



滴普科技股份有限公司 Deepexi Technology Co., Ltd.

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

Stock Code : 1384

2025 Annual Report



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Corporate Information

DIRECTORS

Executive Directors

Mr. Zhao Jiehui (*Chairman of the Board and Chief Executive Officer*)

Mr. Yang Lei

Dr. Li Qiang

Mr. Cao Lianfei

Ms. Shi Yi

Non-executive Director

Mr. Wang Zhenghao

Independent non-executive Directors

Dr. Yang Hongxia

Dr. Kong Xianguang

Mr. Zhang Jielong

JOINT COMPANY SECRETARIES

Dr. Li Qiang

Ms. Yeung Siu Wai Kitty

AUTHORIZED REPRESENTATIVES

Mr. Yang Lei

Dr. Li Qiang

AUDIT COMMITTEE

Mr. Zhang Jielong (*Chairman*)

Dr. Yang Hongxia

Dr. Kong Xianguang

REMUNERATION AND APPRAISAL COMMITTEE

Dr. Kong Xianguang (*Chairman*)

Dr. Yang Hongxia

Mr. Zhao Jiehui

NOMINATION COMMITTEE

Mr. Zhao Jiehui (*Chairman*)

Mr. Yang Lei

Dr. Yang Hongxia

Dr. Kong Xianguang

Mr. Zhang Jielong

H SHARE REGISTRAR

Tricor Investor Services Limited

17/F, Far East Finance Centre

16 Harcourt Road

Hong Kong

HEAD OFFICE AND REGISTERED OFFICE IN THE PRC

Room 1001-1002, 10th Floor, Building 1
No. 62 Courtyard, Xueyuan South Road
Haidian District
Beijing
PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1910, 19/F, Lee Garden One
33 Hysan Avenue
Causeway Bay
Hong Kong

PRINCIPAL BANK

China Merchants Bank Co., Ltd., Beijing
Dongzhimen Branch

HONG KONG LEGAL ADVISOR

Clifford Chance

27/F, Jardine House
One Connaught Place
Central
Hong Kong

PRC LEGAL ADVISOR

Haiwen & Partners

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

AUDITOR

Ernst & Young

Certified Public Accountants
Registered Public Interest Entity Auditor
27/F, One Taikoo Place
979 King's Road
Quarry Bay
Hong Kong

COMPANY'S WEBSITE

www.deepexi.com

STOCK CODE

01384.HK

Chairman's Statement

Dear Shareholders:

I hereby present the annual report for the year ended 31 December 2025 to all shareholders.

OVERALL PERFORMANCE

In 2025, the integration of artificial intelligence with industries to generate attainable actual value became the main growth engine under the background of the national "Artificial Intelligence +" policy. The Company, as the first Hong Kong stock in "Enterprise AI Large Model Application Solutions", continued to maintain strong growth in overall business, with ongoing focus on product research and development.

In 2025, the Company recorded operating revenue of RMB415.0 million, representing a year-on-year increase of 70.8%, with an increase of 181.5% in AI-related business, and gross profit of RMB228.6 million, with a gross profit margin of 55.1%. While operating revenue grew significantly, the gross profit margin also increased year-on-year. Overall, the Company achieved high-quality growth in 2025.

In addition, the Company's profits improved significantly in 2025, with the annual loss attributable to owners of the parent company amounting to RMB934.6 million, representing a decrease of RMB320.4 million compared to that in 2024, narrowing by 25.5% year-on-year.

The adjusted net loss for the year amounted to RMB27.5 million, representing a decrease of RMB68.9 million compared to that in 2024, narrowing by 71.4% year-on-year, with significant reduction for four consecutive accounting years.

In 2025, the Company continued to increase investment in core technology research and development in the field of enterprise AI large model and achieved significant progress. Deepexi enterprise large model underwent further iterations. Based on the enterprise ontology modeling corpus formed from the continuous accumulation of our

experience in ontology modeling of our FDEs (Forward Deployed Engineer) serving nearly 400 top customers, Deepexi enterprise large model focused on the training on the capability of generating enterprise ontology modeling. FastData Foil Data Fusion Platform further iterated the capability of analyzing and governing complex multi-modal data of the enterprise, and was fully integrated into Deepexi enterprise large model product, serving as the data corpus ingestion component of Deepexi enterprise large model. As a result, Deepexi enterprise large model now possesses native multimodal data corpus understanding capability in enterprise AI scenarios, capable of comprehending a wide range of enterprise multimodal data, such as engineering drawings, process documentation, complex spreadsheets, scientific calculation documents, supply chain management logic, and related images and videos of the enterprise. The enterprise ontology model generated based on Deepexi ontological chain of thought enables a deep and systematic understanding of the enterprise's own business logic.

FastAGI Enterprise Agent Platform further iterated to become an enterprise AgentOS platform with end-to-end Harness architecture. Building upon the basic capabilities of Deepexi enterprise large model or in combination with the specialized capability of other SOTA models, it could generate high-precision, hallucination-free and flexible business execution skills for various enterprise positions. These skills form the basis for AI digital employees and agents across various fields.

Based on the iteration of the basic technical capabilities of the above products, the two major product components, Deepexi enterprise large model and FastAGI Enterprise Agent Platform, were integrated into an overall solution called the "AI-level Enterprise Operating System DeepexiOS Platform", aiming to become the foundational platform for AI digital employees in enterprises and enterprise agent in the AI era, and to develop enterprise agent to replace existing traditional business-related information systems in enterprises.

PRODUCT DEVELOPMENT STRATEGY

The R&D organization further focuses on Deepexi enterprise large model product line and FastAGI AgentOS product line, with a view to deepening the development of two core capabilities for enterprise AI, i.e. foundational model products and agent platform.

Deepexi enterprise large model is not a general AI that only reads publicly available internet data. Instead, by learning an enterprise's internal core business logic, processes, terminology and historical data, it forms a "unique" understanding of the enterprise. It possesses the communication context within the enterprise and, based on ontological thinking methods, creates specialized ontological datasets. The model builds its ontological data model based on specific enterprise data and business knowledge. After deep training, the cognitive accuracy of the proprietary model is far superior to similar products, achieving precise enterprise scenario perception and business understanding capabilities. By integrating SQL, Python, frontend, NC and other coding abilities, it can flexibly execute enterprise business tasks. The model is not only capable of writing copy but also has the ability to directly operate backend systems. It can automatically generate SQL to query databases, write Python scripts to access/process charts, and even understand and call complex production systems such as ERP, enabling enterprise AI to leap from a "dialogue generation" to an "actionable agent", not only "knowing" summary knowledge, but also "executing in compliance" in the enterprise.

FastAGI Enterprise Agent Platform focuses on upgrading multiple agentic capabilities to achieve an end-to-end Harness Engineering, including LLMRouter, ultra-long context mechanisms, multi-layer memory architecture, agent environment feedback, skill governance and execution and feedback of agents. Based on this, it realizes AI employees that possess complex task understanding, planning, evaluation and closed-loop execution capabilities. At the same time, the platform provides a production agents environment (including security review, approval, authorization and version

release), creating a high-precision, automated and controllable enterprise AI employee collaboration platform. Focusing on enterprise AI skills, FastAGI has already released 286 enterprise-level skills, including those for production positions such as engineering and product design, BOM analysis, process optimization, fault repair and NC R&D, those for positions such as operational decision-making, product planning, inventory management and financial and tax planning, as well as those for foundational positions in the enterprise such as data governance and operation, code development and industrial policy services. These skills can be flexibly combined on the FastAGI product platform to form agents in various fields. In particular, it forms the enterprise operation decision-making agent DataSense, the industrial agent DeepSense, and the general enterprise agent DeepClaw.

DELIVERY AND SERVICE MODEL

At the end of 2025, based on the Company's own DeepexiOS product system, we built the proprietary AI digital employee platform, focusing on transforming the working model of FDEs. FDEs, based on the Company's self-deployed AI digital employee platform, constructed four types of AI digital employees and corresponding 17 foundational skills for enterprise services, including Solution AI Employees, with foundational skills in solution generation such as pre-sales analysis, requirements reports and blueprint design; Data Governance AI Employees, with governance engineering skills including data standards, data normalization, ontology modeling and quality management; Code AI Employees, with foundational coding engineering skills such as data development, application development, product expansion and ontology development; and Project Management AI Employees, with foundational delivery skills such as project summaries, stage acceptance and project asset organization. These four types of AI digital employees can collaborate with FDEs to complete customer requirements analysis, data governance and coding tasks. With the continuous development of this delivery platform at the AI production level, it will lay the foundation for the Company's sustained improvement in gross profit.

FUTURE STRATEGY

We will establish "AI-era Enterprise Digital Employee Base Platform" strategy for the Company, with DeepexiOS serving as the "AI-level enterprise operating system". As more companies recognize the gradually clear urgent need for accurate deployment of AI digital employees in more positions, DeepexiOS, as an "AI-level enterprise operating system", will become the infrastructure for enterprise intelligence in the AI era, building digital human resources that meet the long-term development of enterprises. Looking ahead, the Board is confident in the Group's strategy of maintaining stability while pursuing progress. We will continue to optimize our capital structure, comply with the regulatory requirements of the Stock Exchange, and create long-term value for shareholders through transparent and efficient management.

Hereby, I would like to express my gratitude for the support from all walks of life!

Mr. Zhao Jiehui

Chairman of the Board

20 March 2026

Management Discussion and Analysis

MACRO AND INDUSTRY ENVIRONMENT

AI has undergone significant evolution since its inception, with continuous advancements expanding its capabilities – ranging from discriminative AI to large model AI, and from artificial narrow intelligence (ANI) to the emerging potential of artificial general intelligence (AGI) and the ultimate goal of artificial superintelligence (ASI). As AI becomes increasingly integrated into the workplace, it is reshaping industries, driving disruptive innovation, and realizing substantial productivity gains. In this context, AI application solutions have become vital tools for organizations of all sizes, helping them tackle unique challenges and achieve strategic objectives. Enterprise AI application solutions refer to a wide range of solutions that integrate AI algorithms into hardware, software and services that are provided to enterprises. Enterprise AI application solutions seamlessly integrate AI into enterprise systems, ensuring scalability and compatibility with existing infrastructure, while delivering tangible value through the resolution of complex, industry-specific problems and supporting long-term business growth.

The development of large model AI has been one of the most significant advancements in artificial intelligence in recent years, revolutionizing how enterprises operate, innovate, and engage with customers. With the rise of models like GPT, BERT, and other Transformer-based architectures, large model AI application solution has emerged as powerful tools for enterprises of all sizes, driving transformation across enterprise operations and enhancing user experiences in diverse applications. In particular, large model AI application solution not only enables enterprises to generate and process various types of content more efficiently, but also more importantly, empowers them to make better-informed and more impactful business decisions. While recognizing the transformative potential of large model AI, enterprises often face several challenges and pain points when considering the development and adoption of these applications, including: 1. lack of ready-to-use large model AI applications; 2. challenges in adapting foundation models to meet specific enterprise needs; 3. unready data quality for enterprise large model AI application development; and 4. demand for optimized computing power infrastructure to support large model AI applications.

In order to address the aforementioned pain points faced by enterprises during the development and adoption of large model AI technologies, enterprise large model AI application solution is offered. Enterprise large model AI application solution, as a subset of enterprise AI solutions, refer to applications built on large model AI capabilities, along with the supporting services necessary when delivering integrated large model AI solutions including model development services, data platform services, and computing power optimization services to help enterprises better utilize enterprise large model AI applications to realize cost reduction and efficiency increases.

BUSINESS REVIEW

FastData Enterprise Data Intelligence Solution

Leveraging our proprietary FastData Foil Data Fusion Platform, our FastData solution tackles this challenge by enabling enterprises to efficiently govern structured, unstructured and semi-structured multi-modal data, building high-quality knowledge bases. By standardizing and unifying the governance of multi-modal data (e.g., knowledge, documents, drawings, formulas), it aims to bridge the gap between raw information and real-world business needs for faster, more accurate data access, reduced development costs, and sharper decision-making.

FastData solution also prepares data for AI, delivering tokenized data output for training and fine-tuning large models and agentic AI applications. Its data output also powers business intelligence and analytics, ensuring enterprises derive maximum value from their information assets.

