinese Mainland but the PRC-sourced income is not connected with such establishment or place in Chinese Mainland. The withholding tax may be reduced pursuant to applicable treaties for the avoidance of double taxation. Such income tax for non-resident enterprises are deducted at source, where the payer of the income are required to withhold the income tax from the amount to be paid to the non-resident enterprise when such payment is made or due.

The Circular on Issues Relating to the Withholding of Enterprise Income Tax by PRC Resident Enterprises on Dividends Paid to Overseas Non-PRC Resident Enterprise Shareholders of H Shares (Guo Shui Han [2008] No. 897) (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》國稅函[2008]897號) which was issued by the SAT on November 6, 2008, further clarified that a PRC-resident enterprise must withhold corporate income tax at a rate of 10% on dividends paid to non-PRC resident enterprise shareholders of H Shares with respect to the dividends of 2008 and onwards. In addition, the Response to Questions on Levying Enterprise Income Tax on Dividends Derived by Non-resident Enterprise from Holding Stock such as B-shares (Guo Shui Han [2009] No. 394) (《國家稅務總局關於非居民企業取得B股等股票股息徵收企業所得稅問題的批覆》國稅函[2009]394號) which was issued by the SAT on July 24, 2009 and effective on the same date, further provides that any PRC-resident enterprise that is listed on overseas stock exchanges must withhold enterprise income tax at a rate of 10% on dividends of 2008 and onwards that it distributes to non-resident enterprises. Such tax rates may be further modified pursuant to the tax treaty or agreement that China has concluded with a relevant jurisdiction, where applicable.

Pursuant to the Arrangement between the Mainland and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》) signed on August 21, 2006, the PRC Government may levy taxes on the dividends paid by a PRC company to Hong Kong residents (including natural persons and legal entities) in an amount not exceeding 10% of total dividends payable by the PRC company. If a Hong Kong resident directly holds 25% or more of the equity interest in a PRC company, then such tax shall not exceed 5% of the total dividends payable by the PRC company. Pursuant to the Fourth Protocol of the SAT to the Arrangement between the Mainland and Hong Kong Special Administrative Region for the Avoidance of Double Taxation and Prevention of Fiscal Evasion with respect to Taxes on Income (《國家稅務總局關於<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>第四議定書》) effective as at December 29, 2015, the abovementioned provisions are not applicable to any arrangement which is primarily made for the purpose of obtaining the above taxation benefits. The application of the dividend clause of tax agreements is subject to the requirements of PRC tax law and regulation, such as the Notice of the SAT on the Issues Concerning the Application of the Dividend Clauses of Tax Agreements (《國家稅務總局關於執行稅收協定股息條款有關問題的通知》) (Guo Shui Han [2009] No. 81).

Tax Treaties

Investors who are not PRC residents and reside in countries which have entered into avoidance of double taxation treaties with the People's Republic of China are entitled to a reduction of the withholding taxes imposed on the dividends received from PRC companies. The PRC has entered into arrangements for the avoidance of double taxation with a number of countries and regions including but not limited to Hong Kong, Macau, Australia, Canada, France, Germany, Japan, Malaysia, the Netherlands, Singapore, the United Kingdom and the United States. Non-PRC resident enterprises entitled to preferential tax rates in accordance with the relevant income tax treaties or arrangements are required to apply to the PRC tax authorities for a refund of the withholding tax in excess of the agreed tax rate, and the refund payment is subject to approval by the PRC tax authorities.

Taxation on Share Transfer

VAT and Local Additional Tax

Pursuant to the Notice on Fully Implementing the Pilot Reform for the Transition from Business Tax to Value-added Tax (《關於全面推開營業稅改徵增值稅試點的通知》) (Cai Shui [2016] No. 36) (hereinafter referred to as "**Notice 36**"), which was implemented on May 1, 2016, entities and individuals engaged in the services sale in Chinese Mainland are subject to VAT and "engaged in the services sale in Chinese Mainland" means that the seller or buyer of the taxable services is located in Chinese Mainland. Circular 36 also provides that transfer of financial products, including transfer of the ownership of marketable securities, shall be subject to VAT at 6% on the taxable revenue (which is the balance of sales price upon deduction of purchase price), for a general or a foreign VAT taxpayer. However, individuals who transfer financial products are exempt from VAT.

According to these regulations, if the holder is a nonresident individual, the PRC VAT is exempted from the sale or disposal of H shares; if the holder is a nonresident enterprise and the H-share buyer is an individual or entity located outside China, the holder is not necessarily required to pay the PRC VAT, but if the H-share buyer is an individual or entity located in China, the holder may be required to pay the PRC VAT. However, in view of no clear regulations, whether the non-Chinese resident enterprises are required to pay the PRC VAT for the disposal of H shares, there is still uncertainty in the interpretation and application of the above provisions.

At the same time, VAT payers are also required to pay urban maintenance and construction tax, education surtax and local education surcharge (hereinafter collectively referred to as "**Local Additional Tax**"), which shall usually equal to 12% of the VAT payable (if any).

Income tax

Individual Investors

According to the IIT Law and its implementation provisions, gains realised on the sale of equity interests in PRC resident enterprises are subject to the income tax at a rate of 20%.

Pursuant to the Circular of the MOF and SAT on Declaring that Individual Income Tax Continues to be Exempted over Income of Individuals from the Transfer of Shares (《財政部、國家稅務總局關於個人轉讓股票所得繼續暫免徵收個人所得稅的通知》) (Cai Shui Zi [1998] No. 61) issued by the MOF and SAT on March 30, 1998, from January 1, 1997, income of individuals from transfer of the shares of listed enterprises continues to be exempted from individual income tax. SAT has not expressly stated whether it will continue to exempt tax on income of individuals from transfer of the shares of listed enterprises in the latest amended IIT Law and its implementation provisions.

However, on December 31, 2009, the MOF, SAT and the CSRC jointly issued the Circular on Relevant Issues Concerning the Collection of Individual Income Tax over the Income Received by Individuals from Transfer of Listed Shares Subject to Sales Limitation (Cai Shui [2009] No. 167) (《關於個人轉讓上市公司限售股所得徵收個人所得稅有關問題的通知》) (財稅[2009]167號), which provides that individuals' income from transferring listed shares on certain domestic exchanges shall continue to be exempted from individual income tax, except for certain shares which are subject to sales limitations as defined in the Supplementary Circular on Relevant Issues Concerning the Collection of Individual Income Tax over the Income Received by Individuals from Transfer of Listed Shares Subject to Sales Limitation (Cai Shui [2010] No. 70) (《關於個人轉讓上市公司限售股所得徵收個人所得稅有關問題的補充通知》) (財稅[2010]70號). As at the Latest Practicable Date, the aforesaid provision has not expressly provided that individual income tax shall be collected from non-PRC resident individuals on the transfer of shares of PRC resident enterprises listed on overseas stock exchanges. To the knowledge of the Company, in practice, the PRC tax authorities have not collected income tax from non-PRC resident individuals on gains from the transfer of shares of PRC resident enterprises listed on overseas stock exchanges.

Enterprise Investors

Under the EIT Law and its implementation rules, a non-PRC resident enterprise is subject to enterprise income tax at the rate of 10% with respect to PRC-sourced income, including gains derived from the disposal of shares in a PRC resident enterprise, if it does not have an establishment or premises in Chinese Mainland or has an establishment or premises in Chinese Mainland but the PRC-sourced income is not actually connected with such establishment or premises in Chinese Mainland. The aforementioned income tax payable by non-PRC resident enterprises is subject to source withholding, and the payer is the withholding agent. The tax shall be withheld by the withholding agent from the payment or due payment every time it is paid or due. Such tax may be reduced or exempted under applicable tax treaties or arrangements.

Shanghai-Hong Kong Stock Connect Taxation Policy and Shenzhen-Hong Kong Stock Connect Taxation Policy

On October 31, 2014 and November 5, 2016, the MOF, the SAT and the CSRC jointly issued the Circular on the Relevant Taxation Policy regarding the Pilot Inter-connected Mechanism for Trading on the Shanghai Stock Market and the Hong Kong Stock Market (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》) and the Circular on the Relevant Taxation Policy regarding the Pilot Inter-connected Mechanism for Trading on the Shenzhen Stock Market and the Hong Kong Stock Market (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》), pursuant to which, the income from transfer differences and dividend and bonus income derived by PRC enterprise investors from investing in stocks listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect shall be included in their total income and subject to enterprise income tax in accordance with the law. In particular, the dividend and bonus income derived by PRC resident enterprises which hold H shares for at least 12 consecutive months shall be exempted from enterprise income tax according to law. The H-share companies do not need to withhold tax on the income from dividends and bonus obtained by PRC enterprise investors. The tax payable shall be declared and paid by the enterprises themselves.

For dividends and bonuses received by PRC individual investors investing in H shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect, H-share companies shall submit an application to China Securities Depository and Clearing Corporation Limited (the "**CSDC**"), which shall provide H-share companies with a register of PRC individual investors. H-share companies shall withhold individual income tax at a rate of 20%. Individual investors who have paid withholding tax outside Chinese Mainland may apply for tax credits at the competent tax authorities of the CSDC with valid tax deduction certificates. Individual income tax is levied on dividend and bonus income derived by PRC security investment funds from investing in stocks listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect in accordance with the above provisions.

Stamp Duty

According to the Stamp Tax Law of the People's Republic of China (《中華人民共和國印花稅法》) promulgated on June 10, 2021 and became effective on July 1, 2022, non-Chinese investors shall not be subject to the provisions of the Stamp Tax Law of the People's Republic of China when disposing of H shares overseas.

Estate Duty

As of the date of this prospectus, no estate duty has been levied in Chinese Mainland under the PRC laws.

2. MAJOR TAXATION OF OUR COMPANY IN THE PRC

Enterprise Income Tax

According to the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法》), enterprises and other income-generating organizations (hereinafter collectively referred to as "**enterprises**") within the territory of the People's Republic of China are the taxpayers of enterprise income tax and shall pay enterprise income tax in accordance with the provisions of the EIT Law. The Enterprise Income Tax rate is 25%.

Enterprises are classified into resident enterprises and non-resident enterprises. A non-resident enterprise that does not have an establishment or place of business in Chinese Mainland, or has an establishment or place of business in Chinese Mainland but the income has no actual connection to such establishment or place of business, shall pay enterprise income tax on its income within Chinese Mainland and withhold at source, where the payer is the withholding agent. The tax shall be withheld by the withholding agent from the payment or due payment every time it is paid or due. Meanwhile, any gains realized on the transfer of shares by such investors are subject to enterprise income tax and shall be withheld at source if such gains are regarded as income derived from the transfer of property within Chinese Mainland.

VAT

According to the Interim Regulations of the People's Republic of China on Value-Added Tax (《中華人民共和國增值稅暫行條例》) which was promulgated by the State Council on December 13, 1993, and latest amended on November 19, 2017, and the Detailed Rules for the Implementation of the Provisional Regulations of the People's Republic of China on Value-added Tax (《中華人民共和國增值稅暫行條例實施細則》) which was promulgated by the MOF on December 25, 1993 and latest amended on October 28, 2011, all enterprises and individuals that engage in the sale of goods, the provision of processing, repair and replacement services, sales of service, intangible assets and real estate and the importation of goods within the territory of Chinese Mainland shall pay value-added tax. The tax rate for taxpayers engaging in sale of services shall be 6% and the tax rate for taxpayers engaging in sale of goods shall be 17%, unless otherwise stipulated. With the VAT reforms in Chinese Mainland, the rate of VAT has been changed several times.

Pursuant to the Implementation Rules of Pilot Reform for Transition from Business Tax to VAT (《營業稅改徵增值稅試點實施辦法》) which was promulgated on March 23, 2016, and latest amended on March 20, 2019, unless otherwise provided in the implementation rules, taxpayers incurring taxable activities are generally subject to a 6% VAT. The Notice on the Adjustment to VAT Rates (《關於調整增值稅稅率的通知》) (Cai Shui [2018] No. 32), promulgated by the MOF and SAT on April 4, 2018 and became effective as of May 1, 2018 adjusted the applicative rate of VAT, and the deduction rates of 17% and 11% applicable to the taxpayers who have VAT taxable sales activities or imported goods are adjusted 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》) (Announcement [2019] No. 14 of the MOF, SAT and General Administration of Customs), promulgated by MOF, SAT and General Administration of Customs on March 20, 2019 and became effective on April 1, 2019, the VAT rates of 16% and 10% applicable to the taxpayers who have VAT taxable sales activities or imported goods are adjusted to 13% and 9%, respectively.

3. FOREIGN EXCHANGE

The lawful currency of the People's Republic of China is the Renminbi. The SAFE, authorized by the PBOC, is empowered with the functions of administering all matters relating to foreign exchange, including the enforcement of foreign exchange regulations.

Pursuant to the Regulations of the People's Republic of China on Foreign Exchange Control (《中華人民共和國外匯管理條例》) amended by the State Council and became effective on August 5, 2008, all international payments and transfers are classified into current account items and capital account items. Chinese Mainland does not impose restrictions on international payments and transfers under current account items. Foreign exchange income from the current account of PRC enterprises may be retained or sold to financial institutions engaged in the settlement and sale of foreign exchange in accordance with relevant provisions of the State. The retention or sale of foreign exchange receipts under capital accounts to financial institutions engaging in settlement and sale of foreign exchange shall be subject to the approval of foreign exchange administrative authorities, unless otherwise stipulated by the State. Pursuant to the Regulations for the Administration of Settlement, Sale and Payment of Foreign Exchange (《結匯、售匯及付匯管理規定》) promulgated by the PBOC on June 20, 1996 and became effective on July 1, 1996, the remaining restrictions on convertibility of foreign exchange in respect of current account items are abolished while the existing restrictions on foreign exchange transactions in respect of capital account items are retained. According to relevant laws and regulations of the People's Republic of China, PRC enterprises (including foreign-invested enterprises) which require foreign exchange for transactions relating to current account items, may, without the approval of SAFE, effect payment from their foreign exchange accounts at the designated foreign exchange banks, on the strength of valid receipts and proof of transactions. Foreign-invested enterprise that need to distribute profits to their shareholders in foreign exchange and Chinese enterprise that need to pay fixed dividends in foreign exchange in accordance with the requirements shall pay from its foreign exchange account or pay at the designated foreign exchange bank by a resolution of the board of directors on the distribution of profits.

According to the Decision of the State Council on Canceling and Adjusting a Group of Administrative Approval Items and Other Matters (《國務院關於取消和調整一批行政審批項目等事項的決定》) promulgated by the State Council and effective on October 23, 2014, the administrative approval of the SAFE and its branches on matters concerning the repatriation and settlement of foreign exchange of overseas-raised funds through overseas listing has been canceled.

According to the Circular of the SAFE on Relevant Issues Concerning the Foreign Exchange Administration of Overseas Listing (《國家外匯管理局關於境外上市外匯管理有關問題的通知》) promulgated by the SAFE and became effective on December 26, 2014, the relevant provisions on foreign exchange administration of domestic joint stock companies (hereinafter referred to as "**domestic companies**") listed overseas are as follows:

(i) The SAFE and its branches and the Foreign Exchange Management Department, or the Foreign Exchange Bureau, supervise, manage and inspect the business registration, account opening and use, cross-border income and expenditure, and capital exchange involved in the overseas listing of domestic companies.

(ii) A domestic company shall, within 15 working days after the completion of the overseas listing and issuance, register the overseas listing with the Foreign Exchange Bureau at the place where it is registered with relevant material.

(iii) After the overseas listing of a domestic company, its domestic shareholders who intend to increase or reduce their shareholding in an overseas listed company according to relevant regulations shall register the overseas shareholding with the local foreign exchange bureau at the place where the domestic shareholders are located within 20 working days prior to the proposed increase or reduction of shareholding with relevant materials.

(iv) A domestic company (other than banking financial institutions) shall, by virtue of its registration certificate for overseas listing business, open a "special foreign exchange account for overseas listing of domestic companies" with a domestic bank for its initial offering (or additional offering) and repurchase business to handle the remittance and transfer of funds for the relevant business.

According to the Notice of the State Administration of Foreign Exchange on Further Simplifying and Improving Policies for the Foreign Exchange Administration of Direct Investment (《國家外匯管理局關於進一步簡化和改進直接投資外匯管理政策的通知》) issued on February 13, 2015 and came into effect on June 1, 2015, the SAFE has cancelled the confirmation of foreign exchange registration under domestic direct investment and the confirmation of foreign exchange registration under overseas direct investment, instead, banks shall directly examine and handle foreign exchange registration under domestic direct investment and foreign exchange registration under overseas direct investment, and the SAFE and its branch offices shall indirectly regulate the foreign exchange registration of direct investment through banks.

According to the Notice of the State Administration of Foreign Exchange of the People's Republic of China on Revolutionize and Regulate Capital Account Settlement Management Policies (《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》) issued and implemented by the SAFE on June 9, 2016, foreign currency earnings in capital account that relevant policies of willingness exchange settlement have been clearly implemented on (including the recalling of raised capital by overseas listing) may undertake foreign exchange settlement in the banks according to actual business needs of the domestic institutions. The tentative percentage of foreign exchange settlement for foreign currency earnings in capital account of domestic institutions is 100%, subject to adjustment by the SAFE in due time in accordance with international revenue and expenditure situations.

This Appendix outlines certain aspects of the laws and regulations of Chinese Mainland relating to the operation and business of our Company. The primary purpose of this summary is to highlight to potential investors the principal laws and regulatory provisions applicable to our Company. This summary is not intended to encompass all material information that may be relevant to potential investors. For a discussion of the laws and regulations relating to our Company's business, please refer to the "Regulatory Overview" in this prospectus.

PRC LEGAL SYSTEM

The PRC legal system is founded upon the Constitution of the People's Republic of China (《中華人民共和國憲法》) (the "**Constitution**") and comprises written laws, administrative regulations, local regulations, separate regulations, departmental rules of the State Council, local government rules, autonomous regulations, specific regulations of autonomous regions, laws of the Special Administrative Regions, and international treaties signed by the government of the People's Republic of China, as well as other regulatory documents. Court verdicts do not constitute binding precedents but may be utilized for judicial reference and guidance.

Pursuant to the Constitution and the Legislation Law of the People's Republic of China (《中華人民共和國立法法》) (the "**Legislation Law**"), as revised by the National People's Congress (the "**NPC**") on March 13, 2023, and effective on March 15, 2023, the NPC and its Standing Committee of the NPC are vested with the power to exercise national legislative authority. The NPC is empowered to enact and amend fundamental laws governing criminal, civil, state institutions and other matters. The SCNPC is authorized to formulate and amend laws other than those that should be enacted by the NPC. During the NPC's recess, the SCNPC may partially supplement and amend laws enacted by the NPC, provided that such amendments do not contravene the fundamental principles of these laws.