FastAGI Enterprise AI Solution

Based on our Deepexi enterprise large model, our FastAGI solution, launched and commercialized in late 2023, delivers multi-scenario agentic AI applications tailored to various industries, including consumer goods, manufacturing, healthcare and transportation.

FastAGI solution acts as a one-stop solution enabling full processes from knowledge base development and model management to the incubation of AI agents, simplifying the complexities of AI deployment to empower enterprises across industries to optimize decision-making, enhance operational efficiency and boost productivity.

During the Reporting Period, the total revenue generated from our sales of FastAGI solution was RMB254.5 million, representing a year-on-year increase of 181.5%. Revenue from sales of FastAGI solution accounted for 61.3% of total revenue.

We derived revenue from sales of FastData enterprise data intelligence solution and FastAGI enterprise AI solution. The table below sets forth our revenue breakdown by business segment in amounts and as percentages of our total revenue for the periods indicated:

	Year ended 31 December 2025		Year ended 31 December 2024		Change	
	Amount	%	Amount	%	Amount	%
<i>(RMB in thousands, except for percentage)</i>						
FastData enterprise data intelligence solution	160,525	38.7	152,530	62.8	7,995	5.2
FastAGI enterprise AI solution	254,466	61.3	90,396	37.2	164,070	181.5
Total	414,991	100.0	242,926	100.0	172,065	70.8

FINANCIAL REVIEW

The following discussion is based upon the financial information and notes thereto contained elsewhere in this report and should be read in conjunction therewith.

Revenue

During the Reporting Period, the Group's revenue amounted to RMB415.0 million, representing an increase of 70.8% from RMB242.9 million in the corresponding period last year, primarily attributable to the growing market demand and an expanding customer base, with the number of customers reaching 130 in 2025, representing an increase of 46.1% from 89 in 2024. The significant growth in both customers and revenue for FastAGI enterprise AI solution has driven the overall revenue growth.

The following table sets out the breakdown of the Group's revenue by product category for the Reporting Period and the corresponding period last year.

	Year ended 31 December 2025		Year ended 31 December 2024		Change	
	Amount	%	Amount	%	Amount	%
<i>(RMB in thousands, except for percentage)</i>						
FastData enterprise data intelligence solution	160,525	38.7	152,530	62.8	7,995	5.2
FastAGI enterprise AI solution	254,466	61.3	90,396	37.2	164,070	181.5
Total	414,991	100.0	242,926	100.0	172,065	70.8

Management Discussion and Analysis

- **FastData enterprise data intelligence solution.** During the Reporting Period, the Group's revenue from sales of FastData enterprise data intelligence solution amounted to RMB160.5 million, representing an increase of 5.2% from RMB152.5 million in the corresponding period last year, primarily attributable to: (i) stable sales scale and market conditions; and (ii) the software products of FastData enterprise data intelligence solution reaching a stage of maturity, with its market recognition and brand influence gradually becoming apparent.
- **FastAGI enterprise AI solution.** During the Reporting Period, the Group's revenue from sales of FastAGI enterprise AI solution amounted to RMB254.5 million, representing an increase of 181.5% from RMB90.4 million in the corresponding period last year, primarily attributable to the expansion of our customer base and the number of customers increasing from 20 in 2024 to 70 in 2025, resulting from (i) the increased market demand, (ii) the increased brand recognition, and (iii) the enhanced capabilities of FastAGI enterprise AI solution.

Cost of sales

During the Reporting Period, the Group's cost of sales amounted to RMB186.4 million, representing an increase of 59.7% from RMB116.7 million in the corresponding period last year, primarily attributable to the year-on-year growth in sales revenue, with the overall cost of sales aligning with the revenue growth of our FastData enterprise data intelligence solution and FastAGI enterprise AI solution.

Gross profit and gross profit margin

During the Reporting Period, the Group's gross profit amounted to RMB228.6 million, representing an increase of 81.1% from RMB126.2 million in the corresponding period last year. The gross profit margin for the period was 55.1%, representing an increase of 3.2 percentage points from 51.9% in the corresponding period last year, primarily attributable to the growth in gross profit from FastAGI enterprise AI solution, which drove the overall increase in gross profit. Specifically: (i) the gross profit margin for sales of FastAGI enterprise AI solution increased from 49.1% in 2024 to 55.2% in 2025, mainly due to the economies of scale from the maturity of our business and technology, particularly the usability and adaptability of our solutions, with the improved delivery efficiency; (ii) the gross profit margin for sales of FastData enterprise data intelligence solution remained relatively stable at 53.6% and 54.9% in 2024 and 2025 respectively.

Other income and gains

During the Reporting Period, the Group's other income and gains amounted to RMB5.2 million, representing a decrease of 39.5% from RMB8.6 million in the corresponding period last year, primarily attributable to the bank deposits of the Company being predominantly held as demand deposits. From 20 May 2025, the interest rate on demand deposits at major commercial banks was reduced from 0.10% to 0.05%, resulting in the decreased interest income.

Selling and marketing expenses

During the Reporting Period, the Group's selling and marketing expenses amounted to RMB105.6 million, representing an increase of 18.5% from RMB89.1 million in the corresponding period last year, primarily attributable to an increase in employee benefits expenses and traveling costs driven by our increased number of sales employees to support our business growth, partially offset by a decrease in business development expenses as we strategically reduced such spending after establishing a solid sales channel expansion through substantial investments made from 2022 to 2024, which helped us build a more stable customer base.

Administrative expenses

During the Reporting Period, the Group's administrative expenses amounted to RMB212.2 million, representing an increase of 330.3% from RMB49.3 million in the corresponding period last year, primarily attributable to (i) an increase in share-based payment expense mainly due to the Employee Incentive Scheme adopted by us in 2025 to recognize the contribution of employees, attract and retain talents, and (ii) an increase in listing expense.

Research and development expenses

During the Reporting Period, the Group's research and development expenses amounted to RMB107.7 million, representing an increase of 32.3% from RMB81.4 million in the corresponding period last year, primarily attributable to (i) an increase in computing power and cloud service expenses driven by our strategy to train and fine-tune foundation models and enterprise large models to enhance Agentic AI application capabilities, and (ii) an increase in our outsourced data labeling and solution testing fees as we increased investment in data labeling, ontology data model and solution testing activities to support the development of our solutions, in particular, our FastAGI enterprise AI solution, partially offset by a decrease in employee benefit expenses as we streamlined our R&D employee structure to optimize our R&D efficiency.

Impairment gains/(losses) on financial and contract assets

During the Reporting Period, the Group's impairment gains on financial and contract assets amounted to RMB0.5 million, compared with a loss of RMB9.3 million in the corresponding period last year, primarily attributable to the continued significant improvement in the recovery of receivables, which substantially reduced migration rates and consequently lowered the expected credit loss ratio.

Other expenses

During the Reporting Period, the Group's other expenses amounted to RMB6.8 million, representing an increase of 154.0% from RMB2.7 million in the corresponding period last year, primarily attributable to the increased donations and exchange losses, including (1) a donation of RMB2.0 million to the Hong Kong Polytechnic University in 2025; (2) exchange losses of RMB2.8 million arising from exchange rate fluctuations during the period.

Finance costs

During the Reporting Period, the Group's finance costs amounted to RMB1.3 million, representing an increase of 237.1% from RMB0.4 million in the corresponding period last year, primarily attributable to the increased interest expense arising from new short-term borrowings during the period.

Changes in fair values of financial liabilities at shares with preferential rights

During the Reporting Period, the Group's changes in fair values of financial liabilities at shares with preferential rights amounted to RMB735.1 million, representing a decrease of 36.4% from RMB1,155.2 million in the corresponding period last year, primarily attributable to the fair value change in the financial liabilities at shares with preferential rights we issued to our Pre-IPO Investors.

Income tax expense

During the Reporting Period, the Group's income tax expense amounted to RMB50.0 thousand, whereas no income tax expense was incurred in the corresponding period last year, primarily attributable to the withholding income tax during the Reporting Period.

Loss and total comprehensive loss for the year

As a result of the foregoing, the Group's loss and total comprehensive loss for the year amounted to RMB934.6 million, representing a decrease of RMB320.4 million compared to RMB1,255.0 million in the corresponding period last year.

Non-HKFRS Financial Measure

To supplement our consolidated financial statements, which are presented in accordance with HKFRS, we also use adjusted net loss (Non-HKFRS measure) as additional financial measure, which is not required by, or presented in accordance with HKFRS. We believe this non-HKFRS measure facilitates comparisons of operating performance from period to period by eliminating potential impacts of certain items. We believe this measure provides useful information to investors and others in understanding and evaluating our combined results of operations in the same manner as they

help our management. However, such non-HKFRS financial measure we presented may not be directly comparable to similar measures presented by other companies.

We define adjusted net loss (Non-HKFRS measure) for the Reporting Period as loss and total comprehensive loss for the year adjusted by adding back (i) share-based payment expense, (ii) changes in fair values of financial liabilities at shares with preferential rights, and (iii) listing expense. The following table reconciles our adjusted net loss (Non-HKFRS measure) for the year presented in accordance with HKFRS:

	Year ended 31 December		Percentage change %
	2025 Amount	2024 Amount	
	<i>(RMB in thousands, except for percentages)</i>		
Loss and total comprehensive loss for the year	(934,559)	(1,254,990)	-25.5
Add:			
– Share-based payment expense	115,257	2,784	4,040.0
– Changes in fair values of financial liabilities at shares with preferential rights	735,149	1,155,186	-36.4
– Listing expense	56,618	631	8,872.7
Adjusted net loss (Non-HKFRS measure) for the year	(27,535)	(96,389)	-71.4

Property, plant and equipment

As of 31 December 2025, the Group's property, plant and equipment amounted to RMB5.8 million, representing an increase of 77.1% from RMB3.3 million as of 31 December 2024, primarily attributable to the increased computing power support and AI training servers required for the Company's business expansion.

Right-of-use assets

As of 31 December 2025, the Group's right-of-use assets amounted to RMB13.1 million, representing an increase of 125.6% from RMB5.8 million as of 31 December 2024, primarily attributable to the renewal of existing leases and the addition of leases in Hong Kong and Suzhou.

Inventories

As of 31 December 2025, the Group's inventories amounted to RMB9.8 million, representing a decrease of 32.9% from RMB14.5 million as of 31 December 2024, primarily attributable to the recognition of contract fulfilment costs as cost of sales following project acceptance in 2025.

Trade and bills receivables

As of 31 December 2025, the Group's trade and bills receivables amounted to RMB307.6 million, representing an increase of 85.0% from RMB166.2 million as of 31 December 2024, primarily attributable to a substantial rise in revenue of primary business, which correspondingly led to an increase in the associated receivables.

Trade and bills payables

As of 31 December 2025, the Group's trade and bills payables amounted to RMB111.7 million, representing an increase of 33.6% from RMB83.6 million as of 31 December 2024, primarily attributable to the significant growth in our business, which led to the increased purchase amount and consequently higher balances payable to suppliers.

Prepayments, other receivables and other assets

As of 31 December 2025, the Group's prepayments, other receivables and other assets amounted to RMB11.3 million, representing an increase of 75.7% from RMB6.4 million as of 31 December 2024, primarily attributable to an increase in prepayments to suppliers for outsourced research and development.

Contract assets

Contract assets represent our rights to receive consideration for obligations performed under some of our sales contracts. As of 31 December 2025, the Group's contract assets amounted to RMB17.1 million, representing an increase of 11.3% from RMB15.4 million as of 31 December 2024, primarily attributable to an increase in warranty payment.

Other payables and accruals

As of 31 December 2025, the Group's other payables and accruals amounted to RMB68.2 million, representing an increase of 25.3% from RMB54.4 million as of 31 December 2024, primarily attributable to an increase in fees payable to listing agency.

Management Discussion and Analysis

Liquidity and capital resources

During the Reporting Period, the Group's net cash flows used in operating activities amounted to RMB198.9 million, compared with RMB117.7 million in the corresponding period last year.

As of 31 December 2025, the Group's cash at banks amounted to RMB715.4 million, comprising pledged deposits of RMB21.1 million, restricted cash of RMB8.0 million and cash and cash equivalents of RMB686.3 million, representing an increase of 241.3% from RMB209.6 million as of 31 December 2024.