The State Council, as the highest administrative body of the state, formulates administrative regulations in accordance with the Constitution and laws. The people's congresses and their standing committees at the provincial level, autonomous regions, and municipalities directly under the Central Government may enact local regulations based on the specific circumstances and practical needs of their respective administrative regions, provided that these local regulations do not contravene any provisions of the Constitution, laws, or administrative regulations. The people's congresses and their standing committees of cities divided into districts may formulate local regulations on urban and rural construction and management, environmental protection, and historical and cultural preservation, in accordance with the specific conditions and practical needs of their respective cities, but these regulations must not conflict with any provisions of the Constitution, laws, administrative regulations, and local regulations of provinces and autonomous regions. Where laws provide otherwise for the formulation of local regulations by cities divided into districts, such provisions shall prevail. Local regulations of cities in autonomous regions shall be implemented after being submitted for approval.

The standing committees of the people's congresses of provinces and autonomous regions shall conduct legality reviews of local regulations submitted for approval. Those that do not contravene the Constitution, laws, administrative regulations, and local regulations of the province or autonomous region shall be approved within 4 months. The people's congresses of ethnic autonomous areas have the right to formulate autonomous regulations and specific regulations based on the political, economic, and cultural characteristics of the various ethnic groups in the area. The ministries and commissions of the State Council, the People's Bank of China, National Audit Office of the People's Republic of China, and institutions directly under the State Council with administrative management functions may formulate rules within their respective jurisdictions based on laws, administrative regulations, decisions, and rulings of the State Council.

The Constitution holds the supreme legal authority, and all laws, administrative regulations, local regulations, autonomous regulations, and specific regulations or rules must not contravene the Constitution. Laws take precedence over administrative regulations, local regulations, and rules. Administrative regulations take precedence over local regulations and rules. Regulations formulated by the people's governments of provinces and autonomous regions take precedence over the regulations formulated by the people's governments of cities with districts within their respective administrative regions.

The NPC possesses the authority to amend or nullify inappropriate laws enacted by the SCNPC, and is empowered to revoke autonomous regulations and specific regulations approved by the SCNPC that contravene the Constitution and the Legislation Law. The SCNPC is authorized to annul administrative regulations that violate the Constitution and laws, and is empowered to revoke local regulations that contravene the Constitution, laws, and administrative regulations, as well as autonomous regulations and specific regulations approved by the standing committees of the people's congresses of provinces, autonomous regions, and municipalities directly under the Central Government that violate the Constitution and the Legislation Law. The State Council is vested with the power to amend or nullify inappropriate departmental rules and local government regulations. The people's congresses of provinces, autonomous regions, and municipalities directly under the Central Government have the authority to amend or nullify inappropriate local regulations formulated or approved by their respective standing committees. The standing committees of local people's congresses are empowered to revoke inappropriate regulations formulated by the people's governments at the same level. The people's governments of provinces and autonomous regions are authorized to amend or nullify any inappropriate regulations formulated by the people's governments at lower levels.

Pursuant to the Constitution and the Legislation Law, the power of legal interpretation is vested in the SCNPC. According to the Resolution of SCNPC on Strengthening the Work of Legal Interpretation (《全國人民代表大會常務委員會關於加強法律解釋工作的決議》), adopted and effective on June 10, 1981, the Supreme People's Court is authorized to interpret specific issues concerning the application of laws and decrees in judicial trials. The Supreme People's Procuratorate shall interpret all issues that are related to the specific application of laws and decrees in procuratorial work. The State Council and relevant competent departments are responsible for interpreting how to specifically apply other laws and decrees that do not fall under the purview of judicial and procuratorial work.

Where the scope of local regulations requires further definition or supplementary provisions, the standing committee of the people's congress of the province, autonomous region, or municipality directly under the Central Government that formulated the regulations shall interpret or stipulate. Interpretations of specific application issues of local regulations shall be the responsibility of the competent departments of the people's governments of provinces, autonomous regions, and municipalities directly under the Central Government.

PRC JUDICIAL SYSTEM

Pursuant to the Constitution and the Organic Law of the People's Courts of the People's Republic of China (《中華人民共和國人民法院組織法》), as revised by the SCNPC on October 26, 2018, and effective from January 1, 2019, the People's Courts of the People's Republic of China comprise the Supreme People's Court, local people's courts at various levels, and other specialized people's courts. Local people's courts are categorized into three levels: primary people's courts, intermediate people's courts, and higher people's courts. Primary people's courts may establish several people's tribunals based on regional, population, and case circumstances. The Supreme People's Court serves as the highest adjudicatory organ of the state. The Supreme People's Court supervises the exercise of judicial power by local people's courts at all levels and specialized people's courts. The people's courts at higher levels supervise the adjudication work of the people's courts at lower levels.

According to the Constitution and the Organic Law of the People's Procuratorates of the People's Republic of China (《中華人民共和國人民檢察院組織法》), as revised by the SCNPC on October 26, 2018, and effective from January 1, 2019, the people's procuratorates serve as the state's legal supervision bodies. The Supreme People's Procuratorate functions as the highest procuratorial organ. The Supreme People's Procuratorate directs the work of local people's procuratorates at all levels and specialized people's procuratorates, with higher-level people's procuratorates overseeing the work of lower-level procuratorates.

The People's Court implements a system of two instances with final adjudication. The second-instance judgments or rulings of the People's Court constitute the final judgments or rulings. Parties dissatisfied with the first-instance judgments or rulings of a local People's Court may file an appeal. The People's Procuratorate may, in accordance with the procedures prescribed by law, lodge a protest with the People's Court at the next higher level. If a party does not appeal and the People's Procuratorate does not protest within the prescribed time limit, the judgments or rulings of the People's Court become the final judgments or rulings. The second-instance judgments or rulings of the Intermediate People's Courts, Higher People's Courts, and the Supreme People's Court, as well as the first-instance judgments or rulings of the Supreme People's Court, are the final judgments or rulings. However, if the Supreme People's Court or a People's Court at a higher level discovers that a final judgment or ruling of a lower-level People's Court that has already taken legal effect is indeed erroneous, or if the presiding judge of any level of People's Court discovers that a final judgment or ruling of the People's Court at the same level that has already taken legal effect is indeed erroneous, a retrial may be conducted in accordance with the judicial supervision procedures.

The Civil Procedure Law of People's Republic of China (《中華人民共和國民事訴訟法》), adopted by the SCNPC on September 1, 2023, and effective on January 1, 2024, outlines the requirements for initiating civil litigation, the jurisdiction of the People's Courts, the procedures to be followed in civil proceedings, and the enforcement of civil judgments or orders. All parties involved in civil litigation within the territory of the PRC must adhere to the Civil Procedure Law of PRC. Civil cases are generally adjudicated by the court in the defendant's domicile. The jurisdictional court for civil litigation can be explicitly agreed upon by the parties, provided the court is located in a place with a substantial connection to the dispute, such as the domicile of the plaintiff or defendant, the place of contract performance or contract signing, or the location of the subject matter of the litigation. However, the choice of court must not, under any circumstances, contravene the provisions regarding level jurisdictions and exclusive jurisdictions.

Foreign individuals, stateless persons, foreign-invested enterprises, or foreign organizations that initiate litigation or defense in the People's Court shall have the same procedural rights and obligations as Chinese citizens, legal persons, or other organizations. If a foreign court restricts the procedural rights of Chinese citizens and enterprises, the Chinese court may apply the same restrictions to the foreign citizens and enterprises. When foreign individuals, stateless persons, foreign-invested enterprises, or foreign organizations initiate litigation or defense in the People's Court, they must retain a Chinese lawyer. According to international treaties signed or acceded to by the People's Republic of China or the principle of reciprocity, the People's Court and foreign courts may request each other to serve documents, conduct investigations, and take other actions. The People's Court shall reject requests from foreign courts that may infringe upon the sovereignty, security, or public interest of the People's Republic of China.

The parties involved must fulfill civil judgments and rulings that have legal effect. If a party in a civil lawsuit refuses to comply with a judgment or ruling made by the People's Court of the People's Republic of China or an arbitral tribunal's award, the other party may apply to the People's Court for enforcement within 2 years. The suspension or interruption of the application period for enforcement shall comply with the provisions of applicable laws concerning the suspension or interruption of the statute of limitations.

Judgments and rulings rendered by the People's Courts, where the judgment debtor or their assets are not within the territory of Chinese Mainland, may be subject to direct application for recognition and enforcement by the interested party to a foreign court with jurisdiction. Judgments and rulings rendered by foreign courts may be recognized and enforced by the People's Courts, following examination in accordance with the provisions of international treaties concluded or acceded to by the People's Republic of China with the relevant country, or based on the principle of reciprocity. Such recognition and enforcement are contingent upon the determination that the foreign judgment or ruling does not contravene the fundamental principles of Chinese law, nor does it infringe upon national sovereignty, security, or the public interest of society.

THE PRC COMPANY LAW, OVERSEAS LISTING MEASURES AND GUIDELINES FOR ARTICLES OF ASSOCIATION

The Company Law of the People's Republic of China (《中華人民共和國公司法》) (the "**PRC Company Law**") was adopted by the Standing Committee of the Eighth NPC at its Fifth Session on December 29, 1993 and came into effect on July 1, 1994. It was successively amended on December 25, 1999, August 28, 2004, October 27, 2005, December 28, 2013, October 26, 2018 and December 29, 2023. The newly revised PRC Company Law has been implemented on July 1, 2024.

On February 17, 2023, CSRC promulgated the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) (the "**Overseas Listing Trial Measures**"), which came into effect on March 31, 2023 and is applicable to direct and indirect overseas share subscription and listing of domestic companies, which also stipulates the filing administrative measures and regulatory requirements for the overseas securities offering and listing by domestic companies.

On March 28, 2025, the CSRC Promulgated the latest amended Guidelines for the Articles of Association of Listed Companies (《上市公司章程指引》) (the "**Guidelines for the Articles of Association**"). According to the Overseas Listing Trial Measures and its supporting guidelines, Guidelines for the Application of Regulatory Rules — Overseas Listing Category No. 1, domestic enterprises that are directly listed overseas shall formulate its Articles of Association with reference to the Guidelines for the Articles of Association and other relevant provisions of the CSRC on main provisions of the PRC Company Law, the Overseas Listing Trial Measures and the Guidelines for the Articles of Association.

General Provisions

A joint stock limited company is a corporate legal person established in accordance with the Company Law. Its registered capital is comprised of shares with an equal par value. Shareholders bear liability limited to the extent of their subscribed shares, while the company itself is liable for its debts with all of its assets.

A company, in the conduct of its business operations, must adhere to the laws and regulations, social ethics, and commercial morality. A company may invest in other companies with limited liability. The liability of the investing company for the obligations of the invested company is limited to the amount of its investment. Unless otherwise stipulated by law, a company shall not become an investor jointly and severally liable for the debts of the invested company.

Incorporation

A joint stock limited company may be established through either the method of promotion or the method of offering shares for subscription. A joint stock limited company can be established by a minimum of 1 promoter and a maximum of 200 promoters, with more than half of the promoters required to have a domicile within the territory of Chinese Mainland.

The promoters shall convene the inaugural meeting of the company within 30 days following the full payment of the share capital. Notice of the meeting date must be provided to all subscribers or publicly announced no less than 15 days prior to the meeting. The inaugural meeting can only be held if the promoters and subscribers holding more than 50% of the total shares are present. The powers exercised at the inaugural meeting shall include, but not be limited to, the adoption of the articles of association, and the election of the members of the board of directors and board of supervisors. Resolutions on these matters shall be passed by a majority vote of more than 50% of the votes cast by the attending subscribers.

Within 30 days after the conclusion of the inaugural meeting, the board of directors shall apply to the registration authority for the incorporation of a joint stock limited company. After the relevant registration authority issues a business license, the company is officially established and has the status of a legal person.

Registered Shares

According to the Company Law, shareholders may contribute in cash or in kind, intellectual property rights, land use rights and other non-monetary property that may be valued in currency and may be transferred in accordance with the law.

The Overseas Listing Measures stipulate that domestic enterprises listed abroad may raise funds and distribute dividends in foreign currency or RMB.

Under the Company Law, a joint stock limited company shall prepare and maintain a shareholder register at the company. The shareholder register shall record the following particulars:

(i) The name and domicile of each shareholder;

(ii) The class and number of shares subscribed by each shareholder;

(iii) In the case of shares in paper form, the serial number of the shares; and

(iv) The date on which each shareholder acquired the shares.

Allotment and Issue of Shares

All shares in a joint stock limited company shall be issued in accordance with the principles of equality and fairness. The same class of shares must have equal rights. The same shares must be issued on the same terms and at the same price. A joint stock limited company may issue shares at face value or premium, but not below face value.

If a domestic enterprise issues a listing abroad, it shall file a filing with the CSRC in accordance with the Overseas Listing Measures, submit a filing report, legal opinion and other relevant materials, and give a true, accurate and complete description of the shareholder information. Where a domestic enterprise is issued directly and listed abroad, the issuer shall file with the CSRC. Where a domestic enterprise is listed indirectly outside China, the issuer shall designate the main business entity in China as the responsible person in China and file the case with the CSRC.

Increase in Share Capital

Pursuant to the PRC Company Law, an increase in the capital of a company by means of an issue of new shares must be approved by shareholders in a shareholder's meeting. The Articles of Association or the shareholders' meeting may authorize the Board of Directors to decide to issue not more than 50% of the shares that have been issued within three years. However, if the capital contributions are to be made using non-monetary property, they shall be subject to a resolution made by the shareholders' meeting. Where the Board of Directors is authorized and decides to issue shares, and thus results in a change in the registered capital or the number of issued shares of the company, the voting at the shareholders' meeting may not be needed to revise such item set forth in the Articles of Association of the company. Where the Articles of Association or the shareholders' meeting of a company authorizes the Board of Directors to decide on issuing new shares, a resolution of the Board of Directors shall be adopted by two thirds of all the directors. In addition, where a domestic enterprise issuing and listing overseas, the issuer shall file with the CSRC in accordance with the Overseas Listing Trial Measures and submit a filing report, legal opinions and other relevant materials, giving a true, accurate and complete account of shareholders' information and other information.

Reduction of Share Capital

The company shall reduce the registered capital in accordance with the following procedures as stipulated in the PRC Company Law:

(i) the company shall prepare a balance sheet and an inventory of properties;

(ii) make a resolution at a shareholders' meeting to reduce the registered capital;

(iii) the company shall notify its creditors within 10 days after making the resolution to reduce the registered capital and publish the relevant announcement in newspapers or on the National Enterprise Credit Information Publicity System within 30 days;

(iv) a creditor may, within 30 days after receipt of the notification, or within 45 days after the date of announcement if he/she has not received the notification, have the right to request the company to repay its debts or provide relevant guarantees; and

(v) the company must apply to the company registration authority for a change in registration.

Where a company reduces its registered capital, it shall reduce the amount of capital contribution or shares in proportion to the capital contribution or shares held by the shareholders, unless it is otherwise prescribed by any law, or is otherwise prescribed by the Articles of Association of the company.

Repurchase of Shares

According to the PRC Company Law, a company may not repurchase its own shares. Except in the following cases:

(i) Reduction of registered capital;

(ii) Merging with other companies holding shares in the company;

(iii) The use of shares in employee ownership schemes or equity incentives;

(iv) A shareholder who votes against the merger or separation resolution of the company passed by the Shareholders' meeting shall have the right to require the company to acquire the shares it holds;

(v) The shares are used to convert convertible corporate bonds issued by the listed company;

(vi) Necessary to safeguard the corporate value and shareholder rights of listed companies.

The purchase of shares in the company for the reasons (i) to (ii) above shall be subject to a resolution of the Shareholders' meeting; For the reasons of (iii), (v) and (vi) above, the purchase of shares in the company may, in accordance with the articles of association or the authorization of the Shareholders' meeting, be determined by the meeting of the board of directors attended by more than two thirds of the directors.

If the company repurchases the shares of the company in accordance with the above provisions, in the case of subparagraph (i) above, it shall be cancelled within 10 days from the date of repurchase; In the case of subparagraphs (ii) and (iv) above, it shall be transferred or cancelled within six months; In the case of subparagraph (iii), subparagraph (v) and subparagraph (vi) above, the total number of shares held by the company shall not exceed 10% of the total number of shares issued by the company and shall be transferred or cancelled within 3 years.

Transfer of Shares

Shares held by shareholders may be transferred in accordance with the law. Pursuant to the Company Law, the transfer of shares by shareholders shall be effected on a legally established securities exchange or in other ways as prescribed by the State Council. The transfer of shares shall be effected by the shareholders by means of endorsement or other means as prescribed by laws and administrative regulations. After the transfer, the company shall enter the name and domicile of the transferee in the register of shareholders. No change in the register of shareholders as provided for in the preceding paragraph may be registered within 20 days prior to the date of the Shareholders' meeting or within 5 days prior to the date on which the company decides to distribute dividends. If any law, administrative regulation or the securities regulatory authority of the State Council has other provisions on the registration of changes in the register of shareholders of a listed company, such provisions shall apply.

According to the Company Law, shares issued prior to the public offering of shares of the company shall not be transferred for 1 year from the date on which the shares of the company are listed and traded on the stock exchange. The directors, supervisors and senior management of the company shall declare to the company their holdings and changes therein. During the term of office determined at the time of his/her appointment, the shares transferred each year shall not exceed 25% of the total number of shares held by the company. The shares held by the directors, supervisors and senior management of the company shall not be transferred for 1 year from the date of listing and trading on the stock exchange. No share in the company held by the aforementioned person shall be transferred within 6 months after his/her separation from office.

Where the shares are pledged within the time limit of a restrictive transfer prescribed by law or administrative regulations, the applicant shall not exercise the right of pledge within that time limit.

Shareholders

According to the PRC Company Law and the Guidelines for Articles of Association, the rights of shareholders of a company include:

(i) Dividends and other forms of distribution of benefits in proportion to shareholding;

(ii) To request, convene, preside over, participate in or appoint a shareholder's representative to the Shareholders' meeting in accordance with the law, and to exercise the corresponding voting rights;

(iii) Supervise the business operations of the company, make suggestions or raise questions;

(iv) Transfer, grant or pledge shares in the company in accordance with laws, administrative regulations and articles of association;

(v) To access and copy the articles of association, the register of shareholders, the minutes of the Shareholders' meeting, the resolution of the meeting of the board of directors, the resolution of the meeting of the board of supervisors and the financial and accounting report;

(vi) Shareholders who hold more than 3% of the company's shares individually or collectively for more than 180 consecutive days may, in accordance with the law, consult the company's accounting books and accounting certificates;

(vii) Participation in the distribution of the remaining property of the company in the event of the company's suspension or liquidation;

(viii) Shareholders who object to the merger or separation resolution of the company made by the Shareholders' meeting and require the company to acquire its shares;

(ix) Laws, administrative regulations, departmental regulations, rules governing the place of listing of shares of the company or other rights under the articles of association.

The obligations of the company's shareholders include:

(i) Compliance with laws, administrative regulations and the articles of association;

(ii) To pay contributions in accordance with the shares subscribed and the method of admission;

(iii) Not to abuse Shareholders' rights to the detriment of the interests of the company or other shareholders; and not to abuse the company's status as an independent legal entity and Shareholders' limited liability to the detriment of the interests of the company's creditors;

(iv) Other obligations as stipulated by laws, administrative regulations and the articles of association.

Shareholders' meetings

The shareholders' meeting is the organ of authority of the company, which exercises its powers in accordance with the PRC Company Law. The shareholders' meeting may exercise its powers:

(i) to elect or replace the directors and supervisors and to decide on their remunerations;

(ii) to consider and approve the reports of the Board of Directors;

(iii) to consider and approve the reports of the Board of Supervisors;

(iv) to consider and approve the company's profit distribution and loss recovery proposals;

(v) to decide on any increase or reduction of the company's registered capital;

(vi) to decide on the issue of corporate bonds;

(vii) to decide on merger, division, dissolution and liquidation of the company or change of its corporate form;

(viii) to amend the Articles of Association of the company; and

(ix) to exercise any other authority stipulated in the Articles of Association of the company.

The shareholders' meeting may authorize the Board of Directors to make resolutions on the issuance of corporate bonds.

Pursuant to the PRC Company Law and the Guidelines for Articles of Association, a shareholders' meeting is required to be held once a year within six months after the end of the previous accounting year. An interim shareholders' meeting is required to be held within two months upon the occurrence of any of the following:

(i) the number of directors is less than the number required by the law or less than two-thirds of the number specified in the Articles of Association of the company;

(ii) the total outstanding losses of the company amounted to one-third of the company's total capital stock;

(iii) shareholders individually or in aggregate holding 10% or more of the company's shares request to convene an interim shareholders' meeting;

(iv) the Board of Directors deems necessary;

(v) the Board of Supervisors so proposes; or

(vi) any other circumstances as provided for in the Articles of Associations of the company.

A shareholders' meeting is convened by the Board of Directors and presided over by the chairman of the Board of Directors. In the event that the chairman is incapable of performing or is not performing his or her duties, the meeting shall be presided over by the vice chairman. If the vice chairman is incapable of performing or is not performing his or her duties, a director jointly recommended by more than half of directors shall preside over the meeting. If the Board of Directors is unable to or fails to perform its duty of convening the shareholders' meeting, the Board of Supervisors shall convene and preside over such meeting in a timely manner; if the Board of Supervisors fails to convene and preside over such meeting, shareholders who individually or jointly hold more than 10% of the company's shares for more than 90 consecutive days may independently convene and preside over such meeting. If the shareholders who individually or jointly hold more than 10% of the shares of the company request to convene an interim shareholders' meeting, the Board of Directors and the Board of Supervisors shall, within 10 days after the receipt of such request, decide whether to hold an interim shareholders' meeting and reply to the shareholders in writing.

In accordance with the PRC Company Law, a notice stating the time and venue of the meeting and the matters to be considered at the meeting shall be given to all shareholders 20 days before the meeting if the shareholders' meeting is convened. Notice of the interim shareholders' meeting shall be given to all shareholders 15 days before the meeting. Shareholders who individually or jointly hold more than one-tenth of the shares of the company may submit an interim proposal in writing to the Board of Directors ten days before the shareholders' meeting is held. The Board of Directors shall notify other shareholders within two days upon receipt of the proposal, and submit the interim proposal to the shareholder's meeting for deliberation, unless the interim proposal is in violation of any law, administrative regulation or the Articles of Association or fails to fall into the scope of functions of the shareholders' meeting. The company shall not raise the shareholding proportion of the shareholder who brings forward any interim proposal. A company offering shares to the public shall make the notices as mentioned in the preceding paragraphs by way of announcement. The shareholders' meeting shall not make any resolution on any matter not specified in the notice.

According to the PRC Company Law, shareholders present at shareholders' meeting shall have one vote for each share they hold, except the shareholders of classified shares. The company may not have a voting right for the shares it holds.

An accumulative voting system may be adopted for the election of directors and supervisors at the shareholders' meeting pursuant to the provisions of the Articles of Association of the company or a resolution of the shareholders' meeting. Under the accumulative voting system, when the shareholders' meeting elects directors or supervisors, each share has the same voting rights as the number of directors or supervisors to be elected, and the voting rights owned by shareholders can be used collectively.

Under the PRC Company Law, the passing of any resolution at the shareholder's meeting requires affirmative votes of shareholders representing more than half of the voting rights held by the shareholders who attend the shareholder's meeting except in cases of proposed amendments to a Articles of Association, increase or decrease of registered capital, merger, division or dissolution, or change of corporation form, which require affirmative votes of shareholders representing more than two-thirds of the voting rights held by the shareholders who attend the shareholder's meeting.

Minutes shall be prepared in respect of matters considered at the shareholders' meeting and the chairperson and directors attending the meeting shall endorse such minutes by signature. The minutes shall be kept together with the shareholders' attendance register and the proxy forms.

Board of directors

According to the Company Law, the joint stock limited company shall have a board of directors consisting of 3 or more members. The term of office of directors shall be prescribed by the articles of association, but each term shall not exceed 3 years. Directors may be re-elected for a second term.

Board of director's meetings shall be held at least twice a year. All directors and supervisors shall be notified 10 days in advance of each meeting. The board of directors shall exercise the following powers and duties:

(i) To convene Shareholders' meetings and report on its work to the Shareholders' meetings;

(ii) Execute the resolutions of the Shareholders' meetings;

(iii) Decide on the company's business plan and investment plan;

(iv) To formulate the annual financial budget and final accounts of the company;

(v) To formulate the company's profit distribution plan and loss recovery plan;

(vi) To formulate proposals for the increase or reduction of the registered capital of the company and the issuance of corporate bonds;

(vii) To formulate proposals for the merger, demerger, dissolution or change of corporate form of the company;

(viii) To decide on the establishment of the internal management organization of the company;

(ix) To decide on the appointment or dismissal of the manager of the company and his remuneration, and to decide on the appointment or dismissal of the deputy manager and financial controller of the company and their remuneration based on the nomination of the manager;

(x) To formulate the basic management system of the company;

(xi) Other powers and duties as provided for in the articles of association or approved by the Shareholders' meeting.

The board meeting shall be held only when more than half of the directors are present. If a director is unable to attend due to certain reasons, they may authorize another director in writing to attend on their behalf, and the authorization letter should specify the scope of authority. If a resolution of the board violates laws, administrative regulations, or the articles of association, or resolutions of the shareholders' meeting, causing serious losses to the company, the directors who participated in the resolution shall bear compensation liability to the company. However, if it can be proven that the director expressed dissent at the time of voting and this was recorded in the minutes, the director may be exempt from liability.

According to the Company Law, the following persons are not allowed to be directors of the company:

(i) Incapacity or limitation of capacity for civil conduct;

(ii) Having been sentenced to criminal punishment for corruption, bribery, embezzlement of property, misappropriation of property, or disruption of the socialist market economic order, or having been deprived of political rights due to a crime, and less than five years have elapsed since the completion of the sentence, or in case of a probation, less than two years have elapsed since the expiration of the probation period;

(iii) If he or she is a director, factory director or manager of a company or enterprise in bankruptcy or liquidation, and is personally responsible for the bankruptcy of the company or enterprise, not more than 3 years have elapsed since the date of completion of the bankruptcy or liquidation of the company or enterprise;

(iv) If he/she is the legal representative of a company or enterprise whose business license has been revoked or which has been ordered to close down due to violation of the law and he/she is personally liable for the bankruptcy of the company or enterprise, not more than 3 years have elapsed since the date on which the business license of the company or enterprise has been revoked; and

(v) The individual is classified by the People's Court as a "Default Enforcer" for having a debt of a relatively large amount that has not been settled by the due date.

According to the Company Law and the Guidelines for the Articles of Association, the board of directors shall have a chairman, who shall be elected by more than half of the directors. The chairman of the board shall exercise the following powers and duties (including but not limited to):

(i) Presiding over the Shareholders' meetings and convening and chairing the board of directors' meetings;

(ii) Supervise and inspect the implementation of the resolutions of the board of directors;

(iii) Exercising other powers granted by the board.

Managers and Senior Management

According to the Company Law, a company shall have manager who shall be appointed or dismissed by the board of directors. The manager shall be responsible to the board of directors and exercise his functions and powers in accordance with the provisions of the articles of association or authorized by the board of directors. The manager shall attend the board of directors meeting as a non-voting member.

According to the Guidelines for Articles of Association, the manager is accountable to the board of directors and exercises the following powers and functions:

(i) To preside over the production and operation management of the company, organize the implementation of the resolutions of the board of directors, and report to the board of directors;

(ii) Organize and implement the company's annual business plan and investment plan;

(iii) To formulate the programmer for the establishment of internal management bodies of the company;

(iv) To formulate the basic management system of the company;

(v) Formulating specific regulations of the company;

(vi) To request the board of directors to appoint or dismiss the deputy manager and the financial controller of the company;

(vii) Deciding to appoint or dismiss management personnel other than those who shall be appointed or dismissed by decision of the board of directors;

(viii) Other powers and functions conferred by these articles of association or the board of directors. The manager attends the meetings of the board of directors.

According to the Company Law, senior management refers to the manager, deputy manager, financial controller, secretary of the board of directors and other officers as stipulated in the articles of association.

Duties of Directors, Supervisors and Senior Management

The Company Law requires that directors, supervisors and senior management of a company shall comply with relevant laws, regulations and the articles of association, and shall assume the obligations of loyalty and diligence towards the company. Directors, supervisors and senior management shall not take advantage of their duties to accept bribes or other illegal incomes, and shall not misappropriate the company's property.

Directors, supervisors and senior management shall not engage in the following acts:

(i) Misappropriating the company's property or misappropriating the company's funds;

(ii) Opening accounts and depositing company funds in their personal name or in the name of other individuals;

(iii) Using his official position to bribe or accept other illegal income;

(iv) Accepting commissions from third parties for transactions with the company and keeping them for himself/herself;

(v) Unauthorized disclosure of confidential business information of the company; or

(vi) Breaching the duty of loyalty to the company.

Matters relating to the conclusion of contracts or transactions shall be reported to the board of directors or the Shareholders' meeting and resolved by the board of directors or the Shareholders' meeting in accordance with the provisions of the articles of association.

The provisions of the preceding paragraph shall apply to any close family member of a director, supervisor or senior management, any enterprise directly or indirectly controlled by a director, supervisor or senior management or their close family members, and any connected person who has any other relationship with a director, supervisor or senior management, who enters into a contract or transaction with the company.

Directors, supervisors or senior management shall not make use of the convenience of their duties to obtain for themselves or others any business opportunities belonging to the company. However, except under one of the following circumstances:

(i) Reported to the board of directors or the Shareholders' meeting and approved by a resolution of the board of directors or the Shareholders' meeting in accordance with the provisions of the articles of association; or

(ii) The business opportunity cannot be exploited by the company in accordance with laws, administrative regulations or the articles of association.

A director, supervisor or senior management may not engage in the same type of business as the company in which he/she works on his/her own account or for others without reporting to the board of directors or Shareholders' meeting and obtaining a resolution from the board of directors or Shareholders' meeting in accordance with the provisions of the articles of association.

Directors, supervisors or senior management who violate laws, administrative regulations or the articles of association in the performance of their duties with the company and cause losses to the company shall be liable for compensation.

Finance and Accounting

Pursuant to the Company Law, the company shall establish its own financial and accounting system in accordance with the laws, administrative regulations and the regulations of the Ministry of Finance of the State Council. The company shall prepare a financial accounting report at the end of each accounting year, which shall be audited by a public accounting firm in accordance with the law. The financial and accounting reports shall be prepared in accordance with the laws, administrative regulations and the regulations of MOF.

The financial accounting report of the joint stock limited company shall be filed with the company for Shareholders' inspection 20 days prior to the annual general meeting; the joint stock limited company that makes a public offering of shares must announce its financial and accounting reports.

When the company distributes after-tax profits in the current year, 10% of the profits shall be drawn into the company's statutory provident fund. Where the accumulated amount of the company's statutory provident fund is more than 50% of the company's registered capital, it may no longer be withdrawn. Where the statutory provident fund of the company is not sufficient to compensate for the previous annual losses, the company shall make up the losses with the current annual profits before withdrawing the statutory provident fund in accordance with the provisions of the preceding paragraph. After the company draws the statutory provident fund from the after-tax profit, it may withdraw any provident fund from the after-tax profit through the resolution of Shareholders' meeting.

A joint stock limited company shall distribute profits in accordance with the proportion of shares held by shareholders, except as provided in the articles of association of a joint stock limited company.

The premium amount earned by a joint stock limited company by issuing shares in excess of the denomination of the stock ticket, the amount of share income not included in the registered capital in the issue of non-denominated shares and other income included in the capital provident fund as prescribed by MOF shall be listed as the capital provident fund of the company.

The company's provident fund is used to cover the company's losses, expand the company's production and operation, or increase the company's capital. If the provident fund makes up the losses of the company, it shall first use any provident fund and the statutory provident fund; If it is still irreparable, the capital provident fund may be used in accordance with the relevant provisions. The statutory provident fund shall not retain less than 25% of the registered capital of the company prior to the conversion of the statutory provident fund to increase the registered capital.

The company shall not establish separate accounting books except those prescribed by law.

Appointment and Dismissal of Accounting Firms

According to the Company Law, the appointment or dismissal of the accounting firm responsible for the company's audit shall be determined by the Shareholders' meeting, the board of directors or the board of supervisors in accordance with the provisions of the articles of association. When a shareholder's meeting, board of directors or board of supervisors votes on the dismissal of an accounting firm, the firm shall be allowed to present its opinion. The company shall provide true and complete accounting credentials, accounting books, financial and accounting reports and other accounting information to the accounting firm it employs, and shall not refuse, conceal or falsely report the information.

The Guidelines for Articles of Association stipulates that the company shall guarantee the provision of true and complete accounting certificates, accounting books, financial and accounting reports and other accounting information to the accounting firm engaged in the company, and shall not refuse, conceal or falsely report. The auditing expenses of the accounting firm shall be determined by the Shareholders' meeting.

Profit Distribution

The Guidelines for Articles of Association stipulates that where a company distributes profits to shareholders in violation of the provisions of the Company Law, the shareholders shall return the profits allocated in violation of the provisions to the company, and the shareholders and the directors, supervisors and senior management responsible for the losses caused by the company shall be liable for compensation.

Dissolution and Liquidation

Under the Company Law, companies are dissolved for the following reasons:

(i) The expiration of the term of business specified in the articles of association or other reasons for dissolution as stipulated in the articles of association;

(ii) Dissolution by a resolution of the shareholders' meeting;

(iii) Dissolution due to merger or separation of the company;

(iv) The business license has been revoked or ordered to close or revoked in accordance with the law;

(v) Where serious difficulties occur in the operation and management of the company and the continued existence of the company causes significant losses to the interests of the shareholders, which cannot be resolved by other means, shareholders holding more than 10% of the voting rights of all the shareholders of the company may request the people's court to dissolve the company.

The company shall, within 10 days after the occurrence of any matter specified in the preceding paragraph, publicize the matter through the National Enterprise Credit Information Publicity System.

If the company is dissolved in accordance with subparagraph (i) above, it may survive by amending its articles of association or by resolution of the Shareholders' meeting, and the amendments to the articles of association shall be adopted by more than two thirds of the voting rights held by the shareholders present at the Shareholders' meeting. If the company is dissolved as required by subparagraphs (i), (ii), (iv) or (v) above, it shall be liquidated. The directors shall be the obligors for the company's liquidation and must form a liquidation group within 15 days from the date of the emergence of the cause of dissolution. The liquidation group shall be composed of directors, unless otherwise stipulated in the articles of association or otherwise decided by the Shareholders' meeting. If the liquidation obligor fails to perform the liquidation obligation in a timely manner and causes loss to the company or creditor, it shall be liable for compensation.

If a liquidation group is not established after the liquidation or the liquidation group fails to carry out the liquidation after its establishment, any interested party may apply to the people's court to appoint the person concerned to form a liquidation group for liquidation. The people's court shall accept the application and organize the liquidation team to carry out the liquidation in a timely manner.

The Liquidation group exercises the following functions during liquidation:

(i) To clean up the property of the company and compile the balance sheet and property list respectively;

(ii) Notifying creditors and issuing public announcements;

(iii) Dealing with the outstanding business of the company in connection with the liquidation;

(iv) The payment of the tax owed and the tax arising from the liquidation process;

(v) Clearing of claims and debts;

(vi) Disposing of the remaining property of the company after it has discharged its debts;

(vii) To represent the company in civil proceedings.

The liquidation group shall notify the creditors of the company within 10 days from the date of its establishment, and publish an announcement within 60 days in the newspaper or the National Enterprise Credit Information Publicity System. The creditor shall, within 30 days from the date of receipt of the notice, declare its claims to the liquidation group within 45 days from the date of the announcement. When a creditor files a claim, it shall state the relevant matters of the claim and provide supporting materials. The liquidation group shall register the claims. The liquidation group shall not liquidate creditors during the period of filing of claims.

The company's property shall be distributed according to the proportion of shares held by shareholders after paying the liquidation expenses, wages of employees, social insurance expenses and statutory compensation respectively, paying the taxes owed, and liquidating the remaining property after the company's debts.

During the liquidation period, the company continues, but cannot carry out business activities unrelated to the liquidation. The company's property will not be allocated to shareholders until it has been liquidated as stipulated in the preceding paragraph.

After the liquidation group has cleared up the company's assets and prepared a balance sheet and an inventory of assets, if it finds that the company's assets are insufficient to pay off its debts, it shall apply to the people's court for declaring bankruptcy according to law. After the company is declared bankrupt by the people's court, the liquidation group shall transfer the liquidation affairs to the bankruptcy administrator designated by the people's court.

After the liquidation of a company is completed, the liquidation group shall prepare a liquidation report, which shall be confirmed by the Shareholders' meeting or the people's court and submitted to the company registration authority for application for cancellation of the company registration.