As of 31 December 2025, the Group's interest-bearing bank loans and other borrowings amounted to RMB60.9 million, all of which were short-term borrowings. As of 31 December 2024, the Group had no interest-bearing bank loans or other borrowings. The increase was primarily attributable to fund management requirements for replenishing working capital. All borrowings of the Group were denominated in Renminbi and were fixed-rate borrowings. The Group has not implemented any interest rate hedging policies.

Indebtedness

The Group's indebtedness included bank loans, other borrowings and lease liabilities.

As of 31 December 2025, the Group's current indebtedness comprised bank loans and lease liabilities of RMB60.9 million and RMB7.7 million respectively. As of 31 December 2024, the Group's current indebtedness comprised bank loans and lease liabilities of RMBnil million and RMB4.3 million respectively.

As of 31 December 2025, the Group had no bank loans or other borrowings in its non-current indebtedness, with lease liabilities amounting to RMB5.1 million. As of 31 December 2024, the Group had no bank loans or other borrowings in its non-current indebtedness, with lease liabilities amounting to RMB1.6 million.

Contingent liabilities

As of 31 December 2025, the Group did not have any material contingent liabilities.

Capital expenditures

During the Reporting Period, the Group's capital expenditures amounted to RMB5.7 million. The Group's capital expenditures consisted of expenditures on property, plant and equipment for office refurbishment and procurement of servers, and intangible assets.

Capital commitments

As of 31 December 2025, the Group did not have any significant capital commitments.

Gearing ratio

As of 31 December 2025, the Group's gearing ratio (defined as total liabilities divided by total assets as at the same date) stood at 23.4%, representing a decrease of 941.9 percentage points from 965.3% as of 31 December 2024, primarily attributable to an increase in monetary assets arising from the Group's issuance of H shares for financing purposes during the Reporting Period and cash flows from operating activities.

Distributable reserves

As of 31 December 2025, the Group had no distributable reserves.

Foreign currency

Foreign currency risk is the risk of loss resulting from changes in foreign currency exchange rates. Fluctuations in exchange rates between RMB and USD in which we conduct business may affect our financial condition and results of operations. As the Group's operations are predominantly settled in Renminbi, such risks are not material and the Group does not employ hedging instruments for this purpose.

Asset mortgage

As of 31 December 2025, the Group did not pledge any assets.

SIGNIFICANT INVESTMENTS, ACQUISITIONS AND DISPOSALS

As of the end of the Reporting Period, the Group did not have any significant investments required to be disclosed pursuant to paragraph 32(4A) of Appendix D2 to the Listing Rules. During the Reporting Period, the Group had no significant investments, acquisitions and/or disposals of subsidiaries, associates and joint ventures.

FUTURE PLANS FOR SIGNIFICANT INVESTMENTS AND INVESTMENTS IN CAPITAL ASSETS

As of the end of the Reporting Period, save as disclosed in "Use of Proceeds" of this report and "Future Plans and Use of Proceeds" of the Prospectus, the Group has no future plans for significant investments or capital asset investments.

MAIN RISKS AND UNCERTAINTIES

Our business involves certain risks (as set out in the section of "Risk Factors" in the Prospectus). The following is a summary of certain main risks and uncertainties faced by the Group (some of which are beyond our control).

- Any flaw or misuse of the AI technologies, whether actual or perceived, intended or inadvertent, committed by us or by other third parties, could harm our reputation and materially and adversely impact on our business, financial condition, prospects and the general acceptance of AI solutions by the society;
- Actual or alleged failure to comply with cybersecurity and data protection and personal information protection laws and regulations could damage our reputation, deter current and potential customers from using our solutions and could subject us to significant legal, financial and operational consequences;
- Our ability to continuously improve our technology and provide innovative solutions that meet the expectations of our customers;
- Our ability to generate commercial returns from our R&D investments;
- Our ability to compete effectively;

Management Discussion and Analysis

- Our ability to retain existing customers, attract new customers or increase the spending by existing customers;
- Our ability to make our solutions to perform as required, and to offer high-quality customer services;
- Our ability to expand into new verticals successfully;
- Our ability to obtain or maintain adequate intellectual property protection for our technologies and solutions;
- We may not be able to achieve or subsequently maintain profitability in the near future;
- We are subject to risks related to sanctions, export control laws and economic or trade restrictions.

SIGNIFICANT EVENT AFTER THE REPORTING PERIOD

Save as disclosed in this report, there are no significant events after the Reporting Period that require adjustment or disclosure in accordance with the HKFRS Accounting Standards.

FUTURE OUTLOOK

Today, leveraging the coupling of open-source foundation models with public knowledge capabilities, as well as extensive data from different industries and experience from collaborations with industry leaders, we developed the Deepexi enterprise large model. This platform incorporates foundational capabilities across various verticals and can be trained and fine-tuned into enterprise-specific large models through supervised fine-tuning (SFT), where a pre-trained large model is adapted to a specific downstream task using labeled dataset, and reinforcement learning, an interdisciplinary area combining machine learning and optimal control that focuses on how an intelligent agent should take actions in a dynamic environment in order to maximize a reward signal. These models power our FastAGI enterprise AI solution with embedded agentic AI applications, which are capable of processing industry-specific data and performing multi-step reasoning to assist enterprises in completing complex tasks and enhancing operational efficiency.

Looking ahead, we believe all industries will undergo AI-driven transformation. We plan to focus on data engineering, model engineering and application engineering as the core of our AI development, while exploring diverse hybrid technology stacks to enhance our solutions. By deeply integrating with industry scenarios, we aim to continuously build and operationalize scenario-specific AI applications, providing full-cycle services for enterprise AI deployment.

Biographical Details of Directors and Senior Management

DIRECTORS

Executive Directors

Mr. Zhao Jiehui (趙杰輝), aged 46, is the founder of our Group, and has served as chairman of the Board, executive Director and chief executive officer of our Company. He was re-designated as our executive Director in March 2025.

Mr. Zhao Jiehui has over 20 years of experience in the information technology industry. Prior to joining our Group, he worked as a core technology expert and team leader in core router related fields at Huawei Technologies Co., Ltd. (華為技術有限公司) from March 2004 to May 2015. He worked within the Alibaba Group (阿里巴巴集團) from May 2015 to September 2018, during which he held various positions including the senior technology expert and general manager of the enterprise business department at Alibaba Cloud Computing Co. Ltd. (阿里雲計算有限公司).

Mr. Zhao Jiehui graduated from Tianjin University (天津大學) in Tianjin, the PRC, majoring in electrical engineering and automation in June 2001, and received his master's degree in power system and automation from the same institution in Tianjin, the PRC, in June 2004.

Mr. Yang Lei (楊磊), aged 46, is the co-founder, an executive Director and president of our product and solution staff team (PSST) of our Group.

Mr. Yang Lei has over 20 years of experience in the information technology industry. Prior to joining our Group, he worked as a senior product manager and senior engineer at Huawei Technologies Co., Ltd. (華為技術有限公司) from December 2004 to December 2012, and as the founder and chief executive officer at Beijing Weiqing Technology Co., Ltd. (北京維擎科技有限公司) from May 2016 to January 2018. Together with Mr. Zhao Jiehui, Mr. Yang Lei co-founded our Group in May 2018 and served as our supervisor from May 2018 to July 2018, president of our product and solution staff team since July 2018, our Director from July 2018 to March 2020, and our Director since December 2020. He was re-designated as our executive Director in March 2025.

Mr. Yang Lei received his bachelor's degree in vehicle operation engineering (automotive application engineering) from Southwest Forestry College (西南林學院) (currently known as Southwest Forestry University (西南林業大學)) in Yunnan, the PRC, in July 2001, and received his master of business administration degree from China Europe International Business School (中歐國際工商學院) in Shanghai, the PRC, in August 2023. As a key participant, he contributed to the R&D of the "Multimodal Corpus Data Intelligent Platform," which was certified as a scientific and technological achievement by the China Association for Promoting Science and Technology in the Private Sector (中國民營科技促進會) in April 2024.

Dr. Li Qiang (李強), aged 57, is an executive Director, chief investment officer, secretary to the Board and joint company secretary of our Company.

Dr. Li has extensive experience in investment and financing and operational management. Prior to joining our Group, he served as a certification engineer/airworthiness inspector at the Aircraft Airworthiness Center of the Civil Aviation Administration of China ("CAAC") (中國民用航空總局航空器適航中心) from July 1996 to April 1998, a senior certification engineer/airworthiness inspector at the Aviation Safety Technology Center of the CAAC (中國民用航空總局航空安全技術中心) from April 1998 to August 2002, the executive director of operations division at Aircraft Maintenance & Engineering Corporation (北京飛機維修工程有限公司) from August 2002 to September 2010, the general manager of information management department at Air China Limited (中國國際航空股份有限公司), a company listed on the Stock Exchange (stock code: 0753), the Shanghai Stock Exchange (stock code: 601111) and the London Stock Exchange (stock code: AIRC), from September 2010 to February 2017, and a partner at Gaoling Tiancheng (Beijing) Investment Consulting Co., Ltd. (高領天成(北京)投資諮詢有限公司) from February 2017 to May 2024. Dr. Li served as our chief operating officer from June 2024 to March 2026. Dr. Li served as a non-executive Director of our Company from March 2019 to March 2020 and from December 2020 to June 2024, and has been serving as our Director since July 2024. He was re-designated as our executive Director in March 2025, appointed as our secretary to the Board and joint company secretary in August 2025, and appointed as our chief investment officer in March 2026.

Biographical Details of Directors and Senior Management

Dr. Li received his bachelor's degree in aircraft design from Northwestern Polytechnical University (西北工業大學) in Shaanxi, the PRC, in July 1991, where he further received his master's and doctoral degrees in aircraft design in July 1993 and June 1996, respectively. He further received his master of business administration degree from China Europe International Business School (中歐國際工商學院) in Shanghai, the PRC, in August 2008.

Mr. Cao Lianfei (曹連飛), aged 44, is an executive Director and president of our sales and service system of our Company.

Mr. Cao has over 18 years of experience in the technology, media and telecom industry. Prior to joining our Group, he served as the general manager of western region at Shenzhen Huachengfeng Technology Co., Ltd. (深圳市華成峰科技有限公司) from September 2006 to December 2017. He joined our Group in May 2018 and has been serving as president of our sales and service system since then. He has been serving as our Director since December 2020 and was re-designated as our executive Director in March 2025.

Mr. Cao graduated from Nanchang University (南昌大學) in Jiangxi, the PRC, majoring in communication engineering in July 2006.

Ms. Shi Yi (石宜), aged 39, is an executive Director and employee representative Director, chief operating officer.

Ms. Shi has over 13 years of experience in project management and product operations. Prior to joining our Group, she worked at Guangdong Zhangzhong Wanwei Electronic Co., Ltd. (廣東掌中萬維電子有限公司). After that, she worked as a senior product manager at Richinfo Technology Co. Ltd. (彩訊科技股份有限公司) from September 2012 to April 2016, a senior product manager at Guangdong Wanzhang Jinshu Information Technology Co., Ltd. (廣東萬丈金數信息技術股份有限公司) from April 2016 to October 2016, and a product director at Beijing Rongshu Yuntu Technology Co., Ltd. Guangzhou Branch (北京融數雲途科技有限公司廣州分公司) from October 2016 to November 2017. She joined our Group in October 2018 and has been serving as our supervisor from December 2020 to March 2025. She served as our president of digital innovation center from October 2018 to January 2024 and served as the president of our human resources system from January 2024 to December 2025. She was elected as our employee representative Director and designated as our executive Director in March 2025, and has been serving as our chief operating officer since March 2026.

Ms. Shi graduated from Wuhan University of Science and Technology (武漢科技大學) in Hubei, the PRC, majoring in architectural decoration in June 2006 and is currently pursuing her master of business administration degree at Harbin Institute of Technology (哈爾濱工業大學) in Heilongjiang, the PRC. She was accredited as a system integration project management engineer (系統集成項目管理工程師) by the Ministry of Human Resources and Social Security of the PRC (人力資源和社會保障部) in August 2013.

Non-executive Director

Mr. Wang Zhenghao (王正浩), aged 41, is a non-executive Director of our Company.