If a company has its business license revoked, ordered to close, or dissolved, and fails to apply for deregistration with the company registration authority within 3 years, the company registration authority may announce this through the National Enterprise Credit Information Publicity System, with the announcement period lasting no less than 60 days. After the announcement period expires and there are no objections, the company registration authority can cancel the company registration. In cases where the company registration is canceled according to regulations, the responsibilities of the original shareholders and liquidation obligors remain unaffected.

Members of the liquidation group shall be loyal to their duties and perform liquidation obligations according to law. Members of the liquidation group shall not use their authority to accept bribes or other illegal income, nor shall they embezzle company's property. Members of the liquidation group who cause losses to the company or creditors due to intentional or gross negligence shall be liable for compensation.

Overseas Listing

According to the Overseas Listing Trial Measures, the securities refer to stocks, depositary receipts, and corporate bonds that can be converted into stocks or other securities of an equity nature that are directly or indirectly offered and listed overseas by domestic companies. The direct overseas offering and listing of domestic companies refer to such overseas offering and listing of a joint stock limited company incorporated in the territory of Chinese Mainland. The indirect overseas offering and listing of domestic companies refer to such overseas offering and listing made in the name of an offshore entity but based on the equity, assets, earnings, or other similar rights of a domestic company that operates its main business domestically.

The Overseas Listing Trial Measures also provide the conditions for overseas offering and listing. An overseas offering and listing are prohibited under any of the following circumstances:

(i) the listing and financing fall under specific prohibition in the laws, administrative regulations, and relevant national provisions;

(ii) the overseas offering and listing may constitute endangerment to national security as reviewed and determined by competent authorities under the State Council in accordance with law;

(iii) the domestic company and its controlling shareholder(s), actual controllers, have a criminal record in recent three years for corruption, bribery, encroachment of assets, misappropriation of assets, or disruption of socialist market economy order;

(iv) the domestic company is under investigation according to law for suspected crimes or major violations of laws and regulations, but no clear conclusions have been reached;

(v) there are material ownership disputes over the equities held by the controlling shareholders or the shareholders whose actions are controlled by the controlling shareholders or actual controllers.

In addition, under the Overseas Listing Trial Measures, where a PRC domestic company submits an application for initial public offering to competent overseas regulators or overseas stock exchanges, such issuer must file with the CSRC within three business days after such application is submitted.

In the event of the occurrence of any of the following material events after the overseas offering and listing, the PRC domestic companies shall make a detailed report to the CSRC within three working days after the occurrence and public announcement of the relevant event:

(i) change of control;

(ii) being subject to investigation, punishment, or other measures by overseas securities regulatory authorities or the relevant competent authorities;

(iii) change of the listing status or transfer of listing board;

(iv) voluntary or compulsory termination of listing.

Pursuant to the Provisions on Confidentiality, which was issued by the CSRC, MOF, the National Administration of State Secrets Protection and the National Archives Administration on February 24, 2023 and implemented since March 31, 2023, a domestic enterprise that provides or through its overseas listed entity, publicly discloses or provides to relevant individuals or entities including securities companies, securities service providers and overseas regulators, any document and materials that contain state secrets or working secrets of government agencies, shall first obtain approval from competent authorities according to law, and files with the secrecy administrative department at the same level. A domestic enterprise that provides accounting archives or copies of accounting archives to any entities including securities companies, securities service providers and overseas regulators and individuals shall fulfill due procedures in compliance with applicable national regulations.

Merger and Division

Pursuant to the PRC Company Law, a merger agreement shall be signed by merging companies and the involved companies shall prepare respective balance sheets and inventory of assets. The companies shall within 10 days of the date of passing the resolution approving the merger notify their respective creditors and publicly announce the merger in newspapers or on the National Enterprise Credit Information Publicity System within 30 days. A creditor may, within 30 days of receipt of the notification, or within 45 days of the date of the announcement if he has not received the notification, request the company to settle any outstanding debts or provide relevant guarantees. In case of a merger, the credits and debts of the merging parties shall be assumed by the surviving or the new company.

In case of a division, the company's assets shall be divided and a balance sheet and an inventory of assets shall be prepared. When a resolution regarding the company's division is approved, the company should notify all its creditors within 10 days of the date of passing such resolution and publicly announce the division in newspapers or on the National Enterprise Credit Information Publicity System within 30 days. The liabilities of the company which have accrued prior to the division shall be jointly borne by the separated companies, unless otherwise stipulated in the agreement in writing entered into by the company with creditors in respect of the settlement of debts prior to division.

SECURITIES LAW AND REGULATIONS

In October 1992, the State Council established the Securities Regulatory Commission and the CSRC. The Securities Regulatory Commission was responsible for coordinating the drafting of securities regulations, formulating policies related to securities, planning the development of the securities market, guiding, coordinating, and supervising all securities-related institutions in China, and managing the CSRC. The CSRC is the regulatory body of the Securities Regulatory Commission, tasked with drafting regulatory provisions for the securities market, overseeing securities firms, supervising Chinese companies' public offerings of securities both domestically and internationally, standardizing securities trading, compiling statistical data related to securities, and conducting relevant research and analysis. In April 1998, the State Council merged these two departments and reorganized them into the CSRC.

The Interim Regulations on the Administration of Stock Issue and Trading (《股票發行與交易管理暫行條例》) promulgated by The State Council and effective on April 22, 1993 stipulate the application and approval procedures for public stock issue, the trading of stocks, the acquisition of listed companies, the custody, liquidation and transfer of listed stocks, the information disclosure, investigation and punishment of listed companies and the arbitration of disputes.

The Regulations of the State Council Concerning Listed Foreign Capital Shares in the Territory of a Joint Stock Limited Company (《國務院關於股份有限公司境內上市外資股的規定》), promulgated by the State Council and effective on December 25, 1995, mainly provide for the issuance, subscription, trading, dividend payment of listed foreign capital shares in the territory, as well as the disclosure of information of companies with listed foreign capital shares in the territory.

The Securities Law, revised by the SCNPC on December 28, 2019, and effective on March 1, 2020, includes a series of regulations concerning the issuance and trading of securities in China, the acquisition of listed companies, stock exchanges, securities firms, and the responsibilities and duties of the State Council's securities regulatory body, comprehensively overseeing activities in China's securities market. The Securities Law stipulates that domestic enterprises issuing securities directly or indirectly overseas or listing their securities for trading abroad must comply with the relevant provisions of the State Council. Currently, the issuance and trading of shares issued overseas are mainly regulated by rules and regulations issued by the State Council and the CSRC.

ARBITRATION AND ENFORCEMENT OF ARBITRAL AWARDS

The Arbitration Law of the People's Republic of China (《中華人民共和國仲裁法》) (the "**Arbitration Law**") was revised by the SCNPC on September 1, 2017, and came into effect on January 1, 2018. The Arbitration Law applies to foreign-related economic disputes where the parties have entered into a written agreement to submit matters for arbitration to an arbitration commission established under the Arbitration Law. Before the China Arbitration Association formulates arbitration rules, the arbitration commission may formulate provisional arbitration rules in accordance with the provisions of the Arbitration Law and the Civil Procedure Law of People's Republic of China. If one party chooses arbitration to resolve a dispute and one party files a lawsuit with the people's court, the people's court shall not accept it.

According to the Arbitration Law, arbitration operates on a one-arbitration-final system, binding all parties involved. If one party fails to comply with the award, the other party may apply to the people's court for enforcement of the arbitration award under the Civil Procedure Law of the People's Republic of China. If the arbitration procedure is illegal (including the composition of the arbitration committee violating legal procedures, matters decided not falling within the scope of the arbitration agreement, or the arbitration committee having no authority to arbitrate), the people's court may rule not to enforce the arbitration decision made by the arbitration committee. If one party seeks to enforce an arbitral award from a foreign arbitration institution against another party, and the respondent or their property is not within the territory of the People's Republic of China, the parties shall directly apply to a competent foreign court for recognition and enforcement. Similarly, the people's court may recognize and enforce an arbitral award made by a foreign arbitration institution based on the principle of reciprocity or any international treaty signed or acceded to by China.

Pursuant to the Arrangement of the Supreme People's Court on Mutual Enforcement of Arbitral Awards between Chinese Mainland and the Hong Kong Special Administrative Region (《最高人民法院關於內地與香港特別行政區相互執行仲裁裁決的安排》) promulgated by the Supreme People's Court on January 24, 2000 and effective on February 1, 2000, and the Supplementary Arrangement of the Supreme People's Court on Mutual Enforcement of Arbitral Awards between Chinese Mainland and the Hong Kong Special Administrative Region (《最高人民法院關於內地與香港特別行政區相互執行仲裁裁決的補充安排》), promulgated by the Supreme People's Court on November 26, 2020 and effective on November 27, 2020, an award made by an arbitration institution in Chinese Mainland may be executed in Hong Kong, Hong Kong arbitral awards may also be enforced in Chinese Mainland.

This Appendix mainly provides potential investors with an overview of the Articles of Association. As the following information is only a summary, it does not contain all information that may be important to potential investors.

SHARES

Issuance of Shares

The shares of the Company shall be issued in an open, fair and justified manner. Each share of the same class shall rank *pari passu* with each other. Shares of a class in each issuance are issued under the same terms and at the same price. Each share shall be subscribed for at the same price by subscribers.

Increase, Decrease and Repurchase of Shares

According to the operation and development needs of the Company, subject to the laws and regulations and the securities regulatory rules of the place where the Company's shares are listed, the Company may increase the capital in the following ways upon resolution by the Shareholders' General Meeting:

(i) Issuance of shares to non-specific investors;

(ii) Issuance of shares to specific investors;

(iii) Distribution of bonus shares to existing shareholders;

(iv) Converting the reserve funds into share capital;

(v) Other means as prescribed by laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the CSRC.

The Company may reduce its registered capital. Any reduction of registered capital shall be carried out in accordance with the procedures prescribed under the Company Law, the Hong Kong Listing Rules, other relevant regulations, and the provisions of the Articles of Association.

The Company shall not repurchase its own shares, unless otherwise under any of the following circumstances:

(i) Reducing the Company's registered capital;

(ii) Merging with other companies that hold the Company's shares;

(iii) Using the shares for an employee stock ownership plan or equity incentives;

(iv) When a shareholder objects to a resolution of the Shareholders' General Meeting regarding a merger or division and requests the Company to repurchase his/her shares;

(v) Using the shares for the conversion of convertible corporate bonds issued by the Company that are convertible into shares;

(vi) As necessary for the Company to maintain its value and protect the interests of the shareholders.

If the share repurchase is made by the Company under the circumstances stipulated in item (iii), (v), or (vi) above, it shall be conducted by way of open centralized trading.

Where the Company repurchases its own shares under the circumstances specified in item (i) or (ii) above, such repurchase shall be subject to a resolution of the Shareholders' General Meeting. Where the Company repurchases its own shares under the circumstances specified in item (iii), (v), or (vi) above, such repurchase may, subject to compliance with the securities regulatory rules of the place where the Company's shares are listed, be approved by a resolution of the Board of Directors passed at a board meeting attended by two-thirds or more of the directors, in accordance with the Articles of Association or the authorization of the Shareholders' General Meeting.

After the Company repurchases its shares in accordance with the above provisions, where the repurchase falls under the circumstances specified in item (i), such shares shall be canceled within ten days from the date of repurchase; where the repurchase falls under the circumstances specified in item (ii) or (iv), the shares shall be transferred or canceled within six months; where the repurchase falls under the circumstances specified in item (iii), (v), or (vi), the total number of shares held by the Company shall not exceed 10% of the total issued shares of the Company and shall be transferred or canceled within three years. Where laws, regulations, or the securities regulatory rules of the place where the Company's shares are listed provide otherwise in respect of matters related to share repurchases, such laws, regulations or rules shall prevail.

Transfer of Shares

The shares of the Company shall be transferred in accordance with the law.

(i) The directors and senior management of the Company shall notify the Company of their holdings of shares in the Company and the changes therein. During their term of office, the number of shares of the same class that they transfer each year shall not exceed 25% of the total shares of such class held by them in the Company. Shares held by them in the Company shall not be transferred within one year from the date of the Company's listing and commencement of trading. Within half a year after their resignation, the aforementioned persons shall not transfer the shares they hold in the Company. Where the securities regulatory rules of the place where the Company's shares are listed provide otherwise in respect of the restrictions on the transfer of the shares of the Company, such rules shall prevail.

(ii) Any gains from the sale of Company's shares or other securities with an equity nature by the directors and senior management of the Company and shareholders holding 5% or more of the Company's shares within six months after their purchase of the same, and any gains from the purchase of the shares or other securities with an equity nature by any of the aforesaid parties within six months after their sale of the same shall be disgorged and paid to the Company, and the Board of Directors of the Company shall recover such gains from the abovementioned parties. However, this restriction shall not apply to securities companies holding 5% or more of the Company's shares as a result of underwriting remaining shares, or in other circumstances as prescribed by the SFC. Where securities regulatory rules of the place where the Company's shares are listed provide otherwise, such rules shall prevail.

Shares or other securities with the nature of equity held by directors, senior management and natural person shareholders as mentioned in the preceding paragraph include shares or other securities with the nature of equity held by their spouses, parents or children, or held by them by using other people's accounts.

If the Board of Directors of the Company fails to implement the provisions of paragraph (ii) above, the shareholders are entitled to request the Board of Directors to do so within 30 days. If the Board of Directors of the Company fails to implement the same within the aforesaid period, the shareholders are entitled to initiate litigation directly in the People's Court in their own names in the interest of the Company.

If the Board of Directors fails to implement the provisions of paragraph (ii) above, the responsible directors shall bear joint and several liability in accordance with the law.

SHAREHOLDERS AND SHAREHOLDERS' GENERAL MEETING

General Provisions for Shareholders

The Company shall make a register of shareholders in accordance with evidentiary documents provided by the securities registration and clearing authorities. The register of shareholders is sufficient evidence to prove that the shareholders hold the Company's shares. Shareholders shall enjoy rights and assume obligations according to the class of shares they hold. Shareholders holding shares of the same class shall enjoy the same rights and assume the same obligations.

The original copy of the register H shareholders is maintained in Hong Kong and is available for inspection by shareholders, but the Company may suspend the registration of shareholders in accordance with the applicable laws and regulations and the securities regulatory rules of the place where the Company's shares are listed. In the event that any shareholder whose name is recorded in, or any person who requests to have its name entered in the register of members loses his/her share certificate(s), he/she may apply to the Company for replacement of new share certificate(s) in respect thereof. Where a H shareholder loses his/her share certificate(s) and applies for replacement, such application shall be dealt with in accordance with the laws, rules of the stock exchange or other relevant regulations of the place where the original copy of the register of H shareholders is maintained.

The shareholders of the Company shall be entitled to the following rights:

(i) To receive distribution of dividends and other forms of benefits according to the number of shares held;

(ii) To legally require the holding of, and convene, preside over, participate in or authorize proxies of shareholders to attend the Shareholders' General Meeting and exercise corresponding speaking and voting rights;

(iii) To supervise operation of the Company, and provide suggestions or submit queries;

(iv) To transfer, gift or pledge the Company's shares held according to laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association;

(v) To inspect, copy the Articles of Association, the register of members, minutes of the Shareholders' General Meeting, resolutions of meetings of the Board of Directors and financial and accounting reports. Eligible shareholders may examine the Company's accounting books and vouchers;

(vi) To participate in the distribution of the remaining assets of the Company according to the proportion of shares held upon termination or liquidation of the Company;

(vii) To require the Company to acquire the shares from shareholders voting against any resolutions adopted at the Shareholders' General Meeting concerning the merger and division of the Company;

(viii) Other rights conferred by laws, administrative regulations, regulations of the authorities, securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association.

Where a shareholder requests to inspect or copy the Company's relevant documents, such shareholder shall comply with the requirements under the Company Law, the Securities Law, the securities regulatory rules of the place where the Company's shares are listed, and other laws and administrative regulations.

Where resolutions of the Shareholders' General Meeting or the Board of Directors of the Company violate laws or administrative regulations, shareholders shall have the right to request the People's Court to declare such resolutions void. Where the convening procedures or voting methods of the Shareholders' General Meeting or Board meetings violate laws, administrative regulations, or the Articles of Association, or where the content of the resolutions contravenes the Articles of Association, shareholders shall have the right to request the People's Court to rescind such resolutions within 60 days from the date the resolutions are passed. However, if the defects in the convening procedures or voting methods are minor and do not have a substantive effect on the resolutions, such resolutions shall not be rescinded.

In the event of any loss caused to the Company as a result of violation of any laws, administrative regulations or the Articles of Association by the directors or senior management who are not the members of the Audit Committee when performing their duties in the Company, the shareholders holding 1% or more shares separately or jointly for over 180 consecutive days may submit a written request to the Audit Committee to file an action with the People's Court. Where members of the Audit Committee violate laws, administrative regulations or the Articles of Association in their duty performance and cause loss to the Company, the above shareholders may submit a written request to the Board of Directors to file an action with the People's Court.

In the event that the Audit Committee or the Board of Directors refuses to file an action upon receipt of the shareholders' written request specified in the preceding paragraph, or fails to file an action within 30 days upon receipt thereof, or in the event that the failure to immediately file an action in an emergency case will cause irreparable damage to the interests of the Company, the shareholders specified in the preceding paragraph may, in their own name, directly file an action with the People's Court in the interest of the Company.

In the event the other person infringes upon the legitimate rights and interests of the Company and causes losses thereto, the shareholders may file an action with the People's Court.

The shareholders of the Company shall undertake the following obligations:

(i) To comply with laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association;

(ii) To pay share subscription monies in accordance with the shares subscribed and the method of subscription;

(iii) Not to withdraw their capital contributions, except as permitted under laws and administrative regulations;

(iv) Not to abuse shareholders' rights to the detriment of the interests of the Company or other shareholders, and not to abuse the independent corporate status of the Company and the limited liability of shareholders to the detriment of the interests of the Company's creditors; and

(v) Such other obligations as may be required under laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Where a shareholder abuses shareholders' rights and causes losses to the Company or other shareholders, such shareholder shall bear liability for damages in accordance with the law. Where a shareholder abuses the independent corporate status of the Company or the limited liability of shareholders to evade debts and thereby seriously harms the interests of the Company's creditors, such shareholder shall bear joint and several liability for the Company's debts.