Mr. Wang has extensive experience in corporate management. He worked at China Metallurgical Group Corporation (中國冶金科工集團有限公司) from 2010 to 2012, and at Industrial Bank (興業銀行) from 2013 to 2018. He has currently been serving as the general manager at Xingtou (Beijing) Capital Management Co., Ltd. (興投(北京)資本管理有限公司) since August 2018, a non-executive director at Dmall Inc. (多點數智有限公司), a company listed on the Stock Exchange (stock code: 2586) since November 2020, a supervisor at Jinko Solar Co., Ltd. (晶科能源股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 688223), since March 2022, and the chairman of the supervisory board at Farasis Energy (Ganzhou) Co., Ltd. (孚能科技(贛州)股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 688567), since July 2022. Mr. Wang has been a Director of our Company since August 2021 and was re-designated as our non-executive Director in March 2025.

Mr. Wang received his bachelor's degree in human resources management from Beijing Normal University (北京師範大學) in Beijing, the PRC, in July 2006, and received his master's degree in western economics from Peking University (北京大學) in Beijing, the PRC, in June 2010.

Independent Non-executive Directors

Dr. Yang Hongxia (楊紅霞), aged 41, is an independent non-executive Director of our Company.

Dr. Yang has extensive experience in the artificial intelligence field and academic research. She worked at IBM Corporation from January 2011 to January 2015 and Yahoo! from January 2015 to September 2016, and worked as a senior staff algorithm engineer at Alibaba DAMO Academy (阿里巴巴達摩院) of Taobao (China) Software Co., Ltd. (淘寶(中國)軟件有限公司) from September 2016 to September 2022. She was a professor at The Hong Kong Polytechnic University (香港理工大學) from July 2024 to January 2026, and has been a chair professor at The Hong Kong Polytechnic University (香港理工大學) since February 2026. Dr. Yang was appointed as an independent non-executive Director of our Company in March 2025.

Dr. Yang obtained her bachelor's degree in statistics from Nankai University (南開大學) in Tianjin, the PRC, in June 2007 and her doctoral degree in statistics from Duke University in the United States in December 2010. She was awarded the Super AI Leader Award (卓越人工智能引領者獎) at the 2019 World Artificial Intelligence Conference (2019 世界人工智能大會), the Second-Class National Science and Technology Progress Award (國家科學技術進步獎二等獎) by the State Council in 2020, the First-Class Science and Technology Progress Award (科學技術進步獎一等獎) by the Chinese Institute of Electronics (中國電子學會) in 2021 and the First-Class Science and Technology Progress Award (科學技術進步獎一等獎) by the Ministry of Education of the PRC in 2022.

Biographical Details of Directors and Senior Management

Dr. Kong Xianguang (孔憲光), aged 50, is an independent non-executive Director of our Company.

Dr. Kong has over 20 years of experience in academic research and the big-data technology industry. He has been working as a lecturer at Xidian University (西安電子科技大學) since May 2005 and has served as the director of the Intelligent Manufacturing and Industrial Internet (Big Data) Research Center (智能製造與工業互聯網(大數據)研究中心), the head of the Shaanxi Provincial Key Innovation Team for Industrial Internet Big Data and Intelligent Systems (陝西省工業互聯網大數據與智能系統重點創新團隊), the director of the Shaanxi Provincial Industrial Internet Technology Engineering Center (陝西省工業互聯網技術工程中心), and the director of the Xi'an Industrial Big Data and Intelligent Systems Engineering Center (西安市工業大數據與智能系統工程中心). He was recognized as a professor by the Shaanxi Provincial Ministry of Human Resources and Social Security in July 2021. Dr. Kong was appointed as an independent non-executive Director of our Company in March 2025.

Dr. Kong received his bachelor's, master's and doctoral degrees in mechanical manufacturing and automation from Northwestern Polytechnical University (西北工業大學) in Shaanxi, the PRC, in July 1997, March 2000 and March 2005, respectively. He was accredited as a strategic think tank expert (戰略智庫專家) of Shaanxi Transportation Holding Group Co., Ltd. (陝西交通控股集團有限公司) in 2025, academic committee member of the Key Laboratory of Industrial Big Data Analysis and Integrated Applications, Ministry of Industry and Information Technology (工業大數據分析與集成應用工業和信息化部重點實驗室學術委員會), academic committee member of the Key Laboratory of Intelligent Equipment Digital Twin Technology Innovation and Testing, Ministry of Industry and Information Technology (智能裝備數字孿生技術創新與測試工業和信息化部重點實驗室學術委員會) in 2023, co-chair of the Data Assets Subgroup of the National Big Data Standardization Working Group (全國大數據標準工作組數據資產專題組) in 2023, chairman of the Informatization Expert Group of the Shaanxi Provincial State-owned Assets Supervision and Administration Commission (陝西省國資委信息化專家組) in 2024, Included Expert in the Shaanxi Provincial 5G+ Application Operations (陝西省 5G+應用運營領域入庫專家) in December 2023, and industry expert advisor of Suzhou Big Data Exchange (蘇州大數據交易所) in 2023.

Mr. Zhang Jielong (張杰龍), aged 43, is an independent non-executive Director of our Company.

Mr. Zhang has rich experience in finance, equity investment, and mergers and acquisitions. He worked as a senior associate at PricewaterhouseCoopers Zhong Tian LLP Beijing Branch (普華永道中天會計師事務所(特殊普通合伙)北京分所) from August 2004 to March 2007. He worked at Mizuho from September 2007 to July 2011, with his last position as vice president of Mizuho Securities Asia Limited (瑞穗證券亞洲有限公司). He served as a managing director at China Development Bank International Holdings Limited (國開國際控股有限公司) from August 2011 to March 2018. Mr. Zhang currently serves as the chief financial officer at G7 Connect Inc (G7 易流物聯科技有限公司) since March 2018. Mr. Zhang was appointed as an independent non-executive Director of our Company in March 2025.

Mr. Zhang received his bachelor's degrees in literature and economics from Beijing Foreign Studies University (北京外國語大學) in Beijing, the PRC, in July 2004, and his master's degree in business administration from The Chinese University of Hong Kong (香港中文大學) in December 2011. He is a fellow member of the Hong Kong Securities and Investment Institute (香港證券及投資學會).

SENIOR MANAGEMENT

Mr. Zhao Jiehui (趙杰輝), is the founder, executive Director, chairman of the Board and chief executive officer of our Company. For his biographical details, see “Directors — Executive Director” in this section.

Mr. Yang Lei (楊磊), is the co-founder, an executive Director and president of our product and solution staff team (PSST) of our Company. For his biographical details, see “Directors — Executive Director” in this section.

Dr. Li Qiang (李強), is an executive Director, chief investment officer, secretary to the Board and joint company secretary of our Company. For his biographical details, see “Directors — Executive Director” in this section.

Mr. Cao Lianfei (曹連飛), is an executive Director and president of our sales and service system of our Company. For his biographical details, see “Directors — Executive Director” in this section.

Ms. Shi Yi (石宜), is an executive Director and employee representative Director, chief operating officer of our Company. For her biographical details, see “Directors — Executive Director” in this section.

Mr. Xue Genglei (薛更磊), aged 46, was the general manager of our financial operation center, which was mainly responsible for the financial management and reporting affairs of our Group.

Mr. Xue has over 18 years of experience in financial accounting and corporate management. He worked as an audit manager at ShineWing Certified Public Accountants (信永中和會計師事務所) from October 2006 to October 2015 and the group senior vice president at Guoxin Youyi Data Co., Ltd. (國信優易數據股份有限公司) from November 2015 to November 2022. He joined our Group in January 2023 and worked as our general manager of financial operation center since then, and resigned on 31 December 2025.

Mr. Xue received his bachelor’s degree in financial management from Hebei University of Economics and Business (河北經貿大學) in Hebei, the PRC, in July 2003, and was recognized as a Certified Public Accountant by the Ministry of Finance of the PRC in February 2006.

Mr. Yang Zhiliao (楊志燎), aged 37, is the general manager of the Finance Management Department of our Company, primarily responsible for the financial management and reporting affairs of our Group.

Mr. Yang has over 14 years of experience in financial management, audit and capital markets. Prior to joining our Group, he worked as an auditor and senior auditor at Grant Thornton Zhitong Certified Public Accountants LLP from July 2011 to February 2015, a senior auditor at Deloitte Touche Tohmatsu Certified Public Accountants LLP Guangzhou Branch from February 2015 to November 2017, a project manager at Guangdong Zhengzhong Zhujiang Certified Public Accountants from November 2017 to October 2019, a deputy director of overseas finance at *Helenbergh Holdings Group Co., Ltd.* (海倫堡控股集團有限公司) from November 2019 to September 2020, and a chief financial officer at Guangzhou LBP Medicine Science & Technology Co., Ltd. (a company listed on the Shanghai Stock Exchange, stock code: 688393) from September 2020 to May 2022, during which he concurrently served as the secretary to the Board from December 2020 to August 2021. He also worked as a chief financial officer at Guangdong Jinghao Investment Holdings Co., Ltd.* (廣東景昊投資控股有限公司) from May 2022 to December 2025. He joined our Group as the deputy general manager of the Finance Management Department on 5 January 2026, and has been appointed as the general manager of the Finance Management Department since March 2026.

Mr. Yang obtained his bachelor’s degree in economics and bachelor’s degree in management from Guangdong University of Foreign Studies in Guangdong, the PRC, in June 2011. He was accredited as a non-practicing member by the Chinese Institute of Certified Public Accountants in February 2022 and holds the qualification of secretary to the Board for The Science and Technology Innovation Board.

Biographical Details of Directors and Senior Management

Ms. Hong Le (紅樂), aged 37, is the chief marketing officer of our Company.

Ms. Hong worked as a responsible editor and reporter of Beijing Community News (北京社區報) from June 2010 to June 2013, a responsible editor and reporter of PR Magazine (國際公關雜誌) from June 2013 to April 2015, a director of brand public relations at Beijing Dongfang Cheyun Information Technology Co., Ltd. (北京東方車雲信息技術有限公司) from May 2015 to July 2016, a deputy director of public relations at Liangcheng Technology (Beijing) Co., Ltd. (量橙科技(北京)有限公司) from January 2017 to January 2020, and a public relations manager at Genkiforest Co., Ltd. (元氣森林(北京)食品科技集團有限公司) from May 2020 to July 2020. She joined our Group in February 2021 and has been serving as our chief marketing officer since then. Ms. Hong worked as the secretary to the Board of our Company from March 2025 to August 2025 and her appointment as our company secretary was from March 2025 to August 2025.

Ms. Hong received her bachelor's degree of management from Beijing University of Agriculture (北京農學院) in Beijing, the PRC, in June 2010 and graduated from Renmin University of China (中國人民大學) with a major in communication in Beijing, the PRC, in July 2013.

JOINT COMPANY SECRETARIES

Dr. Li Qiang (李強), is an executive Director, chief investment officer, secretary to the Board and joint company secretary of our Company. For his biographical details, see "Directors — Executive Director" in this section.

Ms. Yeung Siu Wai Kitty (楊小慧), is our joint company secretary.

Ms. Yeung is a senior manager of company secretarial services of Tricor Services Limited (a member of Vistra group). Ms. Yeung has over 15 years of experience in the corporate secretarial field. She has been providing professional corporate services to Hong Kong listed companies as well as private and offshore companies. Ms. Yeung is a chartered secretary, a chartered governance professional and an associate of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.

Ms. Yeung received her bachelor's degree of social science in administration and public management from City University of Hong Kong (香港城市大學) in November 2006 and her master's degree in corporate governance from Hong Kong Metropolitan University (香港都會大學) (formerly known as The Open University of Hong Kong (香港公開大學)) in August 2017.

Directors' Report

The Board hereby presents the annual report for the year ended 31 December 2025 together with the audited consolidated financial statements of the Group for the year ended 31 December 2025.

PRINCIPAL BUSINESS

The Group specializes in delivering enterprise large model AI application solutions, empowering enterprises to integrate their data, decisions and operations efficiently at scale. We offer enterprise customers our FastData enterprise data intelligence solution and FastAGI enterprise AI solution underpinned by our FastData Foil Data Fusion Platform and the Deepexi enterprise large model platform, which serve as the foundational infrastructure for deploying and implementing agentic AI applications. Our proprietary large model is the industry's first general-purpose enterprise operational decision-making large model to complete dual regulatory filings for both deep synthesis algorithm and generative AI services. The business operation and prospects of the Group, as well as the risks to which the Company's operating activities may be exposed, are set out in the sections headed "Management Discussion and Analysis – Macro And Industry Environment, Business Review, Financial Review, Future Outlook" and "Management Discussion and Analysis – Main Risks And Uncertainties" of this report. The business of the Company's major subsidiaries is set out in Note 1 to the financial statements.