The Controlling Shareholders and Actual Controllers

The Controlling Shareholders and actual controllers of the Company shall comply with the following provisions:

(i) To exercise their rights as shareholders in accordance with the laws and not to abuse their control or use their related relationship to prejudice the legitimate interests of the Company or other shareholders;

(ii) To strictly fulfil their public statements and various undertakings and not to change or waive the same;

(iii) To fulfil their information disclosure obligations in strict accordance with relevant regulations, proactively cooperate with the Company in information disclosure, and inform the Company in a timely manner of material events that have occurred or are about to occur;

(iv) Not to appropriate the Company's funds in any way;

(v) Not to order, instruct, or request the Company and its relevant personnel to provide guarantees in violation of laws and regulations;

(vi) Not to make use of the Company's undisclosed material information to gain benefits, or disclose in any way undisclosed material information relating to the Company, or engage in insider trading, short-term trading, market manipulation or other illegal and unlawful acts;

(vii) Not to prejudice the legitimate interests of the Company and other shareholders through unfair related transactions, profit distribution, asset restructuring, external investment or any other means;

(viii) To ensure the integrity of the Company's assets and the independence of its personnel, finance, organization and business, and not to affect the independence of the Company in any way; and

(ix) Laws and administrative regulations, regulations of the CSRC, business rules of stock exchanges, and other requirements of the Articles of Association.

If a Controlling Shareholder or actual controller of the Company does not act as a director of the Company but actually executes the affairs of the Company, the provisions of the Articles of Association on the duties of loyalty and diligence of directors shall apply.

Where a Controlling Shareholder or actual controller of the Company instructs a director or senior management member to engage in an act that is detrimental to the interests of the Company or its shareholders, he/she shall bear joint and several liability with the director or senior management member.

General Provisions for Shareholders' General Meeting

The Shareholders' General Meeting is the organ of authority of the Company, which exercises the following powers in accordance with the law:

(i) To elect or remove the directors not held by employee representatives and to decide on matters relating to the remuneration of directors;

(ii) To consider and approve reports of the Board of Directors;

(iii) To consider and approve the Company's proposals for profit distribution and loss recovery;

(iv) To decide on any increase or decrease of the Company's registered capital;

(v) To decide on the issue of corporate bonds by the Company;

(vi) To decide on matters such as merger, division, dissolution and liquidation or change of corporate form of the Company;

(vii) To amend the Articles of Association;

(viii) To resolve on the engagement or dismissal and remuneration of the accounting firm responsible for the Company's audit;

(ix) To consider and approve the provision of guarantees stipulated in Article 48;

(x) To consider matters relating to the purchases and disposals of the Company's material assets within one year, which exceed 30% of the Company's latest audited total assets;

(xi) To consider and approve matters relating to changes in the use of proceeds;

(xii) To consider the equity incentive plans and employee stock ownership plans;

(xiii) To consider other matters as required by the laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association, which shall be decided by the Shareholders' General Meeting.

The Shareholders' General Meeting may authorize the Board of Directors to resolve on the issuance of corporate bonds. Unless otherwise provided by laws, administrative regulations, regulations of the CSRC, or rules of stock exchanges, the above powers of the Shareholders' General Meeting shall not be exercised on its behalf by the Board of Directors or any other body or individual through authorization.

The following acts of external guarantees of the Company shall be approved by the Shareholders' General Meeting:

(i) Any single guarantee exceeding 10% of the latest audited net assets;

(ii) Any guarantee to be provided after the total amount of external guarantees of the Company and its controlled subsidiaries exceeds 50% of the latest audited net assets;

(iii) Guarantees to be provided for a party whose debt-to-asset ratio exceeding 70%;

(iv) The amount of guarantee to be provided to others for twelve consecutive months exceeds 30% of the Company's latest audited total assets;

(v) The amount of guarantee exceeds 50% of the Company's latest audited net assets, and its absolute amount exceeds RMB50 million within any consecutive twelve-month period;

(vi) Guarantees to be provided to shareholders, the actual controllers, and their related parties;

(vii) Other circumstances of guarantees as prescribed by regulatory authorities in the place where the Company's shares are listed, or the Articles of Association.

Matters concerning external guarantees to be deliberated by the Shareholders' General Meeting must be approved by the Board of Directors before submission to the Shareholders' General Meeting for consideration. When the Shareholders' General Meeting reviews the guarantee matters mentioned in item (iv) of the preceding paragraph, approval must be obtained from two-thirds or more of the voting rights held by the shareholders present at the meeting.

When the Shareholders' General Meeting considers a resolution regarding any guarantee provided to shareholders, actual controllers, and their related parties, such shareholders or the shareholders controlled by such actual controllers shall not participate in the voting, and the voting must be approved by more than half of the voting rights held by other shareholders present at the meeting.

The Shareholders' General Meetings are divided into Annual General Meetings and Extraordinary General Meetings. The Annual General Meeting shall be convened once a year and be held within six months after the end of the previous fiscal year.

The Company shall convene an Extraordinary General Meeting within two months from the date of the occurrence of any of the following circumstances:

(i) The number of directors is less than the number prescribed in the Company Law or less than two-thirds of the number prescribed in the Articles of Association;

(ii) The uncovered losses of the Company reach one-third of its total share capital;

(iii) Shareholders with 10% or more shares of the Company separately or jointly request it;

(iv) The Board of Directors considers it necessary;

(v) The Audit Committee proposes to convene it;

(vi) Other circumstances stipulated by the laws, administrative regulations, departmental rules, securities regulatory rules of the places where the shares of the Company are listed or the Articles of Association.

In the event that an Extraordinary General Meeting is convened at the request of securities regulatory rules of the places where the shares of the Company are listed, the actual convening date of the Extraordinary General Meeting may be adjusted in accordance with the approval progress of the stock exchange where the shares of the Company are listed.

Convening of Shareholders' General Meetings

The Board of Directors shall convene the Shareholders' General Meeting within the prescribed time limit. With the consent of a majority of all independent directors, an independent director has the right to propose to the Board of Directors to convene an Extraordinary General Meeting. Upon receiving such a proposal, the Board of Directors shall, in accordance with the provisions of laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association, provide a written response within ten days of receipt, indicating whether it agrees or disagrees to convene an Extraordinary General Meeting. If the Board of Directors agrees to convene an Extraordinary General Meeting, it shall issue a notice of the Shareholders' General Meeting within five days after making the board resolution. If the Board of Directors disagrees to convene an Extraordinary General Meeting, it shall state the reasons and make an announcement.

The Audit Committee has the right to propose to the Board of Directors to convene an Extraordinary General Meeting and shall submit such proposal in writing to the Board of Directors. The Board of Directors shall, in accordance with the provisions of laws, administrative regulations, and the Articles of Association, provide a written response within ten days of receipt, indicating whether it agrees or disagrees to convene an Extraordinary General Meeting. If the Board of Directors agrees to convene an Extraordinary General Meeting, it shall issue a notice of the Shareholders' General Meeting within five days after making the board resolution. Any changes to the original proposal in the notice shall be subject to the consent of the Audit Committee. If the Board of Directors disagrees to convene an Extraordinary General Meeting, or fails to provide feedback within ten days of receipt, it shall be deemed that the Board of Directors is unable or fails to perform its duty to convene the Shareholders' General Meeting. In such cases, the Audit Committee may convene and preside over the meeting on its own.

Shareholders who individually or collectively hold 10% or more of the Company's shares have the right to request the Board of Directors to convene an Extraordinary General Meeting and include the proposal to the meeting agenda, and shall submit such request in writing to the Board of Directors. The Board of Directors shall, in accordance with the provisions of laws, administrative regulations, and the Articles of Association, provide a written response within ten days of receipt, indicating whether it agrees or disagrees to convene an Extraordinary General Meeting. If the Board of Directors agrees to convene an Extraordinary General Meeting, it shall issue a notice of such meeting within five days after making the board resolution. Any changes to the original request in the notice shall be subject to the consent of the relevant shareholders. If the Board of Directors disagrees to convene an Extraordinary General Meeting, or fails to provide feedback within ten days of receipt, shareholders who individually or collectively hold 10% or more of the Company's shares have the right to propose to the Audit Committee to convene an Extraordinary General Meeting and shall submit such request in writing to the Audit Committee. If the Audit Committee agrees to convene an Extraordinary General Meeting, it shall issue a notice of the Shareholders' General Meeting within five days after receiving the request. Any changes to the original proposal in the notice shall be subject to the consent of the relevant shareholders. If the Audit Committee fails to issue a notice of the Shareholders' General Meeting within the prescribed period, it shall be deemed that the Audit Committee does not convene and preside over the Shareholders' General Meeting. In such cases, shareholders who individually or collectively hold 10% or more of the Company's shares for a continuous period of 90 days or more may convene and preside over the meeting on their own.

If the Audit Committee or shareholders decide to convene the Shareholders' General Meeting by themselves, the Board of Directors shall be informed in writing, and filing (if necessary) with the relevant competent authorities and the stock exchange where the Company's shares are listed shall be completed according to applicable laws and regulations. Before the resolution of the Shareholders' General Meeting is announced, the shareholders convening the meeting shall hold no less than 10% of the Company's shares. The Audit Committee or the convening shareholders shall submit relevant supporting materials to the stock exchange where the Company's shares are listed (if applicable) upon the issuance of the notice of the Shareholders' General Meeting and the announcement of the resolutions of the Shareholders' General Meeting.

Proposals and Notices of Shareholders' General Meeting

When the Company convenes a Shareholders' General Meeting, the Board of Directors, the Audit Committee, and shareholders individually or jointly holding 1% or more of the shares of the Company shall have the right to put forward proposals to the Company.

Shareholders individually or jointly holding 1% or more of the shares of the Company may submit written provisional proposals to the convener 10 days before the Shareholders' General Meeting is convened. The convener shall issue supplementary notice of the Shareholders' General Meeting within 2 days upon receipt of such proposals to announce the content of such provisional proposals, and submit the provisional proposals to the Shareholders' General Meeting for consideration. However, provisional proposals that violate laws, administrative regulations, or the Articles of Association, or that do not fall within the terms of reference of the Shareholders' General Meeting, shall be excluded.

Except for the circumstances specified in the preceding paragraph, after the convener has issued the notice of the Shareholders' General Meeting, it shall not modify the proposals already listed in the notice or add new proposals.

The Shareholders' General Meeting shall not vote on or make resolutions regarding proposals that are not listed in the notice of the Shareholders' General Meeting or that do not comply with the provisions of the Articles of Association.

The convener shall notify each shareholder by announcement 21 days before an Annual General Meeting, and 15 days before an Extraordinary General Meeting. When calculating the start of the commencement period, the Company should not include the day the meeting is held. Where laws, regulations, or securities regulatory rules of the place where the Company's shares are listed provide otherwise, such laws, regulations or rules shall prevail.

The notice of the Shareholders' General Meeting shall include the following content:

(i) The time, place and duration of the meeting;

(ii) The matters and proposals to be discussed at the meeting;

(iii) A clear statement that all shareholders are entitled to attend the Shareholders' General Meeting, and the shareholders may appoint a proxy in writing to attend and vote at the Shareholders' General Meeting, and that such proxy need not be a shareholder of the Company;

(iv) The record date for determining the shareholdings of shareholders who are entitled to attend the Shareholders' General Meeting;

(v) Names and telephone numbers of the standing contact persons who handle the meeting affairs;

(vi) The time and procedure of voting via the internet or any other manner;

(vii) Other requirements stipulated by laws, regulations, securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association.

Any notice and supplementary notice of the Shareholders' General Meeting shall sufficiently and completely disclose specific contents of all proposals.

Convening of the Shareholders' General Meeting

All shareholders registered on the record date or their proxies, shall be entitled to attend and address the Shareholders' General Meeting, and exercise their voting rights in accordance with applicable laws, regulations, and the Articles of Association.

A shareholder may attend and vote at the Shareholders' General Meeting in person or by proxy. Any shareholder entitled to attend and vote at the Shareholders' General Meeting may attend and vote by appointing one or more persons (whether such person is a shareholder or not) as his/her proxy(ies).

Individual shareholders attending the meeting in person shall present their personal identity cards or other valid documents that can verify their identity. Proxies attending the meeting shall present their personal identity cards and the instruments of proxy from shareholders.

A corporate shareholder shall be represented at the meeting by its legal representative or a proxy appointed by the legal representative. Where a legal representative attends the meeting in person, he/she shall present his/her identity card and valid documentation proving his/her status as a legal representative. Where a proxy attends on behalf of the legal representative, the proxy shall present his/her own identity card and a written authorization issued by the corporate shareholder's legal representative in accordance with the law. The proxy authorization arrangements for H shareholders of the Company may follow the regulations of the securities regulatory authority where the H shares are listed. The identity of shareholders participating in the Shareholders' General Meeting via online voting shall be verified by the Shenzhen stock exchange system or the internet voting system.

The Shareholders' General Meeting shall be presided over by the chairman of the Board. If the chairman is unable or unwilling to perform such duties, a director elected by a majority of the directors shall preside over the meeting. Where the Shareholders' General Meeting is convened by the Audit Committee on its own, it shall be presided over by the convener of the Audit Committee. If the convener is unable or unwilling to perform such duties, a member of the Audit Committee elected by a majority of the Audit Committee members shall preside over. Where the Shareholders' General Meeting is convened by the shareholders themselves, it shall be presided over by the convener or his/her designated representative. When convening the Shareholders' General Meeting, if the presider of the Shareholders' General Meeting breaches the rules of procedure in such a way that the meeting cannot continue, the Shareholders' General Meeting may, with the consent of shareholders holding a majority of the voting rights present, elect another person to preside over the meeting and continue its proceedings.

The Company shall formulate rules of procedure for the Shareholders' General Meeting, setting out in detail the procedures for holding and voting at such meetings, including provisions on notice, registration, deliberation of proposals, voting, counting of votes, announcement of voting results, formation of resolutions, preparation and signing of minutes, publication of announcements, and other relevant matters, as well as the principles governing the authorization by the Shareholders' General

Meeting to the Board of Directors, with the authorization being specific and clearly defined. The rules of procedure for the Shareholders' General Meeting shall be drawn up by the Board of Directors and approved by the Shareholders' General Meeting as an annex to the Articles of Association.

Voting at and Resolutions of Shareholders' General Meeting

An ordinary resolution shall be passed by more than one-half of the voting rights represented by the shareholders (including their proxies) present at the Shareholders' General Meeting. A special resolution shall be passed by not less than two-thirds of the voting rights represented by the shareholders (including their proxies) present at the Shareholders' General Meeting.

The following matters shall be approved by ordinary resolution of the Shareholders' General Meeting:

(i) The work report of the Board of Directors;

(ii) The profit distribution plan and plan for making up losses proposed by the Board of Directors;

(iii) The appointment and removal of members of the Board of Directors, their remuneration and the method of payment thereof; and

(iv) Other matters except those which, pursuant to laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association, are required to be approved by special resolution.

The following matters shall be approved by special resolution of the Shareholders' General Meeting:

(i) Any increase or reduction of the Company's registered capital;

(ii) Division, spin-off, merger, dissolution, winding up or liquidation of the Company;

(iii) Amendments to the Articles of Association;

(iv) Purchases or disposals of material assets, or provision of guarantees, where the transaction amount within one year exceeds 30% of the Company's latest audited total assets;

(v) Equity incentive plans;

(vi) Repurchase of shares by the Company to reduce its registered capital;

(vii) Amendment or abolition of the rights of class shareholders;

(viii) Engagement or dismissal of an accounting firm responsible for the Company's audit;

(ix) Other matters required to be approved by special resolution under laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association, as well as other matters determined by ordinary resolution of the Shareholders' General Meeting to have a material impact on the Company.

Shareholders shall exercise their voting rights in proportion to the number of voting shares they hold, with each share carrying one vote.

When the Shareholders' General Meeting considers on material matters affecting the interests of minority investors, votes of minority shareholders shall be counted separately, and the results of such separate counting shall be disclosed publicly and promptly.

In accordance with applicable laws, regulations, the listing rules of the stock exchange in the place where the Company's shares are listed and the Articles of Association, where any shareholder is required to abstain from voting on a resolution, or where any shareholder is restricted to vote only "for" or "against" a resolution, any vote cast in violation of such requirements or restrictions by the shareholder or its proxy shall not be counted.

Shares held by the Company itself shall not carry voting rights, and such shares shall not be included in the total number of voting shares present at the Shareholders' General Meeting. Where a shareholder acquires voting shares of the Company in violation of Paragraphs 1 and 2 of Article 63 of the Securities Law, the portion of shares acquired in excess of the prescribed ratio shall not carry voting rights for 36 months following the acquisition and shall not be included in the total number of voting shares present at the Shareholders' General Meeting.

When the Shareholders' General Meeting considers related party transactions, related shareholders shall abstain from voting, and the shares with voting rights they represent shall not be counted in the total number of valid votes. The announcement of the resolution of the Shareholders' General Meeting shall fully disclose the voting results of non-related shareholders.

DIRECTORS AND BOARD OF DIRECTORS

General Provisions for Directors

The Company's directors shall be natural persons and shall possess the qualifications required by laws, administrative regulations, departmental rules, and the securities regulatory rules of the place where the Company's shares are listed. Any individual falling under any of the following circumstances shall not serve as a director of the Company:

(i) Lacking or having restricted capacity for civil conduct;

(ii) Having been sentenced for corruption, bribery, misappropriation of property, embezzlement of property, or disrupting the socialist market economic order, or having been deprived of political rights due to a criminal offense, where less than five years have elapsed since the completion of the sentence, or where probation has been granted and less than two years have elapsed since the expiration of the probation period;

(iii) Having served as a director, factory director, or manager of a company or enterprise that underwent bankruptcy liquidation and having been personally liable for such bankruptcy, where less than three years have elapsed since the completion of the bankruptcy liquidation;

(iv) Having served as the legal representative of a company or enterprise whose business license was revoked or that was ordered to close due to violations of laws, and having been personally liable, where less than three years have elapsed since the date of revocation or closure;

(v) Having failed to repay significant personal debts that have matured and having been listed by the People's Court as a discredited judgment debtor;

(vi) Being subject to a ban from the securities market imposed by the CSRC, where the ban period has not yet expired;

(vii) Having been publicly deemed by a stock exchange as unsuitable to serve as a director or senior management of a listed company, where the ban period has not yet expired;

(viii) Any other circumstances as provided under laws, administrative regulations or departmental rules.

Any election, appointment, or engagement of a director in violation of the above provisions shall be invalid. Where a director falls into any of the above circumstances during his/her tenure, the Company shall remove such director from office and terminate his/her duties.

Directors shall be elected or replaced by the Shareholders' General Meeting. The term of office for directors shall be three years. Upon expiry of the term, a director may be re-elected and re-appointed. A director may not be removed from office by the Shareholders' General Meeting without cause before the expiry of his/her term of office.