Results

The Group's results for the year ended 31 December 2025 and the Group's financial information as at 31 December 2025 are set out in the audited consolidated financial statements contained in this report.

BUSINESS REVIEW

The review of the Group's business during the Reporting Period and the discussion on future business development are set out in the sections headed "Management Discussion and Analysis – Macro And Industry Environment, Business Review" and "Management Discussion and Analysis – Future Outlook" of this report, while the description of the main risks and uncertainties to which the Group may be exposed, together with the Group's policy responses and potential opportunities, are set out in the section headed "Management Discussion and Analysis – Main Risks And Uncertainties" of this report. Information regarding the Group's significant event after the Reporting Period and the analysis of the Group's performance during the year based on key financial performance indicators are set out in sections such as "Management Discussion and Analysis – Significant Event after the Reporting Period, Financial Review" of this report.

Information regarding the Group's investor relations is set out in the section headed "Corporate Governance Report" of this report. Further details regarding the Group's environmental policy and performance, as well as descriptions of the Group's relationships with its employees, customers, suppliers and persons having a significant influence on the Company, are set out in the Company's 2025 Environmental, Social and Governance Report.

SHARE CAPITAL

For details of changes in the total number of shares issued by the Company as of the end of the Reporting Period, please refer to Note 28 to the financial statements.

DIVIDEND POLICY AND DIVIDENDS

The Company has established a dividend policy, as well as procedures and mechanisms for decision-making and adjustment of profit distribution, in accordance with the relevant regulations, and has made explicit provisions in the Articles of Association, as follows:

The Company implements a consistent and stable profit distribution policy, prioritizing reasonable returns on investment for Shareholders while ensuring the Company's sustainable development. The distribution of the Company's after-tax profits is determined by the Board in accordance with the Articles of Association and relevant regulations, taking into account the Company's economic benefits, and is implemented following a resolution by the shareholders' meeting. The Company may adjust its profit distribution policy in accordance with its production and operation, investment plans and long-term development needs. Any adjusted profit distribution policy must not contravene the provisions of laws and regulations, and proposals regarding adjustments to the profit distribution policy must be reviewed by the Board before being submitted to the shareholders' meeting for approval.

The Board has not proposed a final dividend for the year ended 31 December 2025.

During the Reporting Period, there were no arrangements whereby Shareholders waived or agreed to waive any dividends.

TAX EFFECT

H Shareholders

(1) Individual Investors

Pursuant to the Individual Income Tax Law of the PRC (《中華人民共和國個人所得稅法》) ("Individual Income Tax Law"), which was most recently amended by the SCNPC on 31 August 2018 and became effective on 1 January 2019, and the Regulations on Implementation of the Individual Income Tax Law of the PRC (《中華人民共和國個人所得稅法實施條例》), which was most recently amended by the State Council on 18 December 2018 and became effective on 1 January 2019, dividends distributed by PRC enterprises to individual investors are subject to individual income tax levied at the flat rate of 20%. For an individual investor who has no domicile in the PRC and is not resident in the territory of the PRC or who has no domicile in the PRC and has been resident in the territory of the PRC for less than 183 days cumulatively within a tax year, his/her receipt of dividends from a PRC company is normally subject to a PRC withholding tax of 20% unless exempted or reduced by an applicable tax treaty and other tax laws and regulations.

In accordance with 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》) (the "Arrangement on the Avoidance of Double Taxation and the Prevention of Fiscal Evasion"), signed by Chinese mainland and Hong Kong on 21 August 2006 and became effective on the same day, the PRC Government has the authority to impose taxes on dividends paid by a PRC company to Hong Kong residents, including both natural persons and legal entities. The tax levied shall not exceed 10% of the total dividends payable. If a Hong Kong resident directly holds 25% or more of the equity interest in a PRC company and meets other conditions as the beneficial owner of the dividends, the tax imposed shall not exceed 5% of the total dividends payable by the PRC company. The Fifth Protocol of 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>第五議定書》) (the "Fifth Protocol"), issued by State Administration of Taxation and became effective on 6 December 2019, stipulates that these provisions shall not apply to arrangements or transactions entered into primarily for the purpose of obtaining such tax preference.

Pursuant to the Notice on Taxation Policies concerning the Pilot Program of an Interconnection Mechanism for Transactions in the Shanghai and Hong Kong Stock Markets (Cai Shui [2014] No. 81) (《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》), issued on 31 October 2014 and became effective on 17 November 2014, and the Notice on Taxation Policies concerning the Pilot Program of an Interconnection Mechanism for Transactions in the Shenzhen and Hong Kong Stock Markets (Cai Shui [2016] No. 127) (《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》), issued on 5 November 2016 and became effective on 5 December 2016, both jointly promulgated by the Ministry of Finance, the State Administration of Taxation and the CSRC, for dividends derived from investing by mainland individual investors in H Shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect, H-share companies shall withhold individual income tax at a tax rate of 20% for the investors. For mainland securities investment funds investing in shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect, the above rules also apply and individual income tax shall be levied on dividends derived therefrom.

(2) Enterprise Investors

Pursuant to the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法》), which was most recently amended by the SCNPC on 29 December 2018 and became effective on the same date, and the Regulations on Implementation of the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法實施條例》), which was most recently amended by the State Council on 6 December 2024 and became effective on 20 January 2025 (the "Implementation Regulations of the Enterprise Income Tax Law"), if a non-resident enterprise does not have an establishment or premise in the PRC or has an establishment or premise in the PRC but its PRC-sourced income has no real connection with such establishment or premise, it is generally subject to a lower enterprise income tax rate at 10% on PRC-sourced income (including dividends distributed by a PRC resident enterprise whose shares are issued and listed in Hong Kong). The aforesaid income tax payable by non-resident enterprises is deducted at source, where the payer of the income shall have the obligation to withhold the income tax from the payables. Such withholding tax may be reduced or exempted pursuant to an applicable treaty for the avoidance of double taxation.

Pursuant to the Circular of the State Taxation Administration (STA) on Issues Relating to the Withholding and Remitting of Enterprise Income Tax on Dividends Paid by PRC Resident Enterprises to Overseas Non-PRC Resident Enterprise Shareholders of H Shares (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》) issued by the STA on 6 November 2008 and became effective on the same date, a PRC-resident enterprise must withhold enterprise income tax at a uniform rate of 10% on the dividends paid to non-PRC resident enterprise holders of overseas listed H Shares when distributing dividends for the years of 2008 and beyond. The Response to Issues on Levying Enterprise Income Tax on Dividends Derived by Non-resident Enterprise from Holding Stock such as B-shares (《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》) issued by the STA on 24 July 2009 and became effective on the same date further provided that when a PRC-resident enterprise with shares issued by public offering and listed overseas (A Shares, B Shares and overseas shares) distributes dividends for the years of 2008 and beyond to non-PRC resident enterprises, it must withhold enterprise income tax at a uniform rate of 10%. The above tax rate may be further modified in accordance with tax treaties or agreements (if applicable) entered into between the PRC and the relevant countries or regions.

In accordance with the Arrangement on the Avoidance of Double Taxation and the Prevention of Fiscal Evasion, the PRC Government has the authority to impose taxes on dividends paid by a PRC company to Hong Kong residents, including both natural persons and legal entities. The tax levied shall not exceed 10% of the total dividends payable. If a Hong Kong resident directly holds 25% or more of the equity interest in a PRC company and meets other conditions as the beneficial owner of the dividends, the tax imposed shall not exceed 5% of the total dividends payable by the PRC company. The Fifth Protocol stipulates that these provisions shall not apply to arrangements or transactions entered into primarily for the purpose of obtaining such tax preference.

Pursuant to the Notice on Taxation Policies concerning the Pilot Program of an Interconnection Mechanism for Transactions in the Shanghai and Hong Kong Stock Markets (Cai Shui [2014] No. 81) 《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》, issued on 31 October 2014 and became effective on 17 November 2014, and the Notice on Taxation Policies concerning the Pilot Program of an Interconnection Mechanism for Transactions in the Shenzhen and Hong Kong Stock Markets (Cai Shui [2016] No. 127) 《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》, issued on 5 November 2016 and became effective on 5 December 2016, both jointly promulgated by the Ministry of Finance, the STA and the CSRC, for dividends derived from investing by mainland enterprise investors in stocks listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect, H-share companies shall not withhold corporate income tax on dividends, and the enterprise investors are required to declare and pay such tax themselves. In particular, the dividends received by resident enterprises in mainland which hold H Shares for at least 12 consecutive months shall be exempted from enterprise income tax according to laws.

The Shareholders shall pay the relevant taxes and/or be entitled to tax relief pursuant to the above provisions.

PUBLIC FLOAT

As of the Latest Practicable Date, based on the information available to the Company and to the best of the Directors' knowledge, the public float of the Company complied with the relevant provisions of Rule 19A.28B of the Listing Rules.

DISCLOSURE OF INTERESTS

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and its Associated Corporations

As of the end of the Reporting Period, the following Directors or chief executive has any interests or short positions in our Shares, underlying Shares and debentures of our Company and its associated corporations (within the meaning of Part XV of the SFO), which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he or she is taken or deemed to have under such provisions of the SFO), or which will be required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein, or which will be required to be notified to our Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules:

Name	Nature of interest	Long position/ short position	Number of Shares held directly and indirectly	Approximate percentage of equity held in the total share capital of the Company ⁽¹⁾
Mr. Zhao Jiehui	Beneficial interests	Long position	49,468,200	15.14%
	Interest in controlled corporation ⁽²⁾	Long position	43,663,800	13.37%
	Interest held jointly with other person ⁽³⁾	Long position	11,711,400	3.59%
Mr. Yang Lei	Beneficial interests ⁽³⁾	Long position	11,711,400	3.59%

Directors' Report

Notes:

- (1) As of the end of the Reporting Period, the total number of Shares of the Company was 326,632,000 shares. The share capital structure of the Company was as follows: the total number of issued ordinary shares was 326,632,000 shares, all of which were overseas listed shares, with no domestic shares.
- (2) As of the end of the Reporting Period, Deepexi Huachuang held 37,299,300 Shares of the Company and Deepexi Huaying held 6,364,500 Shares of the Company. The general partner of Deepexi Huachuang is Deepexi Huichuang, which is held as to 99% by Mr. Zhao Jiehui and as to 1% by Mr. Cao Lianfei, our Director. Under the SFO, Mr. Zhao Jiehui was deemed to be interested in the Shares held by each of Deepexi Huachuang and Deepexi Huaying.
- (3) As of the end of the Reporting Period, Mr. Yang Lei held 11,711,400 Shares of the Company, accounting for 3.59% of the equity interests of the Company. Pursuant to the Concert Party Agreement, Mr. Yang Lei irrevocably agreed to, among others, act in concert with Mr. Zhao Jiehui and follow his instructions in exercising his vote at the shareholders' meetings of our Company. Under the SFO, Mr. Zhao Jiehui was deemed to be interested in the Shares held by Mr. Yang Lei.

Save as disclosed above, as of the end of the Reporting Period, none of the Directors or the chief executive of the Company has any interests and/or short positions in the Shares, underlying Shares and debentures of our Company's associated corporations (within the meaning of Part XV of the SFO), which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he or she is taken or deemed to have under such provisions of the SFO), or which will be required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein, or which will be required to be notified to our Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules.

Directors' Right to Acquire Shares or Debentures

Save as disclosed above, neither the Company nor any of its subsidiaries has entered into any arrangement whereby a Director may, at any time during the year or at the end of the year, derive any benefit through the acquisition of shares or debentures in the Company or any other body corporate.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As of the end of the Reporting Period, to the best of the Company's knowledge following reasonable enquiries, the following persons (other than the Directors or chief executive of the Company disclosed above) held interests or short positions in the shares or underlying Shares of the Company which were required to be disclosed to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance and recorded in the register required to be kept by the Company pursuant to section 336 of the Securities and Futures Ordinance:

Name	Nature of interest	Long position/ short position	Number of Shares held directly and indirectly	Approximate percentage of equity held in the total share capital of the Company ⁽¹⁾
Mr. Zhao Jiehui ^{(2) (3)}	Beneficial interests	Long position	49,468,200	15.14%
	Interest in controlled corporation	Long position	43,663,800	13.37%
	Interest held jointly with other person	Long position	11,711,400	3.59%

Name	Nature of interest	Long position/ short position	Number of Shares held directly and indirectly	Approximate percentage of equity held in the total share capital of the Company ⁽¹⁾
Zhuhai Deepexi No. 1 Enterprise Management Consultancy Partnership (Limited Partnership) ⁽³⁾	Interest in controlled corporation	Long position	43,663,800	13.37%
Deepexi Huichuang ⁽³⁾	Interest in controlled corporation	Long position	43,663,800	13.37%
Deepexi Huachuang ⁽³⁾	Beneficial interests	Long position	37,299,300	11.42%
Gaoling Zhicheng Changjiang (Hubei) Equity Investment Management Center (Limited Partnership) ⁽⁴⁾	Interest in controlled corporation	Long position	28,897,800	8.85%
Tianjin Dehui Investment Management Partnership (Limited Partnership) ⁽⁵⁾	Beneficial interests	Long position	19,815,600	6.07%
China Industrial International Trust Asset Management Company Limited ⁽⁶⁾	Interest in controlled corporation	Long position	17,745,300	5.43%
Evolution Holding II Limited ⁽⁷⁾	Beneficial interests	Long position	17,714,700	5.42%
Hillhouse Investment Management, Ltd. ⁽⁸⁾	Beneficial owner	Long position	17,343,900	5.31%

Notes:

- (1) As of the end of the Reporting Period, the total number of Shares of the Company was 326,632,000 shares. The share capital structure of the Company was as follows: the total number of issued ordinary shares was 326,632,000 shares, all of which were overseas listed shares, with no domestic shares.
- (2) As of the end of the Reporting Period, Deepexi Huachuang held 37,299,300 Shares of the Company and Deepexi Huaying held 6,364,500 Shares of the Company, accounting for 11.42% and 1.95% of the equity interests in the Company. The general partner of Deepexi Huachuang is Deepexi Huichuang, which is held as to 99% by Mr. Zhao Jiehui and 1% by Mr. Cao Lianfei, our Director. The limited partners of Deepexi Huachuang, among others, are Mr. Zhao Jiehui, who holds 18.30% of its interest, and Zhuhai Deepexi No. 1 Enterprise Management Consultancy Partnership (Limited Partnership) (珠海滴普壹企業管理諮詢合夥企業(有限合夥)) (“**Zhuhai Deepexi No. 1**”), which holds 77.59% of its interests. The general partner of Deepexi Huaying is Deepexi Huichuang, and its limited partners, among others, include Zhuhai Deepexi No. 1, which holds 89.57% of its limited partnership interests. The general partner of Zhuhai Deepexi No. 1 is Mr. Zhao Jiehui, and none of its limited partners holds more than 30% of its limited partnership interests. Under the SFO, each of Mr. Zhao Jiehui, Zhuhai Deepexi No. 1 and Deepexi Huichuang was deemed to be interested in the Shares held by each of Deepexi Huachuang and Deepexi Huaying.

Directors' Report

- (3) As of the end of the Reporting Period, Mr. Yang Lei held 11,711,400 Shares of the Company, holding 3.59% of the equity interests in the Company. Pursuant to the Concert Party Agreement, Mr. Yang Lei irrevocably agreed to, among others, act in concert with Mr. Zhao Jiehui and follow his instructions in exercising his vote at the shareholders' meetings of our Company. The Concert Party Agreement shall remain effective after the Listing. Under the SFO, Mr. Zhao Jiehui was deemed to be interested in the Shares held by Mr. Yang Lei.
- (4) Under the SFO, each of Gaoling Zhicheng Changjiang (Hubei) Equity Investment Management Center (Limited Partnership) (高瓴智成長江(湖北)股權投資管理中心(有限合夥)), Zhuhai Gaoling Zhicheng Private Equity Fund Management Co., Ltd. (珠海高瓴智成私募基金管理有限公司) and Ms. Zhu Xiuhua was deemed to be interested in the Shares held by each of Zhuhai Gaoling Zhike Equity Investment Partnership (Limited Partnership) (珠海高瓴智科股權投資合夥企業(有限合夥)) ("**Zhuhai Zhike**") and Zhuhai Songheng Enterprise Management Partnership (Limited Partnership) (珠海崧恒企業管理合夥企業(有限合夥)) ("**Zhuhai Songheng**"). For details of the relationship among them, see "History, Development and Corporate Structure — Pre-IPO Investments — Information relating to our Key Pre-IPO Investors" of the prospectus.
- (5) Under the SFO, each of Suzhou Hexie Chaoyue Phase II Investment Center (Limited Partnership) (蘇州和諧超越二期投資中心(有限合夥)), Shenzhen Yueqi Enterprise Management Partnership (Limited Partnership) (深圳越奇企業管理合夥企業(有限合夥)), Shenzhen Hexie Chaoyue Phase II Equity Investment Fund Partnership (Limited Partnership) (深圳和諧超越二期股權投資基金合夥企業(有限合夥)), Xizang Hexie Enterprise Management Co., Ltd. (西藏越奇企業管理有限公司), Xizang Yueqi Enterprise Management Co., Ltd. (西藏越奇企業管理有限公司) and Hexie Aiqi Investment Management (Beijing) Co., Ltd. (和諧愛奇投資管理(北京)有限公司) was deemed to be interested in the Shares held by Tianjin Dehui Investment Management Partnership (Limited Partnership) (天津德輝投資管理合夥企業(有限合夥)) ("**Tianjin Dehui**"). For details of the relationship among them, see "History, Development and Corporate Structure — Pre-IPO Investments — Information relating to our Key Pre-IPO Investors" of the prospectus.
- (6) Under the SFO, China Industrial International Trust Asset Management Company Limited (興業國信資產管理有限公司) ("**CIIT AM**") was deemed to be interested in the Shares held by each of Beijing Xingtou Youxuan Entrepreneurship Investment Fund (Limited Partnership) (北京興投優選創業投資基金(有限合夥)) ("**Youxuan Fund**"), Jiangsu Xingtou Xinyuan Equity Investment Fund (Limited Partnership) (江蘇興投新源股權投資基金(有限合夥)) ("**Xinyuan Fund**") and Jiangsu Jiequan Green Industry Equity Investment Fund (Limited Partnership) (江蘇建泉綠色產業股權投資基金(有限合夥)) ("**Jiequan Fund**"). For details of the relationship among them, see "History, Development and Corporate Structure — Pre-IPO Investments — Information relating to our Key Pre-IPO Investors" of the prospectus.
- (7) Under the SFO, each of Evolution Fund I, L.P., Evolution Fund I Co-investment, L.P., 5Y Capital GP Limited and Liu Qin was deemed to be interested in the Shares held by Evolution Holding II Limited ("**5Y Evolution Holding II**"). For details of the relationship among them, see "History, Development and Corporate Structure — Pre-IPO Investments — Information relating to our Key Pre-IPO Investors" of the prospectus.
- (8) Under the SFO, Hillhouse Investment Management, Ltd. was deemed to be interested in the Shares held by each of HH AUT-XV HK Holdings Limited ("**HH AUT**") and CHH AUT-XV HK Holdings Limited ("**CHH AUT**"). For details of the relationship among them, see "History, Development and Corporate Structure — Pre-IPO Investments — Information relating to our Key Pre-IPO Investors" of the prospectus.

Save as disclosed above, as of the end of the Reporting Period, the Directors are not aware of any other person who has an interest or short position in Shares or underlying Shares of the Company, which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or will, directly or indirectly, be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at the shareholders' meeting of the Company.

LOCK-UP

Based on information available to the Company or other data known to the Directors, as of the Latest Practicable Date prior to the publication of this annual report, the following shares will be subject to a restriction on disposal pursuant to Rule 18C.14 of the Listing Rules:

KEY PERSONS AND THEIR CLOSE ASSOCIATES (AS DEFINED IN RULE 18C.14 OF THE LISTING RULES)

Name	Aggregate number of Shares held on the date of this annual report	Approximate percentage of equity held in the total issued share capital of the Company on the date of this annual report (%) ⁽¹⁾	Last day subject to the lock-up undertakings ⁽⁶⁾
Mr. Zhao Jiehui ⁽²⁾	49,468,200	15.14%	27 October 2026 ⁽⁷⁾
	43,663,800 ⁽³⁾	13.37%	27 October 2026 ⁽⁷⁾
	11,711,400 ⁽⁴⁾	3.59%	27 October 2026 ⁽⁷⁾
Mr. Yang Lei ⁽²⁾	11,711,400 ⁽⁴⁾	3.59%	27 October 2026 ⁽⁷⁾
Deepexi Huachuang ⁽⁵⁾	37,299,300	11.42%	27 October 2026
Deepexi Huaying ⁽⁵⁾	6,364,500	1.95%	27 October 2026
Subtotal	104,843,400	32.10%	

Notes:

- (1) As at the date of this annual report, the total number of Shares of the Company was 326,632,000 shares. The share capital structure of the Company was as follows: the total number of issued ordinary shares was 326,632,000 shares, all of which were H Shares, with no domestic shares.
- (2) Mr. Zhao Jiehui and Mr. Yang Lei are both co-founders and executive Directors of the Company.
- (3) As at the date of this annual report, Deepexi Huachuang held 37,299,300 Shares of the Company and Deepexi Huaying held 6,364,500 Shares of the Company. The general partner of Deepexi Huachuang is Deepexi Huichuang, which is held as to 99% by Mr. Zhao Jiehui and as to 1% by Mr. Cao Lianfei, our Director. Under the SFO, Mr. Zhao Jiehui was deemed to be interested in the Shares held by each of Deepexi Huachuang and Deepexi Huaying.
- (4) As at the date of this annual report, Mr. Yang Lei held 11,711,400 Shares of the Company, holding 3.59% of the equity interests in the Company. Pursuant to the Concert Party Agreement, Mr. Yang Lei irrevocably agreed to, among others, act in concert with Mr. Zhao Jiehui and follow his instructions in exercising his vote at the shareholders' meetings of our Company. Under the SFO, Mr. Zhao Jiehui was deemed to be interested in the Shares held by Mr. Yang Lei.
- (5) Employee shareholding platforms controlled by Mr. Zhao and where the Company's founders, executive Directors, senior management and core R&D team members held partnership interests.
- (6) The date which is 12 months from the Listing Date.
- (7) In addition to the lock-up requirements under PRC Company law and Rule 18C.14 of the Listing Rules, pursuant to the shareholders agreement dated 6 February 2025, as long as any of Tianjin Dehui, Pleasure Focus Limited, HH AUT, CHH AUT, Zhuhai Songheng, Zhuhai Zhike, 5Y Evolution Holding II, Jiequan Fund, Xinyuan Fund and Youxuan Fund holds the Shares of the Company, neither Mr. Zhao nor Mr. Yang shall dispose of more than 15% of the Shares they held as at the Listing Date without the written consent of such investors. Such lock-up requirement will be released upon the date on which such investors received 100% or more of their respective investment return.

PATHFINDER SOPHISTICATED INDEPENDENT INVESTORS ("SIIS")

Name	Aggregate number of Shares held on the date of this annual report	Approximate percentage of equity held in the total issued share capital of the Company on the date of this annual report (%) ⁽¹⁾	Last day subject to the lock-up undertakings ⁽²⁾
CHH AUT and HH AUT	17,343,900	5.31%	27 October 2026
5Y Evolution Holding II	17,714,700	5.42%	27 October 2026
Tianjin Dehui	19,815,600	6.07%	27 October 2026
Youxuan Fund, Xinyuan Fund and Jiequan Fund	17,745,300	5.43%	27 October 2026
Subtotal	72,619,500	22.23%	

Notes:

- (1) As of the end of the Reporting Period, the total number of Shares of the Company was 326,632,000 shares. The share capital structure of the Company was as follows: the total number of issued ordinary shares was 326,632,000 shares, all of which were overseas listed shares, with no domestic shares.
- (2) Pursuant to Rule 18C.14 of the Listing Rules, the Shares held by the Pathfinder SIIs are subject to a 6-month lock-up period; pursuant to relevant PRC laws, the Shares held by the Pathfinder SIIs are subject to a 12-month lock-up period.