The term of a director shall be calculated from the date of assumption of office until the expiration of the current session of the Board of Directors. Directors appointed or elected to fill vacancies during any term of office shall hold office until the conclusion of the first Annual General Meeting following their appointment, and such appointed directors shall be eligible for re-election at that Annual General Meeting. Where re-election is not carried out in a timely manner upon the expiry of the term of a director, the incumbent director shall continue to perform his/her duties in accordance with laws, administrative regulations, departmental rules, and the Articles of Association until the newly elected director assumes office.

Where a company employs 300 or more staff members, the Board of Directors shall include one employee representative. Such employee representative shall be democratically elected by the company's staff through the staff representative assembly, staff meeting, or other appropriate means, without requiring submission to the Shareholders' General Meeting for deliberation. Directors may concurrently serve as senior management. However, the number of directors concurrently serving as senior management, together with employee-representative directors, shall not exceed half of the total number of directors of the Company.

Directors shall comply with laws, administrative regulations, and the Articles of Association. They owe a duty of loyalty to the Company, shall take measures to avoid conflicts between their personal interests and the interests of the Company, and must not abuse their position to seek improper benefits.

Directors owe the Company the following fiduciary duties:

(i) Not to misappropriate property of the Company or embezzle funds of the Company;

(ii) Not to deposit funds of the Company into accounts opened in their own names or in the names of others;

(iii) Not to use their authority to offer bribes or receive other unlawful income;

(iv) Unless reported to the Board of Directors or the Shareholders' General Meeting and approved pursuant to the provisions of the Articles of Association, not to directly or indirectly enter into contracts or conduct transactions with the Company;

(v) Not to take advantage of their position to appropriate for themselves or others any business opportunities that rightfully belong to the Company, except where such opportunities have been reported to the Board of Directors or the Shareholders' General Meeting and approved by resolution of the Shareholders' General Meeting, or where the Company, pursuant to laws, administrative regulations, or the Articles of Association, is unable to exploit such opportunities;

(vi) Unless reported to the Board of Directors or the Shareholders' General Meeting and approved by resolution of the Shareholders' General Meeting, not to engage in, or operate for others, any business in competition with the Company;

(vii) Not to accept commissions from parties transacting with the Company and appropriate them for personal use;

(viii) Not to disclose secrets of the Company without authorization;

(ix) Not to exploit their related-party relationships to the detriment of the Company's interests;

(x) Other fiduciary duties as provided under laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association.

Any income obtained by a director in violation of these provisions shall belong to the Company; if such conduct causes losses to the Company, the director shall be liable for compensation.

Directors shall comply with laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association, and owe a duty of diligence to the Company. In carrying out their duties, directors shall exercise the reasonable care ordinarily expected of a prudent manager, and act in the best interests of the Company. The duty of diligence owed by directors to the Company includes the following:

(i) To prudently, conscientiously, and diligently exercise the rights granted by the Company to ensure that its business activities comply with national laws, administrative regulations, and economic policies of the country, and do not exceed the business scope specified in its business license;

(ii) To treat all shareholders fairly;

(iii) To remain duly informed of the Company's business and operational situation;

(iv) To sign written confirmations on periodic reports and ensure that information disclosed by the Company is true, accurate, and complete;

(v) To provide relevant information and materials truthfully to the Audit Committee and not to obstruct the exercise of its functions;

(vi) Other duties of diligence as required by laws, administrative regulations, departmental rules, and the Articles of Association.

The Company shall establish a resignation management policy for directors, setting out safeguard measures to pursue accountability and recovery in respect of unfulfilled public commitments and other outstanding matters. A director shall complete all handover procedures with the Board of Directors upon resignation or expiry of term. The duty of his/her loyalty owed to the Company and its shareholders shall not automatically cease upon expiration of term, and shall remain effective for 12 months after his/her resignation or expiry of term. Liabilities arising from acts performed during a director's term of office shall not be discharged or terminated upon resignation. The duty of confidence of a director in relation to trade secrets of the Company survives his/her termination of tenure until such trade secrets become public information. The continuance of a director's other duties shall be determined on a fair basis depending on the nature of the event concerned, the time lapse between its occurrence and the termination of his/her tenure, and the causes and conditions under which the relationship between the director and the Company is terminated.

Board of Directors

The Company shall establish a Board of Directors, which shall be accountable to the Shareholders' General Meeting and implement the resolutions of the Shareholders' General Meeting. The Board of Directors shall consist of seven directors, including a chairman and three independent directors. The chairman shall be elected by majority of all the directors of the Board of Directors.

The Board of Directors shall exercise the following powers:

(i) To convene the Shareholders' General Meeting and report on its work to the Shareholders' General Meeting;

(ii) To implement the resolutions of the Shareholders' General Meeting;

(iii) To determine the Company's business plans and investment proposals;

(iv) To formulate the Company's profit distribution plan and loss recovery plan;

(v) To formulate plans for increasing or reducing the Company's registered capital, issuing bonds or other securities, and listing;

(vi) To draft proposals for major acquisitions, repurchase of shares of the Company, merger, division, spin-off, dissolution, or change of corporate form; to determine the repurchase of shares of the Company in case of the circumstances stipulated in items (iii), (v) and (vi) of Article 25 of the Articles of Association;

(vii) Within the scope of authorization granted by the Shareholders' General Meeting, to decide on external investments, acquisitions or disposals of assets, asset pledges, provision of external guarantees, entrusted wealth management, related transactions, external donations, and other matters;

(viii) To determine the establishment of the Company's internal management structure;

(ix) To decide on the appointment or dismissal of the Company's manager, board secretary, and other senior management, as well as to determine their remuneration and matters relating to rewards and penalties;

(x) To formulate the Company's fundamental management policies;

(xi) To formulate proposals for amendments to the Articles of Association;

(xii) To manage matters relating to the Company's information disclosure;

(xiii) To submit proposals to the Shareholders' General Meeting on the appointment or replacement of the accounting firm responsible for auditing matters of the Company;

(xiv) To hear the general manager's work reports and supervise the general manager's performance of duties;

(xv) Other powers as conferred by laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed, the Articles of Association, or as delegated by the Shareholders' General Meeting.

Matters outside of the scope of authorization by the Shareholders' General Meeting shall be submitted to the Shareholders' General Meeting for consideration.

If a director has a related-party relationship with any enterprise or individual involved in a Board resolution, the director shall promptly disclose such relationship in writing to the Board of Directors. Directors with a related-party relationship shall not vote on the resolution and shall not act as proxies for other directors to vote. The Board meeting may be held with a majority of unrelated directors present, and any Board resolution must be approved by a majority of unrelated directors. Matters concerning external guarantees shall be approved by two-thirds or more of the unrelated directors present at the meeting. If fewer than three unrelated directors are present at the Board meeting, the matter shall be submitted to the Shareholders' General Meeting for deliberation. Where any additional restrictions on directors' attendance at Board meetings and participation in voting are imposed by laws, regulations, or securities regulatory rules of the place where the Company's shares are listed, such laws, regulations or rules shall prevail.

Independent Directors

The Company shall establish a mechanism for special meeting attended solely by independent directors. Matters such as related party transactions should be pre-approved by the special meeting of independent directors before being submitted to the Board of Directors for consideration.

The Company shall hold special meetings of independent directors on a regular or irregular basis. Matters listed in items (1) to (3) of the paragraph 1 of Article 134 and Article 135 of the Articles of Association shall be considered at a special meeting of independent directors.

The special meetings of independent directors may study and discuss other matters of the Company as needed.

The special meetings of independent directors shall be convened and presided over by an independent director jointly elected by a majority of the independent directors; in the event that the convener fails to or is unable to perform his/her duties, two or more independent directors may convene and elect a representative to preside over the meeting on their own.

Minutes shall be prepared for the special meetings of independent directors pursuant to the provisions, stating the opinions of the independent directors. The independent directors shall confirm by signing on the minutes.

The Company shall provide convenience and support for the holding of special meetings of independent directors.

Special Committees under the Board of Directors

The Board of Directors of the Company shall establish an Audit Committee to exercise the powers of the board of supervisors stipulated by the Company Law. The members of an Audit Committee shall comprise three non-executive directors who are not senior management of the Company. Two of them shall be independent directors. The convener shall be an independent director who possesses appropriate professional qualifications as stipulated by securities regulatory rules of the place where the Company's shares are listed, or who is a professional with appropriate accounting or related financial management expertise.

The Board of Directors of the Company shall establish special committees such as Strategy Committee, Nomination Committee and Remuneration and Appraisal Committee. The working procedures for special committees shall be formulated by the Board of Directors. Both the Nomination Committee and the Remuneration and Appraisal Committee under the Board of Directors shall comprise three directors, with independent directors constituting a majority and serving as conveners.

SENIOR MANAGEMENT

The Company shall have one general manager who shall be appointed or removed by the Board of Directors.

The general manager is accountable to the Board of Directors and exercises the following powers:

(i) To oversee the Company's production, business, and management; arrange to implement resolutions of the Board of Directors and report to the Board of Directors;

(ii) To organize and implement the Company's annual business plans and investment proposals;

(iii) To propose the establishment of the Company's internal management structure;

(iv) To formulate the Company's basic management policies;

(v) To draft detailed rules and regulations of the Company;

(vi) To submit proposals to the Board of Directors regarding the appointment or removal of deputy general managers and the chief financial officer of the Company;

(vii) To decide on the appointment or removal of management personnel, except those whose appointment or removal is determined by the Board of Directors;

(viii) To propose to convene an extraordinary meeting of the Board of Directors;

(ix) To formulate wage, welfare, and reward and disciplinary systems for employees of the Company, and determine the appointment and dismissal of employees of the Company;

(x) Other powers delegated by the Articles of Association or the Board of Directors.

The general manager shall attend Board meetings.

The Company shall appoint a board secretary responsible for preparing the Shareholders' General Meeting and Board meetings, maintaining documents, managing information of the Company's shareholders, and handling information disclosure matters.

The board secretary shall comply with relevant laws, administrative regulations, departmental rules, and the Articles of Association.

FINANCIAL ACCOUNTING POLICY, PROFIT DISTRIBUTION, AND AUDIT

Financial Accounting Policy

The Company shall establish its financial accounting policy in accordance with laws, administrative regulations, and relevant national authorities' requirements.

Within four months after the end of each fiscal year, the Company shall submit and disclose its annual report to the CSRC and the stock exchange where the Company's shares are listed. Within two months after the end of the first half of each fiscal year, the Company shall submit and disclose its interim report to the local office of the CSRC and the stock exchange where the Company's shares are listed.

The aforesaid annual and interim reports shall be prepared in accordance with relevant laws, administrative regulations, and the requirements of the CSRC and the stock exchange where the Company's shares are listed.

Except for the statutory accounting books, the Company shall not maintain any other accounting records. The Company's funds shall not be deposited in any account under an individual's name.

When distributing the annual after-tax profit, the Company shall allocate 10% of the profit to the statutory reserve of the Company. When the accumulated statutory reserve of the Company reaches 50% or more of the Company's registered capital, further allocation is not required.

If the statutory reserve of the Company is insufficient to cover losses from previous years, the current year's profit shall first be used to offset those losses before being allocated to the statutory reserve.

After allocating the after-tax profit to the statutory reserve, the Company may, subject to a resolution of the Shareholders' General Meeting, allocate the remaining after-tax profit to a discretionary reserve.

The remaining after-tax profit, after covering losses and being allocated to the reserves, shall be distributed to shareholders in proportion to their shareholding, except where the Articles of Association provide otherwise.

If the Shareholders' General Meeting distributes profits to shareholders in violation of the Company Law, the shareholders shall return the improperly distributed profits to the Company. Any losses caused to the Company shall be compensated by the shareholders, responsible directors, and senior management.

The Company's own shares held by the Company shall not participate in profit distribution.

For H shareholders in Hong Kong, the Company shall appoint one or more collection agents. The collection agents shall collect and hold dividends and other payables for H shares made by the Company on behalf of the H shareholders until payment is made to them. The appointed collection agents shall comply with requirements of laws, regulations, and the securities regulatory rules of the place where the Company's shares are listed.

The Company may use reserves to cover losses, expand operations, or increase registered capital of the Company.

When reserves are used to cover losses of the Company, discretionary reserves and statutory reserves shall be used first; if still insufficient, capital reserves may be applied according to relevant regulations.

When the statutory reserve is converted into registered capital, the retained portion shall be no less than 25% of the Company's registered capital prior to the conversion.

After the Shareholders' General Meeting approves the profit distribution plan, or after the Board of Directors formulates a specific plan in accordance with the mid-year dividend distribution conditions and upper limit approved at the previous Annual General Meeting, the Company shall complete the distribution of dividends (or shares) within two months.

Internal Audit

The Company implements an internal audit policy, which clearly defines the leadership structure, responsibilities and authority, staffing, funding, utilization of audit results, and accountability mechanisms for internal audit work.

The internal audit department of the Company supervises and inspects the Company's business activities, risk management, internal controls, financial information, and other related matters.

Appointment of Accounting Firms

The Company shall engage an accounting firm in compliance with the Securities Law and the securities regulatory rules governing the listing of the Company's shares to conduct audits of financial statements, verification of net assets, and provide other related advisory services. The term of engagement is one year, and reappointment is permitted.

The Company shall ensure that the appointed accounting firm is provided with true, complete accounting vouchers, accounting books, financial reports, and other accounting information, and shall not refuse, conceal, or misreport any information.

The appointment, dismissal, or cease of reappointment of the accounting firm shall be decided by the Shareholders' General Meeting. The Board of Directors shall not appoint an accounting firm prior to the decision of Shareholders' General Meeting.

Audit fees of the accounting firm shall be determined by the Shareholders' General Meeting.

When the Company dismisses or chooses not to reappoint an accounting firm, the firm shall be notified ten days in advance. The accounting firm shall be allowed to present its opinions during the Shareholders' General Meeting of the Company when the dismissal is being voted upon.

If the accounting firm resigns, it shall report to the Shareholders' General Meeting whether any improper circumstances exist within the Company.

MERGER, DIVISION, CAPITAL INCREASE, CAPITAL REDUCTION, DISSOLUTION, AND LIQUIDATION

Merger, Division, Capital Increase and Capital Reduction

The Company may conduct a merger either through an absorption merger or a new establishment merger. In an absorption merger, one company absorbs another, and the absorbed company is dissolved. In a new establishment merger, two or more companies merge to form a new company, and the merging parties are dissolved.

For a merger, the merging parties shall enter into a merger agreement and prepare a balance sheet and a list of assets. Within ten days of passing the merger resolution, the Company shall notify its creditors and, within 30 days, make an announcement in the media which meet the conditions stipulated by the securities regulatory authority where the Company's shares are listed or on the national enterprise credit information publicity system. Creditors may, within 30 days of receiving the notice, or if no notice is received, within 45 days from the date of the announcement, request repayment of debts or corresponding guarantees from the Company.

In a merger, all claims and debts of the merging parties shall be assumed by the surviving company or the newly established company.

For a division, the Company shall prepare a balance sheet and a list of assets. Within ten days of passing the division resolution, the Company shall notify its creditors and, within 30 days, make an announcement in the media which meet the conditions stipulated by the securities regulatory authority where the Company's shares are listed or on the national enterprise credit information publicity system.

Within ten days of passing the resolution to reduce registered capital by the Shareholders' General Meeting, the Company shall notify its creditors and, within 30 days, make an announcement in the media which meet the conditions stipulated by the securities regulatory authority where the Company's shares are listed or on the national enterprise credit information publicity system. Creditors may, within 30 days of receiving the notice, or if no notice is received, within 45 days from the date of the announcement, request repayment of debts or corresponding guarantees from the Company.

For a reduction of registered capital, the Company shall reduce each shareholder's capital contribution or shares proportionally, unless otherwise stipulated by laws or the Articles of Association.

In the event of a merger or division, if there is a change in the registration items, the Company shall go through the change registration with the company registration authority in accordance with the law; if the Company is dissolved, it shall go through the company deregistration procedures in accordance with the law; if a new company is established, the company establishment registration shall be completed in accordance with the law. If the Company increases or decreases its registered capital, it shall go through the change registration with the company registration authority in accordance with the law.

Dissolution and Liquidation

The Company may be dissolved for the following reasons:

(i) The expiration of the business term stipulated in the Articles of Association or the occurrence of other dissolution events provided herein;

(ii) A resolution of the Shareholders' General Meeting to dissolve the Company;

(iii) The need to dissolve due to a merger or division of the Company;

(iv) Revocation of the business license, closure by order, or cancellation in accordance with the law;

(v) If the Company experiences severe operational or management difficulties, and its continued existence would cause substantial loss to shareholders, and the issue cannot be resolved by other means, shareholders holding 10% or more of the voting rights may request the People's Court to dissolve the Company.

If any of the above dissolution events occur, the Company shall publicly announce the dissolution on the national enterprise credit information publicity system within ten days.

If the Company falls under circumstance (i) or (ii) and has not yet distributed its assets to shareholders, it may continue to operate by amending the Articles of Association or passing a resolution at the Shareholders' General Meeting.

Any such amendment or resolution shall be approved by at least two-thirds of the voting rights held by shareholders attending the Shareholders' General Meeting.

The Company shall undergo liquidation if it is dissolved due to circumstance (i), (ii), (iv), or (v). The directors, as the obligors of the liquidation, shall form a liquidation team within fifteen days of the occurrence of the dissolution event to carry out the liquidation. The liquidation team shall be composed of directors unless otherwise stipulated in the Articles of Association or other individuals are selected by the Shareholders' General Meeting by resolution. If the liquidation obligors fail to perform their liquidation duties in a timely manner and cause losses to the Company or its creditors, they shall bear liability for compensation.

The liquidation team shall notify creditors within ten days of its formation and, within 60 days, make an announcement in the media which meet the conditions stipulated by the securities regulatory authority where the Company's shares are listed or on the national enterprise credit information publicity system. Creditors shall, within 30 days of receiving the notice, or if not notified, within 45 days from the date of the announcement, submit their claims to the liquidation team.

After taking inventory of the Company's assets and preparing the balance sheet and asset list, the liquidation team shall formulate a liquidation plan and submit it to the Shareholders' General Meeting or the People's Court for confirmation. Upon acceptance of the bankruptcy application by the People's Court, the liquidation team shall hand over liquidation matters to a bankruptcy administrator designated by the People's Court.

If the Company is declared bankrupt in accordance with the law, the bankruptcy liquidation shall be carried out in accordance with the relevant laws on enterprise bankruptcy.