MAJOR CUSTOMERS AND SUPPLIERS

During the Reporting Period, the total sales to the Group's top five customers accounted for less than 30% of the Group's total sales for the year, and the total purchases from the Group's top five suppliers accounted for less than 30% of the Group's total purchases for the year.

USE OF PROCEEDS

The Company issued H Shares and listed on the Main Board of the Stock Exchange on 28 October 2025. The aggregate number of H Shares issued through the Hong Kong public offering and international placing was 26,632,000 shares with a par value of RMB1.00 each, at an issue price of HK\$26.66 per share. The total proceeds raised from this H Share issuance amounted to HK\$710.01 million (approximately RMB647.19 million). After deducting issuance expenses directly attributable to the offering, the net proceeds were approximately HK\$657.28 million (approximately RMB599.64 million), representing net proceeds of approximately HK\$24.68 per H Share.

The use of proceeds disclosed in the Prospectus remains unchanged. The utilization of the Company's H Share proceeds is as follows:

	Approximate Percentage of Total Amount	Net Proceeds Available for Use RMB million	Amount Utilized from Listing Date to End of Reporting Period RMB million	Amount Unutilized at the End of Reporting Period RMB million	Expected Timeline for Utilizing Remaining Unutilized Amount ⁽¹⁾
Enhancing our R&D capabilities in the next five years	40.0%	239.86	2.79	237.07	Before 31 December 2030
Expansion of our sales network and customer base in China	30.0%	179.89	6.27	173.62	Before 31 December 2030
Overseas business expansion	15.0%	89.95	0.36	89.59	Before 31 December 2030
Potential investment, merger and acquisition opportunities	5.0%	29.98	–	29.98	Before 31 December 2030
Working capital and general corporate uses	10.0%	59.96	3.58	56.38	Before 31 December 2030
Total	100.0%	599.64	13	586.64	Not applicable

Note:

- (1) The expected timing for the use of the remaining proceeds is based on the Group's best estimates and may change depending on current and future market conditions.

The balance of proceeds from the initial public offering will continue to be used in accordance with the purposes and proportions disclosed in the Prospectus.

PURCHASE, SALE, OR REDEMPTION OF THE COMPANY'S SECURITIES

Save as disclosed in this report, neither the Company nor any of its subsidiaries purchased, sold, or redeemed any of the Company's listed securities (including the sale of treasury shares (as defined under the Listing Rules)) during the Reporting Period. As of 31 December 2025, the Company did not hold any such treasury shares.

Save as disclosed in the section "Use of Proceeds" of this report, the Company did not issue any new shares or debentures during the year ended 31 December 2025.

PROPERTY, PLANT AND EQUIPMENT

For the year ended 31 December 2025, changes in the Group's property, plant and equipment are set out in Note 14 to the financial statements.

DISTRIBUTABLE RESERVES

As of the end of the Reporting Period, the Company had no distributable reserves.

For information regarding the changes in reserves of the Group and the financial position of the Group as of the end of the Reporting Period, please refer to the Consolidated Statement of Changes in Equity on page 66 and the Consolidated Statement of Financial Position on page 64.

EMPLOYEES AND REMUNERATION

Our success depends on our ability to attract, retain and motivate qualified personnel, and we believe that our high-quality talent pool is one of our core strengths. We adopt high standards and strict procedures in our recruitment to ensure the quality of new hiring and use various methods for our recruitment, including campus recruitment, online recruitment and internal recommendation to satisfy our demands for different types of talents. As of 31 December 2025, the Group had a total of 464

regular employees. During the Reporting Period, the Group's total employee remuneration amounted to RMB158.45 million (including salaries, bonuses, allowances, subsidies, welfare expenses and directors' emoluments), with share schemes serving as a supplementary means of employee incentives.

We have established a labor union in accordance with applicable laws of the PRC. We have entered into employment contracts and agreements with our Directors and senior management regarding confidentiality and intellectual property. We participate in all applicable employee social security schemes in accordance with relevant laws and regulations, including housing, pension, medical, work-related injury, maternity and unemployment benefit schemes. We believe that we maintain good working relationships with our employees and are not currently facing any significant labor disputes.

For further information regarding the Company's employees and remuneration, please refer to the 2025 Environmental, Social and Governance Report issued by the Company.

The Company provides executive Directors and senior management with various forms of remuneration, including base salary, performance-based pay and medium- and long-term incentives, and provides independent non-executive Directors with a fixed allowance. Matters relating to Directors' remuneration are determined by the shareholders' meetings, while matters relating to senior management's remuneration are determined by the Board. The Board of the Company has established a Remuneration and Appraisal Committee, which is responsible for making recommendations to the Board regarding the overall remuneration policies and structure for Directors and senior management, and for establishing formal and transparent procedures for formulating such remuneration policies.

TRAINING PROGRAMS

The Company places significant emphasis on employee training and development, having established management systems such as the Deepexi Training Regulation 《滴普培訓制度》 to create a distinctive training framework unique to us. We customize training courses to address the diverse needs of various job functions and levels, enhancing employees' professional skills and competencies. Furthermore, we actively encourage self-directed learning among employees, support their participation in educational programs and provide dedicated budget support for further education projects that align with our strategic direction, promoting mutual growth for both employees and us.

The Company has developed career development systems such as the Rank Development Management System 《職級發展管理制度》 and the Annual Promotion Assessment and Rank Promotion Plan 《年度晉升考核與職級晉升方案》, encouraging employees to chart clear career development paths. We also maintain a scientific and rational assessment and incentive mechanism to enhance employee motivation and initiative through performance evaluations.

In May 2025, we formally implemented the Deepexi Legal Work Management Policy 《滴普法律工作管理政策》, which stipulates that the Company should organize regular training for all employees and, in accordance with our development strategy and business needs, organize targeted training for specific departments from time to time, such as management trainee intensified training, product trainings, project sharing sessions and management skills training camps.

PENSION SCHEME

The Group's pension scheme is set out in Notes 7 and 2.4 to the financial statements.

SHARE SCHEME

A share incentive plan ("**2021 Share Incentive Scheme**") was approved by the shareholders of the Company on 8 July 2021 and became effective on the same day. Restricted shares under the Employee Incentive Scheme were granted to the employees who promote the success of the Group's operations.

In addition, a share incentive plan ("**2023 Share Incentive Scheme**") was approved by the shareholders of the Company on 7 December 2023 and became effective on the same day. Restricted shares under the Employee Incentive Scheme were granted to the employees who promote the success of the Group's operations.

As the 2021 Share Incentive Scheme and the 2023 Share Incentive Scheme do not involve the issue of new shares by the Company, the terms of these Schemes are not subject to the provisions of Chapter 17 of the Listing Rules, save for the disclosure requirements under Rule 17.12 of the Listing Rules. The terms of these Schemes are summarized below.

1. SUMMARY OF THE SHARE INCENTIVE SCHEMES

	2021 Share Incentive Scheme	2023 Share Incentive Scheme
Purpose	The incentive purpose of the scheme is to improve the Company's incentive mechanism by granting incentive equity to attract, motivate and retain employees and other incentive targets selected from within the Company (hereinafter collectively referred to as "incentive targets"), further enhance the motivation and creativity of the incentive targets, encourage them to serve the Company better in a long-term and stable manner, create value and make contributions, promote the continuous growth of the Company's performance, bring value-added benefits to the incentive targets while increasing the Company's value, and achieve the joint development of the incentive targets and the Company.	
Participants	Including the Company's founders, senior management, core technical and business employees, as well as other employees of the Group as the Board may deem appropriate	
Total number of Shares	Deepexi Huachuang was used as a restricted share platform to facilitate the administration of the 2021 Share Incentive Scheme. 37,299,300 Shares of the Company were held by Deepexi Huachuang, were authorized and approved under the 2021 Share Incentive Scheme.	Deepexi Huaying was used as a restricted share platform to facilitate the administration of the 2023 Share Incentive Scheme. 6,364,500 Shares of the Company were held by Deepexi Huaying, were authorized and approved under the 2023 Share Incentive Scheme.
Purchase price and its determination basis	Pursuant to the 2021 Share Incentive Scheme, the subscription price was RMB1.00 or RMB3.00 per restricted share.	Pursuant to the 2023 Share Incentive Scheme, the subscription price was RMB6.00 per restricted share.

	2021 Share Incentive Scheme	2023 Share Incentive Scheme
Maximum granted incentive shares	The 2021 Share Incentive Scheme does not set any cap on the number of shares that may be granted to each participant.	The 2023 Share Incentive Scheme does not set any cap on the number of shares that may be granted to each participant.
Grant date, lock-up period and release date, exercise period	The specific grant date set out in the grant agreement signed between the Company and the incentive targets shall be the grant date.	The specific grant date set out in the grant agreement signed between the Company and the incentive targets shall be the grant date.
	The incentive targets (excluding core founding team members, whose granted shares are not subject to any lock-up period) shall not transfer the shares granted to them during the lock-up period (from the date of grant until the date of three years after the Company's listing).	The incentive targets (excluding core founding team members, whose granted shares are not subject to any lock-up period) shall not transfer the shares granted to them during the lock-up period (from the date of grant until the date of three years after the Company's listing).
Remaining exercise period	The 2021 Share Incentive Scheme does not set any exercise period.	The 2023 Share Incentive Scheme does not set any exercise period.
	The 2021 Share Incentive Scheme does not set any exercise period, and the Board has the authority to terminate the 2021 Share Incentive Scheme at any time based on considerations such as the Company's future development.	The 2023 Share Incentive Scheme does not set any exercise period, and the Board has the authority to terminate the 2023 Share Incentive Scheme at any time based on considerations such as the Company's future development.

2. DETAILS OF GRANTING AND RELEASING OF THE INCENTIVE SHARES DURING THE REPORTING PERIOD

2021 Share Incentive Scheme

During the Reporting Period, the Company granted 1,598,667 incentive shares under the 2021 Share Incentive Scheme. Details of the changes in the incentive shares during the Reporting Period are set out below:

No.	Name	Position	Number of the incentive shares granted from January to July 2025	Granting price (RMB)	Approximate percentage of the number of the incentive shares granted to the total issued share capital of the Company as at 31 December 2025 (%)	Number of the lapsed incentive shares as of 1 January 2025	Number of the locked incentive shares as of 1 January 2025	Number of the lapsed incentive shares in 2025	Number of the incentive shares unlocked in 2025	Accumulated number of the lapsed incentive shares as of 31 December 2025	Number of the incentive shares to be unlocked as of 31 December 2025	
1.	Directors (five individuals with the highest total remuneration during the Reporting Period)											
	Zhao Jiehui	Founder of the Group, chairman of the Board, executive Director and chief executive officer of the Company	117,405	1 or 3	0.04%	-	-	-	117,405	-	-	
	Yang Lei	Co-founder, executive Director and president of our product and solution staff team (PSST) of the Group	-	3	-	-	-	-	-	-	-	
	Cao Lianfei	Executive Director and president of our sales and service system of the Company	662,219	3	0.20%	-	-	-	662,219	-	-	
	Shi Yi	Executive Director, employee representative Director and chief operating officer of the Company	819,043	3	0.25%	-	-	-	819,043	-	-	
	Li Qiang	Executive Director, chief investment officer, secretary to the Board and joint company secretary of the Company	-	3	-	-	-	-	-	-	-	
2.	Other incentive targets (middle to senior level management, experts and other key personnel of the Company)											
	-	-	-	1 or 3	-	4,363,127	5,531,243	117,405	-	4,480,532	5,413,838	
Total			1,598,667	1 or 3	0.49%	4,363,127	5,531,243	117,405	1,598,667	4,480,532	5,413,838	

The cost of equity-settled transactions with employees arising from the grant of the aforementioned incentive shares is calculated by reference to the fair value at the date of grant. The fair value is determined by an external valuer, and further details are set out in Note 30 to the financial statements.