AMENDMENT OF THE ARTICLES OF ASSOCIATION

The Company shall amend the Articles of Association under any of the following circumstances:

(i) After amendments to the Company Law or other relevant laws, administrative regulations, and/or the securities regulatory rules of the place where the Company's shares are listed, any provision in the Articles of Association conflicts with such revised laws, regulations, or rules;

(ii) Changes in the Company's circumstances result in inconsistencies with the matters recorded in the Articles of Association; or

(iii) The Shareholders' General Meeting resolves to amend the Articles of Association.

If the amendment to the Articles of Association adopted by resolution of the Shareholders' General Meeting is subject to the approval of the competent authority, it shall be reported to the competent authority for approval; if it involves matters of company registration, the registration of the changes shall be made in accordance with the law.

FURTHER INFORMATION ABOUT THE GROUP

Incorporation

The Company was established as a company with limited liability under the laws of the PRC on November 21, 2003. It was converted into a joint stock company with limited liability under the laws of the PRC on February 23, 2012 and was listed on the ChiNext of the Shenzhen Stock Exchange under the stock code 300468.SZ.

The Company has established a place of business in Hong Kong at 11/F, Rykadan Capital Tower, 135 Hoi Bun Road, Kwun Tong, Hong Kong. The Company was registered as a non-Hong Kong company in Hong Kong under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and the Companies (Non-Hong Kong Companies) Regulation (Chapter 622J of the Laws of Hong Kong) on December 11, 2025. Ms. Tam Wing Tsz, one of our joint company secretaries, has been appointed as the Hong Kong authorized representative of the Company for acceptance of the service of process and any notices required to be served on the Company in Hong Kong at 46/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

As the Company was incorporated in the PRC, its operations are subject to the relevant laws and regulations of the PRC. A summary of the relevant aspects of laws and regulations of the PRC and the Articles of Association is set out in "Regulatory Overview" and "Appendix VI — Summary of the Articles of Association" in this prospectus, respectively.

Changes in the Share Capital of the Company

There has been no alteration in the share capital of the Company within two years immediately preceding the date of this prospectus.

Resolutions of the Shareholders

At the extraordinary general meeting of the Shareholders held on December 1, 2025, the following resolutions, among other things, were duly passed:

(i) the issue by the Company of the H Shares with a nominal value of RMB1.00 each and such H Shares be listed on the Stock Exchange;

(ii) the number of the H Shares to be issued shall be no more than 10% of the total issued share capital of the Company as enlarged by the Global Offering (before the exercise of the over-allotment option), and the grant of the over-allotment option in respect of no more than 15% of the number of the H Shares issued pursuant to the Global Offering;

(iii) authorization of the Board or its authorized individuals to handle all matters relating to, among other things, the Global Offering, the issue and listing of the H Shares on the Stock Exchange; and

(iv) subject to the completion of the Global Offering, the conditional adoption of the revised Articles of Association, which shall become effective on the Listing Date, and the authorization to the Board to amend the Articles of Association in accordance with the requirements of the relevant laws and regulations and the Listing Rules.

Subsidiaries of the Company

A summary of the corporate information and the particulars of the Company's major subsidiary are set out in Note 1 to the Accountant's Report as set out in Appendix I.

There has been no alteration in the share capital of the subsidiaries of the Company within two years immediately preceding the date of this prospectus.

FURTHER INFORMATION ABOUT THE BUSINESS

Summary of Material Contracts

The Group has entered into the following contracts (not being contracts entered into in the ordinary course of business) within the two years immediately preceding the date of this prospectus that are or may be material:

(a) the Hong Kong Underwriting Agreement;

(b) the cornerstone investment agreement dated August 28, 2026 entered into among the Company, Mr. Cheng Chi Heng, CMB International Capital Limited and Guosen Securities (HK) Capital Company Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of HK$40,000,000;

(c) the cornerstone investment agreement dated August 27, 2026 entered into among the Company, Successful Lotus Limited, CMB International Capital Limited and Guosen Securities (HK) Capital Company Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of HK$39,600,000;

(d) the cornerstone investment agreement dated August 27, 2026 entered into among the Company, Thalassa Capital Dynamics SPC — Thalassa Horizon SP, CMB International Capital Limited and Guosen Securities (HK) Capital Company Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of HK$30,000,000; and

(e) the cornerstone investment agreement dated September 1, 2026 entered into among the Company, Yeebo Alpha Limited, CMB International Capital Limited and Guosen Securities (HK) Capital Company Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of HK$10,000,000.

Intellectual Property

As of the Latest Practicable Date, the following intellectual property rights are material to the Group's business:

Trademarks

As of the Latest Practicable Date, the Group had registered the following trademarks which are material to its business:

No.	Trademark	Class	Registered Owner	Place of Registration	Registration Number	Expiry Date
1		Class 42	Our Company	PRC	7623381	2032-03-27
2	四方精创资讯	Class 42	Our Company	PRC	7623382	2032-03-27
3	四方精创	Class 42	Our Company	PRC	7623383	2032-03-27
4	FORMS SYNTRON	Class 42	Our Company	PRC	7623384	2032-03-27
5	四方精创	Class 42	Our Company	PRC	10296641	2033-03-27
6	四方精创资讯	Class 42	Our Company	PRC	10296648	2033-02-13
7	FORMS SYNTRON	Class 42	Our Company	PRC	10296657	2033-03-27
8	FORMS SYNTRON INFORMATION	Class 42	Our Company	PRC	10296669	2033-05-06
9	四方精创区块链	Class 9	Our Company	PRC	22580823	2028-02-13
10	Forms Blockchain	Class 9	Our Company	PRC	22580849	2028-02-13
11	Syntron Blockchain	Class 9	Our Company	PRC	22580883	2028-02-13
12	FormsSyntron Blockchain	Class 9	Our Company	PRC	22580989	2028-02-13
13	UBeneform	Class 9	Our Company	PRC	23985309	2028-04-27

No.	Trademark	Class	Registered Owner	Place of Registration	Registration Number	Expiry Date
14	FORMSBEE	Class 38	Our Company	PRC	65286289	2033-09-13
15	FORMSBEE	Class 42	Our Company	PRC	29497696	2029-03-27
16	FORMSBEE	Class 9	Our Company	PRC	29505333	2029-04-27
17	FORMSBEE	Class 41	Our Company	PRC	29507275	2029-04-27
18	Platform Universe	Class 9	Our Company	PRC	37694533	2030-05-06
19	Platform Universe	Class 42	Our Company	PRC	37694544	2030-05-06
20		Class 41	Our Company	PRC	57108783	2032-04-06
21	四方融创	Class 9	Our Company	PRC	63836282	2032-10-06
22	四方融创	Class 42	Our Company	PRC	63847581	2032-10-13
23	四方融创	Class 9	Our Company	PRC	78421666	2034-10-20
24	四方融创	Class 42	Our Company	PRC	78438226	2034-10-27
25	Platform Universe	Class 9	Our Company	PRC	78427326	2034-12-06

No.	Trademark	Class	Registered Owner	Place of Registration	Registration Number	Expiry Date
26	Platform Universe	Class 42	Our Company	PRC	78427338	2034-12-06
27	Platform Unicorn	Class 42	Our Company	PRC	81011266	2035-03-20
28	Platform Unicorn	Class 9	Our Company	PRC	81021368	2035-03-20
29	乐寻坊	Class 9	Lexunfang	PRC	38076735	2030-01-06
30	乐寻坊	Class 9	Lexunfang	PRC	34331176	2030-06-27
31	FINNOSpace	Class 42	Forms Syntron Information	PRC	60925062	2032-06-27
32	FINNOSpace	Class 42	Forms Syntron Information	Hong Kong	305814388	2031-11-25
33	FINNOSafe	Class 42	Forms Syntron Information	Hong Kong	306336333	2033-08-29
34	四方精創 FORMS SYNTRON	Class 42	Our Company	Hong Kong	307066738	2035-10-21
35	四方精創 FORMS HK	Class 42	Our Company	Hong Kong	307066747	2035-10-21
36	四方精创 FORMS SYNTRON	Class 42	Our Company	Hong Kong	307066756	2035-10-21
37	FLCE	Class 9	Our Company	PRC	85161512	2035-12-06
38	FLCE	Class 42	Our Company	PRC	85169706	2035-12-06

No.	Trademark	Class	Registered Owner	Place of Registration	Registration Number	Expiry Date
39		Class 42	Our Company	Hong Kong	307092856	2035-11-13
40	四方精創 四方精创	Class 42	Our Company	Hong Kong	307092865	2035-11-13
41	FORMS SYNTRON	Class 42	Our Company	Hong Kong	307092874	2035-11-13
42	乐联	Class 42	Lexunfang	PRC	85621023	2035-12-27
43	FINNOSmart	Class 42	Forms Syntron Information	Hong Kong	306985487	2035-08-03
44	Blockchain Valley	Class 42	Forms Syntron Information	Hong Kong	306985469	2035-08-03
45	區塊鏈小鎮	Class 42	Forms Syntron Information	Hong Kong	306985478	2035-08-03
46	FINNOSmart	Class 42	Forms Syntron Information	PRC	86937006	2036-03-06
47	FINNOSafe	Class 42	Forms Syntron Information	PRC	86938675	2036-03-06

Copyrights

As of the Latest Practicable Date, our Group had registered the following software copyrights which we consider to be material to our business:

No.	Software Name	Place of Registration	Registered Owner
1	Forms Syntron Core Banking Cluster Architecture Base Platform System V1.0 (四方精創核心銀行集群架構基礎平台系統V1.0)	PRC	Our Company
2	Forms Syntron Core Banking Deposit and Loan Business System Software V1.0 (四方精創核心銀行存款及貸款業務系統軟件V1.0)	PRC	Our Company
3	Forms Syntron Integrated Management Platform for Commercial Bank Operations V1.0 (四方精創商業銀行運營綜合管理平台V1.0)	PRC	Our Company
4	Forms Syntron Universal Digital Currency Wallet Software V1.0 (四方精創通用數字貨幣錢包軟件V1.0)	PRC	Our Company
5	Forms Syntron Commercial Bank Mobile Banking Sign-up & Account Opening System V1.0 (四方精創商業銀行移動網銀簽約與開戶系統V1.0)	PRC	Our Company
6	Forms Syntron Blockchain-based Supply Chain Finance System V1.0 (四方精創基於區塊鏈的供應鏈金融系統V1.0)	PRC	Our Company
7	Forms Syntron PU Base Platform Component Unified Object Storage Management System V1.0 (四方精創PU基礎平台組件統一對象存儲管理系統V1.0)	PRC	Our Company
8	Forms Syntron PU Base Platform Component Cache Database Management System V1.0 (四方精創PU基礎平台組件緩存數據庫管理系統V1.0)	PRC	Our Company
9	Forms Syntron PU Distributed Architecture Configuration Management System V1.0 (四方精創PU分佈式架構配置管理系統V1.0)	PRC	Our Company
10	Forms Syntron Blockchain-based Agricultural Product Supply Chain Finance Service Platform (Administration-side) V1.0 (四方精創基於區塊鏈的農產品供應鏈金融服務平台 (管理端)V1.0)	PRC	Our Company
11	Forms Syntron PU Operations and Maintenance Management Platform Template Management System V1.0 (四方精創PU運維管理平台模版管理系統V1.0)	PRC	Our Company
12	Forms Syntron PU Base Platform Component Blockchain Management System V1.0 (四方精創PU基礎平台組件區塊鏈管理系統V1.0)	PRC	Our Company
13	Forms Syntron Electronic Certificate Blockchain Unified Authentication Mobile Software V1.0 (四方精創電子證件區塊鏈統一認證移動端軟件V1.0)	PRC	Our Company

No.	Software Name	Place of Registration	Registered Owner
14	Forms Syntron Electronic Certificate Blockchain Unified Authentication Platform V1.0 (四方精創電子證件區塊鏈統一認證平台V1.0)	PRC	Our Company
15	Forms Syntron IP Copyright Blockchain Authorization and Authentication Platform V1.0 (四方精創IP版權區塊鏈授權認證平台V1.0)	PRC	Our Company
16	Forms Syntron Commercial Bank Electronic Approval System for Daily Routine V3.0 (四方精創商業銀行日常事務電子審批系統V3.0)	PRC	Our Company
17	Forms Syntron IP Copyright Blockchain Authorization and Authentication Platform V2.0 (四方精創IP版權區塊鏈授權認證平台V2.0)	PRC	Our Company
18	Forms Syntron Commercial Bank API Automated Test System V1.0 (四方精創商業銀行API自動化測試系統V1.0)	PRC	Our Company
19	Forms Syntron Commercial Bank Mobile Automated Test System V1.0 (四方精創商業銀行Mobile自動化測試系統V1.0)	PRC	Our Company
20	Forms Syntron Commercial Bank Web Automated Test System V1.0 (四方精創商業銀行Web自動化測試系統V1.0)	PRC	Our Company
21	Forms Syntron Cross-border Digital Currency Clearing and Settlement System V1.0 (四方精創跨境數字貨幣清結算系統V1.0)	PRC	Our Company
22	Forms Syntron Decentralized Identity Authentication System V1.0 (四方精創去中心化身份認證系統V1.0)	PRC	Our Company
23	Forms Syntron Project Management System V1.0 (四方精創項目管理系統V1.0)	PRC	Our Company
24	Forms Syntron Blockchain-based Product Traceability, Anti-counterfeiting and Authentication Platform V1.0 (四方精創區塊鏈產品溯源防偽認證平台V1.0)	PRC	Our Company
25	Forms Syntron Blockchain-based Intelligent Deployment System (BCOS Edition) V1.0 (四方精創區塊鏈智能化部署系統 (BCOS版)V1.0)	PRC	Our Company
26	Forms Syntron Blockchain Node Automated Installation System (BCOS Edition) V1.0 (四方精創區塊鏈節點自動化安裝系統 (BCOS版)V1.0)	PRC	Our Company
27	Forms Syntron Blockchain Node Management System (BCOS Edition) V1.0 (四方精創區塊鏈節點管理系統 (BCOS版)V1.0)	PRC	Our Company
28	Forms Syntron PU Operations and Maintenance Management Platform Template Management System V2.0 (四方精創PU運維管理平台模版管理系統V2.0)	PRC	Our Company

No.	Software Name	Place of Registration	Registered Owner
29	Forms Syntron PU Resources and Application Monitoring Management Platform Monitoring Metrics Collection System V1.0 (四方精創PU資源和應用監控管理平台監控指標採集系統V1.0)	PRC	Our Company
30	Forms Syntron PU Resources and Application Monitoring Management Platform Log Management System V1.0 (四方精創PU資源和應用監控管理平台日誌管理系統V1.0)	PRC	Our Company
31	Forms Syntron PU Resources and Application Monitoring Management Platform Application Runtime Monitoring System V1.0 (四方精創PU資源和應用監控管理平台應用運行監控系統V1.0)	PRC	Our Company
32	Forms Syntron PU Core Runtime Platform Cloud Platform Integration Management System V1.0 (四方精創PU核心運行平台雲平台對接管理系統V1.0)	PRC	Our Company
33	Forms Syntron Commercial Bank Intelligent Risk Control Platform V1.0 (四方精創商業銀行智能風控平台V1.0)	PRC	Our Company
34	Forms Syntron Blockchain Certificate Management Platform V1.0 (四方精創區塊鏈證書管理平台V1.0)	PRC	Our Company
35	Forms Syntron NFT-based Asset Management System V1.0 (四方精創基於NFT的資產管理系統V1.0)	PRC	Our Company
36	Forms Syntron PlatformUnicorn Resource Monitoring and Management System V1.0 (四方精創PlatformUnicorn資源監控管理系統V1.0)	PRC	Our Company
37	Forms Syntron PlatformUnicorn Log Monitoring System V1.0 (四方精創PlatformUnicorn日誌監控系統V1.0)	PRC	Our Company
38	Forms Syntron PlatformUnicorn Batch Processing Management System V1.0 (四方精創PlatformUnicorn批處理管理系統V1.0)	PRC	Our Company
39	Forms Syntron PlatformUnicorn Batch Processing Execution System V1.0 (四方精創PlatformUnicorn批處理運行系統V1.0)	PRC	Our Company
40	Forms Syntron Commercial Bank Integrated Personal Account Opening Platform V1.0 (四方精創商業銀行個人賬戶綜合開戶平台V1.0)	PRC	Our Company
41	Forms Syntron Blockchain-based Digital Currency E-Wallet Application System (Bank-side) V1.0 (四方精創基於區塊鏈的數字貨幣電子錢包應用系統 (銀行端)V1.0)	PRC	Our Company
42	Forms Syntron Blockchain-based Digital Currency E-Wallet Application System (User-side) V1.0 (四方精創基於區塊鏈的數字貨幣電子錢包應用系統 (用戶端)V1.0)	PRC	Our Company

No.	Software Name	Place of Registration	Registered Owner
43	Forms Syntron Commercial Bank Distributed Personal Mobile Banking System (Android) V1.0 (四方精創商業銀行分佈式個人手機銀行系統 (Android端)V1.0)	PRC	Our Company
44	Forms Syntron Digital Currency Electronic Cold Wallet Application System (iOS) V1.0 (四方精創數字貨幣電子冷錢包應用系統 (iOS端)V1.0)	PRC	Our Company
45	Forms Syntron Commercial Bank Distributed Personal Mobile Banking System (iOS) V1.0 (四方精創商業銀行分佈式個人手機銀行系統 (iOS端)V1.0)	PRC	Our Company
46	Forms Syntron Blockchain-based Digital Currency E-Wallet Application System (Merchant-side) V1.0 (四方精創基於區塊鏈的數字貨幣電子錢包應用系統 (商戶端)V1.0)	PRC	Our Company
47	Forms Syntron Digital Currency Electronic Cold Wallet Application System (Android) V1.0 (四方精創數字貨幣電子冷錢包應用系統 (Android端)V1.0)	PRC	Our Company
48	Forms Syntron Commercial Bank Distributed Core Banking Loan Business System V1.0 (四方精創商業銀行分佈式核心銀行貸款業務系統V1.0)	PRC	Our Company
49	Forms Syntron Commercial Bank Distributed Personal Mobile Banking System (Backend Management-side) V1.0 (四方精創商業銀行分佈式個人手機銀行系統 (後台管理端)V1.0)	PRC	Our Company
50	Forms Syntron Commercial Bank Distributed Core Banking Account Center Management System V1.0 (四方精創商業銀行分佈式核心銀行賬戶中心管理系統V1.0)	PRC	Our Company
51	Forms Syntron Blockchain Monitoring and Management Platform V1.0 (四方精創區塊鏈監控管理平台V1.0)	PRC	Our Company
52	Forms Syntron Blockchain-based Smart Contract Management System V1.0 (四方精創區塊鏈智能合約管理系統V1.0)	PRC	Our Company
53	Forms Syntron Blockchain-based Digital Currency E-Wallet Application System (Bank-side) V2.0 (四方精創基於區塊鏈的數字貨幣電子錢包應用系統 (銀行端)V2.0)	PRC	Our Company
54	Forms Syntron Blockchain-based Digital Currency E-Wallet Application System (User-side) V2.0 (四方精創基於區塊鏈的數字貨幣電子錢包應用系統 (用戶端)V2.0)	PRC	Our Company
55	Forms Syntron Blockchain-based Digital Currency E-Wallet Application System (Merchant-side) V2.0 (四方精創基於區塊鏈的數字貨幣電子錢包應用系統 (商戶端)V2.0)	PRC	Our Company
56	Forms Syntron Commercial Bank Distributed Core Banking Time Deposit Business System V1.0 (四方精創商業銀行分佈式核心銀行定期存款業務系統V1.0)	PRC	Our Company

No.	Software Name	Place of Registration	Registered Owner
57	Forms Syntron Commercial Bank Distributed Core Banking Customer Center Management System V1.0 (四方精創商業銀行分佈式核心銀行客戶中心管理系統V1.0)	PRC	Our Company
58	Forms Syntron Blockchain-based Smart Contract Template System V1.0 (四方精創區塊鏈智能合約模板系統V1.0)	PRC	Our Company
59	Forms Syntron Digital Currency Asset Tokenization System V1.0 (四方精創數字貨幣資產代幣化系統V1.0)	PRC	Our Company
60	Forms Syntron Blockchain Alert Management System V1.0 (四方精創區塊鏈告警管理系統V1.0)	PRC	Our Company
61	Forms Syntron Integrated Blockchain Service Management Platform V1.0 (四方精創區塊鏈服務綜合管理平台V1.0)	PRC	Our Company
62	Forms Syntron Integrated Blockchain Service Management Platform (Backend Management) V1.0 (四方精創區塊鏈服務綜合管理平台 (後台管理)V1.0)	PRC	Our Company
63	Forms Syntron Blockchain-based Central Bank Digital Currency Base Platform V1.0 (四方精創基於區塊鏈的央行數字貨幣基礎平台V1.0)	PRC	Our Company
64	Forms Syntron Commercial Bank Product Center System V1.0 (四方精創商業銀行產品中心系統V1.0)	PRC	Our Company
65	Forms Syntron Commercial Bank Collateral Management Platform V1.0 (四方精創商業銀行押品管理平台V1.0)	PRC	Our Company
66	Forms Syntron Commercial Bank Intelligent Loan System V1.0 (四方精創商業銀行智能貸款系統V1.0)	PRC	Our Company
67	Forms Syntron Component-based Rapid Assembly Development Platform V1.0 (四方精創組件化快搭開發平台V1.0)	PRC	Our Company
68	FINNOSafe Stablecoin Customer Mobile Web System V1.0 (FINNOSafe穩定幣客戶移動Web系統V1.0)	PRC	Our Company
69	FINNOSafe Stablecoin Customer Mobile (AOS) App V1.0 (FINNOSafe穩定幣客戶移動 (AOS端)應用V1.0)	PRC	Our Company
70	FINNOSafe Stablecoin Customer Mobile (iOS) App V1.0 (FINNOSafe穩定幣客戶移動 (iOS端)應用V1.0)	PRC	Our Company
71	FINNOSafe Stablecoin Bank Management System V1.0 (FINNOSafe穩定幣銀行管理系統V1.0)	PRC	Our Company
72	Forms Syntron Blockchain-based Central Bank Digital Currency Base Platform V2.0 (四方精創基於區塊鏈的央行數字貨幣基礎平台V2.0)	PRC	Our Company

No.	Software Name	Place of Registration	Registered Owner
73	Forms Syntron Commercial Bank Tokenized Bond System (Backend Management-side) V1.0 (四方精創商業銀行代幣化債券系統 (後管端)V1.0)	PRC	Our Company
74	Forms Syntron Commercial Bank Tokenized Bond System (User-side) V1.0 (四方精創商業銀行代幣化債券系統 (用戶端)V1.0)	PRC	Our Company
75	Forms Syntron Blockchain-Based Digital Currency E-Wallet Application (Client) System V3.0 (四方精創基於區塊鏈的數字貨幣電子錢包應用(客戶端)系統 V3.0)	PRC	Our Company
76	Forms Syntron Blockchain-Based Digital Currency E-Wallet Application (Merchant End) System V3.0 (四方精創基於區塊鏈的數字貨幣電子錢包應用(商戶端)系統 V3.0)	PRC	Our Company
77	Forms Syntron Blockchain-Based Digital Currency E-Wallet Application (Bank End) System V3.0 (四方精創基於區塊鏈的數字貨幣電子錢包應用(銀行端)系統 V3.0)	PRC	Our Company
78	Forms Syntron Digital Currency Infrastructure Platform System (Commercial Bank Version) (四方精創數字貨幣基礎平台系統(商業銀行版))	PRC	Our Company
79	Forms Syntron Commercial Bank Tokenized Fund System V1.0 (四方精創商業銀行代幣化基金系統 V1.0)	PRC	Our Company
80	Forms Syntron General Blockchain Application Development Platform V1.0 (四方精創區塊鏈應用通用開發平台 V1.0)	PRC	Our Company

Domain Names

As of the Latest Practicable Date, the Group had registered the following domain names which are material to its business:

No.	Domain Name	Registered Owner	Expiry Date (yyyy-mm-dd)
1	formssi.com	Our Company	2027-10-15
2	formssi.cn	Our Company	2027-04-21
3	formssi.com.cn	Our Company	2027-04-21
4	forms-fintech.com	Forms Syntron Information	2027-08-07

Patents

As of the Latest Practicable Date, the Group had registered the following patents which are material to its business:

No.	Patent Name	Type	Patent Holder	Jurisdiction of Registration	Patent Number	Expiry Date (yyyy-mm-dd)
1	Method and System for Converting Legacy Programming Languages to Modern Programming Languages (用於傳統程序語言向現代程序語言轉換的方法及其系統)	Invention	Our Company	PRC	ZL201711009889.X	2037-10-24
2	Method and System for Configuring an Enterprise Service Bus (企業服務總線的配置方法及其系統)	Invention	Our Company	PRC	ZL201711128132.2	2037-11-15
3	Method, Apparatus, Device, and Storage Medium for Dual Offline Payment with Digital Currency (數字貨幣雙離線支付的實現方法、裝置、設備、存儲介質)	Invention	Our Company	PRC	ZL201911422353.X	2039-12-30
4	Blockchain-Based Personnel Credit Authentication Method, Apparatus, Device, and Storage Medium (基於區塊鏈的用人信用認證方法、裝置、設備、存儲介質)	Invention	Lexunfang	PRC	ZL2019113519993	2039-12-23
5	Automated Onboarding Governance Method, System and Medium for Consortium Blockchain (一種聯盟鏈自動化准入治理方法、系統及介質)	Invention	Our Company	PRC	ZL202511097817.X	2045-08-05
6	Blockchain Wallet Transaction Verification Method and Device Based on Multi-party Secure Computation (基於多方安全計算的區塊鏈錢包交易驗證方法及裝置)	Invention	Our Company	PRC	ZL202511113460.X	2045-08-10

DISCLOSURE OF INTERESTS

Disclosure of Interests of Directors and Chief Executive of the Company

Immediately following the completion of the Global Offering, the interests and/or short positions (as applicable) of the Directors and the chief executive of the Company in the Shares, underlying Shares and debentures of the Company and any interests and/or short positions (as applicable) in shares, underlying shares or debentures of any of the associated corporations of the Company (within the meaning of Part XV of the SFO) which (1) will have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and/or short positions (as applicable) which they are taken or deemed to have under such provisions of the SFO), (2) will be required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein or (3) will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules, to be notified to the Company and the Stock Exchange, in each case once the H Shares are listed on the Stock Exchange, will be as follows:

(i) Interests in the Company

Name of Director or chief executive	Nature of interest	Number and description of Shares or underlying Shares held	Shareholding in A Shares upon completion of the Global Offering(1)	Shareholding in total issued share capital upon completion of the Global Offering(1)
Mr. Chow(2)	Interest in a controlled corporation	97,851,303 A Shares	18.44%	16.60%
	Beneficial interests	255,300 A Shares	0.05%	0.04%
Mr. Chan Wing Fat . . .	Beneficial owner	621,901 A Shares	0.12%	0.11%

Notes:

(1) The calculation is based on the total number of 589,610,375 Shares in issue immediately following the completion of the Global Offering.

(2) As of the Latest Practicable Date, Best Alliance was wholly-owned by Mr. Chow. Best Alliance directly held 97,851,303 A Shares and held 255,300 A Shares through its client account with a financial institution. By virtue of the SFO, Mr. Chow is deemed to be interested in the Shares held by Best Alliance.

(ii) Interests in the associated corporations of the Company

So far as the Directors are aware, immediately following the completion of the Global Offering, no Directors or the chief executive will, directly or indirectly, be interested in the Shares, underlying Shares and debentures of the Company or the shares, underlying shares or debentures of any of the associated corporations of the Company.

Disclosure of Interests of Substantial Shareholders

(i) Interests in the Company

Save as disclosed in "Substantial Shareholders" in this prospectus and "— Disclosure of Interests of Directors and Chief Executive of the Company — (i) Interests in the Company" in this section, the Directors are not aware of any person who will have an interest or a short position in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

(ii) Interests in other member of the Group

Member of our Group	Name of substantial shareholder	Approximate % held by the substantial shareholder
Shenzhen Forms Data AI Technology Co., Ltd. (深圳四方智數科技有限公司)	Shenzhen Deep Data AI Technology Co,. Ltd. (深圳深智數存科技有限公司)	45%

Save as disclosed in "— Disclosure of Interests of Directors and Chief Executive of the Company — (ii) Interests in the associated corporations of the Company" in this section, the Directors are not aware of any person who will be, directly or indirectly, interested in 10% or more of the issued voting shares of any other member of the Group.

FURTHER INFORMATION ABOUT THE DIRECTORS

Particulars of the Service Contracts

Each of the Directors has entered into a service contract with the Company. The principal particulars of these service contracts comprise (a) the term of the service; (b) termination provisions; and (c) dispute resolution provision. The service contracts may be renewed in accordance with the Articles of Association and the applicable laws, rules and regulations from time to time.

Save as disclosed above, none of the Directors has or is proposed to have entered into any service contract with any member of the Group (excluding contracts expiring or determinable by any member of the Group within one year without payment of compensation other than statutory compensation).

Remuneration of Directors

For details of the remuneration of Directors, see "Directors and Senior Management — Remuneration" and Note 12 in "Appendix I — Accountants' Report."

Agency Fees or Commissions Received

The Underwriters will receive an underwriting commission in connection with the Underwriting Agreements, as detailed in "Underwriting — Underwriting Commissions and Listing Expenses." Save in connection with the Underwriting Agreements, no commissions, discounts, brokerages or other special terms have been granted by the Group to any person (including the Directors, promoters and experts referred to in "— Other Information — Qualifications and Consents of Experts" below) in connection with the issue or sale of any capital or security of the Company or any member of the Group within the two years immediately preceding the date of this prospectus.

Within the two years immediately preceding the date of this prospectus, no commission has been paid or is payable for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription for any share in or debentures of the Company.

Personal Guarantees

The Directors have not provided personal guarantees in favour of lenders in connection with banking facilities granted to the Group.

Disclaimers

(a) None of the Directors nor any of the experts referred to in "— Other Information — Qualifications and Consents of Experts" below has any direct or indirect interest in the promotion of, or in any assets which have been, within the two years immediately preceding the date of this prospectus, acquired or disposed of by, or leased to, any member of the Group, or are proposed to be acquired or disposed of by, or leased to, any member of the Group.

(b) Save in connection with the Underwriting Agreements, none of the Directors nor any of the experts referred to in "— 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 the Group.

(c) No cash, securities or other benefit has been paid, allotted or given within the two years preceding the date of this prospectus to any promoter of the Company nor is any such cash, securities or benefit intended to be paid, allotted or given on the basis of the Global Offering or related transactions as mentioned.

OTHER INFORMATION

Estate Duty

The Directors have been advised that no material liability for estate duty is likely to fall on the Group.

Litigation

As of the Latest Practicable Date, the Company was not engaged in any outstanding litigation or arbitration which may have material adverse effect on the Global Offering and, so far as the Directors are aware, no material litigation or claim was pending or threatened by or against the Company.

Joint Sponsors

The Joint Sponsors satisfy the independence criteria applicable to sponsors set out in Rule 3A.07 of the Listing Rules.

Each of the Joint Sponsors will be paid by our Company a fee of approximately US$450,000 to act as a sponsor to our Company in connection with the Listing.

Preliminary Expenses

The Company has not incurred any material preliminary expenses.

Promoters

The promoters of the Company are Best Alliance, Systex Solutions (HK) Limited, Best Will Group Holdings Limited, Best Smart Group Holdings Limited, Shenzhen Weisheng Jingke Investment Co., Ltd. (深圳威升精科投資有限公司), Shenzhen Xinfang Jingke Investment Co., Ltd. (深圳信方精科投資有限公司), Shenzhen Guanwei New Technology Investment Co., Ltd. (深圳冠維新科投資有限公司), Shenzhen Jianfang New Technology Investment Co., Ltd. (深圳建方新科投資有限公司), Shenzhen Juntu Jingke Investment Co., Ltd. (深圳俊圖精科投資有限公司) and Grandco Asia Investment Limited.

Within the two years immediately preceding the date of this prospectus, no cash, securities, or other benefit has been paid, allotted or given, or has been proposed to be paid, allotted or given, to any of the promoters named above in connection with the Global Offering or the related transactions described in this prospectus.

Qualifications and Consents of Experts

The qualifications of the experts which have given opinions or advice which are contained in, or referred to in, this prospectus are as follows:

Name of Expert	Qualifications
CMB International Capital Limited	A licensed corporation to conduct type 1 (dealing in securities) and type 6 (advising on corporate finance) of the regulated activities as defined under the SFO
Guosen Securities (HK) Capital Company Limited	A licensed corporation to conduct type 1 (dealing in securities) and type 6 (advising on corporate finance) of the regulated activities as defined under the SFO
SHINEWING (HK) CPA Limited	Certified Public Accountants, and Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance
King & Wood	Legal advisors to our Company as to PRC law
Keith Lam Lau & Chan	Legal advisors to our Company as to Hong Kong law
DTL Law Office Co., Ltd.	Legal advisors to our Company as to Thai law
China Insights Industry Consultancy Limited	Independent industry consultant
Greater China Appraisal Limited	Independent property valuer

Each of the experts listed above has given and has not withdrawn its written consent to the issue of this prospectus with the inclusion of its report and/or letter and/or opinion and/or references to its name included herein in the form and context in which they respectively appear.

Binding Effect

This prospectus shall have the effect, if an application is made in pursuance hereof, 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 so far as applicable.

Bilingual Prospectus

The English language and Chinese language versions of this prospectus are being published separately, in reliance upon the exemption provided in Section 4 of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

Taxation of Holders of H Shares

The sale, purchase and transfer of H Shares are subject to Hong Kong stamp duty if such sale, purchase and transfer are affected on the H Share register of members of our Company, including in circumstances where such transactions are effected on the Hong Kong Stock Exchange. The current rate of Hong Kong stamp duty for such sale, purchase and transfer on each of the purchaser and the seller is 0.1% of the consideration or, if higher, the fair value of the H Shares being sold or transferred.

Miscellaneous

Save as otherwise disclosed in this prospectus,

(a) within the two years preceding the date of this prospectus, no share or loan capital of the Company or any of its subsidiaries has been issued or has been agreed to be issued fully or partly paid either for cash or for a consideration other than cash;

(b) no share or loan capital of the Company or any of its subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;

(c) no founder, management or deferred shares of the Company or any of its subsidiaries have been issued or have been agreed to be issued;

(d) none of the equity and debt securities of the Company or its subsidiary is presently listed or dealt in on any other stock exchange nor is any listing or permission to deal being or proposed to be sought;

(e) the Company has no outstanding convertible debt securities or debentures; and

(f) none of the experts listed under "— Qualifications and Consents of Experts":

    (i) is interested beneficially or non-beneficially in any shares in any member of the Group; or

    (ii) has any right or option (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group save in connection with the Underwriting Agreements.

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES

The documents attached to the copy of this prospectus delivered to the Registrar of Companies in Hong Kong for registration were:

(a) a copy of each of the material contracts referred to in "Appendix VII — Statutory and General Information — Further Information about the Business — Summary of Material Contracts"; and

(b) the written consents referred to in "Appendix VII — Statutory and General Information — Other Information — Qualifications and Consents of Experts."

DOCUMENTS AVAILABLE ON DISPLAY

Copies of the following documents will be available on display on the website of the Stock Exchange at **www.hkexnews.hk** and the Company's website at **www.formssi.com** during a period of 14 days from the date of this prospectus:

(a) the Articles of Association;

(b) the Accountants' Report, the report on review of the unaudited interim condensed consolidated financial information of our Group for the six months ended June 30, 2026 and the report on the unaudited pro forma financial information prepared by SHINEWING (HK) CPA Limited, the texts of which are set out in "Appendix I — Accountants' Report", "Appendix IA — Unaudited Interim Condensed Consolidated Financial Information" and "Appendix II — Unaudited Pro Forma Financial Information", respectively;

(c) the audited consolidated financial statements of the Group for the years ended December 31, 2023, 2024 and 2025 and the three months ended 31 March 2026;

(d) the legal opinion issued by King & Wood, the Company's PRC Legal Advisors, in respect of the Group in the PRC under the PRC laws;

(e) the legal opinion issued by Keith Lam Lau & Chan, the Company's Hong Kong Special Legal Advisors;

(f) the legal opinion issued by DTL Law Office Co., Ltd., the Company's Thai Legal Advisors;

(g) the industry report prepared by CIC referred to in the section headed "Industry Overview" in this prospectus;

(h) the valuation report prepared by Greater China Appraisal Limited, the text of which is set out in "Appendix III — Property Valuation";

(i) the PRC Company Law, the PRC Securities Law, the Overseas Listing Trial Measures and the Guidelines for the Articles of Association of Listed Companies issued by the CSRC together with their unofficial English translations;

(j) the service contracts between each of the Directors and the Company referred to in "Appendix VII — Statutory and General Information — Further Information about the Directors — Particulars of the Service Contracts";

(k) the material contracts referred to in "Appendix VII — Statutory and General Information — Further Information about the Business — Summary of Material Contracts"; and

(l) the written consents referred to in "Appendix VII — Statutory and General Information — Other Information — Qualifications and Consents of Experts."

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