During the Reporting Period, 117,405 shares lapsed under the 2021 Share Incentive Scheme, and no shares were cancelled under the 2021 Share Incentive Scheme.

2023 Share Incentive Scheme

During the Reporting Period, the Company granted 6,384,976 incentive shares under the 2023 Share Incentive Scheme. Details of the changes in the incentive shares during the Reporting Period are set out below:

No.	Name	Position	Number of the incentive shares granted from January to July 2025	Granting price (RMB)	Approximate percentage of the number of the incentive shares granted to the total issued share capital of the Company as at 31 December 2025 (%)	Number of the lapsed incentive shares as of 1 January 2025	Number of the locked incentive shares as of 1 January 2025	Number of the lapsed incentive shares in 2025	Number of the incentive shares unlocked in 2025	Accumulated number of the lapsed incentive shares as of 31 December 2025	Number of the incentive shares to be unlocked as of 31 December 2025	
1.	Directors (five individuals with the highest total remuneration during the Reporting Period)											
	Zhao Jiehui	Founder of the Group, chairman of the Board, executive Director and chief executive officer of the Company	197,127	6	0.06%	-	-	-	197,127	-	-	
	Yang Lei	Co-founder, executive Director and president of our product and solution staff team (PSST) of the Group	-	6	-	-	-	-	-	-	-	
	Cao Lianfei	Executive Director and president of our sales and service system of the Company	573,327	6	0.18%	-	-	-	573,327	-	-	
	Shi Yi	Executive Director, employee representative Director and chief operating officer of the Company	-	6	-	-	-	-	-	-	-	
	Li Qiang	Executive Director, chief investment officer, secretary to the Board and joint company secretary of the Company	4,095,200	6	1.25%	-	-	-	4,095,200	-	-	
2.	Other incentive targets (middle to senior level management, experts and other key personnel of the Company)											
			1519,322	6	0.47%	-	-	20,476	-	20,476	1,498,846	
Total			6,384,976	6	1.95%	-	-	20,476	4,865,654	20,476	1,498,846	

The cost of equity-settled transactions with employees arising from the grant of the aforementioned incentive shares is calculated by reference to the fair value at the date of grant. The fair value, as well as the adopted accounting standards and policies, are determined by an external valuer, and further details are set out in Note 30 to the financial statements.

During the Reporting Period, 20,476 shares lapsed under the 2023 Share Incentive Scheme, and no shares were cancelled under the 2023 Share Incentive Scheme.

SERVICE CONTRACTS OF THE DIRECTORS

The Company has entered into service contracts with the Directors. Upon the expiry of their terms of office, Directors may be re-elected subject to the approval of the shareholders' meeting. Furthermore, none of the Directors has entered into any service contract with the Company or its subsidiaries that cannot be terminated within one year without compensation (other than statutory compensation).

DIRECTORS' INTERESTS IN MATERIAL TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

During the Reporting Period, neither the Company nor any of its subsidiaries entered into any material transaction, arrangement or contract in which the Directors of the Company or their connected entities had a material interest, either directly or indirectly.

DIRECTORS' INTERESTS IN BUSINESSES COMPETING WITH THE COMPANY

As of the Latest Practicable Date, save for the Group's business, none of the Directors had any interests in any business which competes or is likely to compete, directly or indirectly, with the Company's business and which would be required to be disclosed under Rule 8.10 of the Listing Rules.

MANAGEMENT CONTRACT

During the Reporting Period, other than the employment contracts of the employees, the Company did not enter into or have any contracts relating to all or any material part of the management and administration of its business.

MATERIAL CONTRACTS AND RELATIONSHIP WITH THE CONTROLLING SHAREHOLDERS

For the year ended 31 December 2025, except as disclosed in "Connected Transactions" in this Directors' Report and in Note 33 to the financial statements, neither the Company nor any of its subsidiaries entered into any material contract with the controlling shareholders (as defined in the Listing Rules) or any of their subsidiaries, nor did the controlling shareholders or any of their subsidiaries enter into any material contract to provide services to the Company or any of its subsidiaries.

PERMITTED INDEMNITY PROVISION

The Company has made appropriate insurance arrangements to cover potential legal proceedings and liabilities of Directors and senior management, and the insurance cover is valid for the financial year ending in 2025 and remains in force as at the date of this report.

DONATION

During the Reporting Period, the Group's charitable donation amounted to approximately RMB2.0 million.

CONNECTED TRANSACTIONS

During the Reporting Period, (i) none of the related-party transactions constituted connected transactions or continuing connected transactions requiring shareholder approval, annual review and compliance with all disclosure requirements under Chapter 14A of the Listing Rules; and (ii) during the Reporting Period, the Group had no connected transactions or continuing connected transactions that were required to be disclosed under Chapter 14A of the Listing Rules.

Details of the related-party transactions entered into by the Group in the ordinary course of business during the Reporting Period are set out in Note 33 to the financial statements. Save as disclosed above, none of the related-party transactions set out in Note 33 to the financial statements constitute connected transactions or continuing connected transactions required to be disclosed under the Listing Rules. The Company has complied with the disclosure requirements under Chapter 14A of the Listing Rules in respect of its connected transactions and continuing connected transactions.

PRE-EMPTIVE RIGHTS

During the Reporting Period, in accordance with the laws of the PRC and the provisions of the Articles of Association, the Company had no pre-emptive rights arrangements.

MAJOR LEGAL MATTERS

As of the end of the Reporting Period, the Company was not involved in any significant legal proceedings or claims. To the best of the Company's knowledge, there were no outstanding or potential significant legal proceedings or arbitrations.

COMPLIANCE WITH LAWS AND REGULATIONS

The business operation of the Company is primarily governed by the laws of the PRC. During the Reporting Period, to the best of the Board's knowledge, the Group had complied in all material respects with the relevant laws and regulations of the PRC that have a material impact on the Group.

ENVIRONMENTAL POLICY AND PERFORMANCE

The Group is committed to implementing its environmental protection policy through the effective utilization of resources and the proactive adoption of measures to minimize its environmental impact. The Group has established an environmental, health and safety management system to assess the environmental impact of new production facilities in its major subsidiaries. During the production process, the Group continuously implements environmental measures such as energy conservation, emissions reduction and the treatment of wastewater and waste. While complying with applicable environmental laws and regulations, the Group is constantly improving its environmental performance to achieve sustainable development.

For further details regarding the Group's environmental policy and performance, please refer to the Company's 2025 Environmental, Social and Governance Report.

AUDITOR

The Company has not changed its domestic auditor in the past three years. Since issuing H-shares and listing on the Main Board of the Stock Exchange on 28 October 2025, the Company has not changed its overseas auditor so far.

The Company appoints Ernst & Young as the domestic and overseas auditor for the year 2025. Ernst & Young has audited the accompanying financial statements, which are prepared in accordance with International Financial Reporting Standards. Ernst & Young has been the reporting accountant during the Company's listing period, and the Company has not changed its auditor since the date of listing.

The Company will propose a resolution to reappoint the auditor for the following year at the forthcoming annual general meeting.

**Board of
Deepexi Technology Co., Ltd.**

20 March 2026

Corporate Governance Report

CORPORATE GOVERNANCE PRACTICES

The Company is committed to upholding high standards of corporate governance in order to safeguard the interests of Shareholders. From the Listing Date to 31 December 2025, except as disclosed below, the Company has complied with the provisions of the Corporate Governance Code (as of 30 June 2025) set out in Appendix C1 to the Listing Rules (the “**Corporate Governance Code**”), which sets forth the principles of good corporate governance. The Board will review the corporate governance structure and practices from time to time and will make necessary arrangements as the Board deems appropriate.

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 roles of chairman and chief executive officer should be separate and should not be performed by the same individual. We do not have a separate chairman and chief executive officer, and Mr. Zhao currently performs these two roles. The Board believes that vesting the roles of both chairman of the Board and chief executive officer in the same person has the benefit of (i) ensuring consistent leadership within the Group, (ii) enabling more effective and efficient overall strategic planning for the Group, and (iii) facilitating the flow of information between the management and the Board. 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 executive chairman of the Board and the chief executive officer of the Company at a time when it is appropriate by taking into account the circumstances of the Group as a whole.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules. After making reasonable enquiries, all Directors have confirmed that they have complied with the requirements regarding directors’ securities transactions under the Model Code during the Reporting Period.

CORPORATE CULTURE

The mission of the Company: Deep efforts, technology for all.

The vision of the Company: AI for infinity.

The corporate culture of the Company: customers first, aspiration unchanged; optimistic and brave, simple and sincere; self-improvement and self-criticism.

The Company’s corporate culture is deeply bound to the Company’s strategic goals. We implement a “dual assessment model”, giving equal importance to work performance and values, in order to ensure that business growth and corporate culture complement each other. The Company always uses core values as a guide for behavior, driving sustainable and high-quality business development.

The Company integrates cultural values into the entire process of talent management. In the appointment, promotion and evaluation of management cadres, we implement the screening logic of "value priority". Not only is it evaluated based on business ability, but also pays more attention to the cultural value compatibility. Those who do not meet the requirements will not be included in the scope of promotion or evaluation. By tightly linking the cultural assessment with the career development of cadres, the Company sends a clear signal to all employees: culture is not a slogan on the wall, but a code of conduct that must be followed in daily work, guiding all employees to consciously practice the Company's culture in daily business decisions.

The Company has achieved a quantitative assessment of cultural practices through a "dual assessment" mechanism. In the values assessment, evaluations are conducted from multiple dimensions on understanding, practice and influence, allowing employees to clearly understand the Company's core values and put them into practice in their work. It is not just corporate culture slogan pasted on walls, but also reflected in regular corporate culture activities, enabling the corporate culture to be "internalized in the heart and externalized in action".

BOARD

The Company is led by an effective Board. The Board is responsible for leadership and monitoring, and is jointly responsible for guiding and supervising the Company's affairs to ensure the Company's success. Directors make objective decisions in the best interests of the Company.

The Board possesses skills, experience and diverse perspectives required for the Company's business, and regularly reviews whether Directors make contributions matching their roles and responsibilities and whether they dedicate sufficient time to fulfill their duties to the Company. The composition of executive Directors and non-executive Directors (including independent non-executive Directors) of the Board, is balanced, ensuring that the Board has sufficient independence to make effective independent judgments.

Our Board consists of nine Directors, comprising five executive Directors, one non-executive Director and three independent non-executive Directors. All Directors are elected by the shareholders' meeting for a term of three years which is renewable upon re-election. The major powers and functions of the Board include, but are not limited to, convening the shareholders' meetings, presenting reports to the shareholders' meetings, implementing the resolutions passed at the shareholders' meetings, determining the operational plans and investment plans of the Group, determining the annual financial budgets and final accounts of the Group, determining the fundamental management systems of the Group, formulating profit distribution plans and loss recovery plans of the Group, and exercising other powers and functions as conferred by the Articles of Association.

COMPOSITION OF THE BOARD

The following sets out the composition of the Board and related information as of the Latest Practicable Date:

Director	Age	Position	Tenure
Mr. Zhao Jiehui	46	Chairman of the Board and executive Director	14 March 2025 – 13 March 2028
Mr. Yang Lei	46	Executive Director	14 March 2025 – 13 March 2028
Dr. Li Qiang	57	Executive Director	14 March 2025 – 13 March 2028
Mr. Cao Lianfei	44	Executive Director	14 March 2025 – 13 March 2028
Ms. Shi Yi	39	Executive Director and employee representative Director	14 March 2025 – 13 March 2028
Mr. Wang Zhenghao	41	Non-executive Director	14 March 2025 – 13 March 2028
Dr. Yang Hongxia	41	Independent non-executive Director	14 March 2025 – 13 March 2028
Dr. Kong Xiguang	50	Independent non-executive Director	14 March 2025 – 13 March 2028
Mr. Zhang Jielong	43	Independent non-executive Director	14 March 2025 – 13 March 2028

Note:

- For the avoidance of doubt, the date of the appointment of each Director of our Company refers to his or her appointment as Director after the Company's conversion into a joint stock company with limited liability. For the details of the conversion, see "History, Development and Corporate Structure — Major Shareholding Changes of our Company — 4. The Conversion" of the prospectus. For biographical details of our Directors, see the section headed "Biographical Details of Directors and Senior Management" of this report.

Each Director was appointed as a Director on 14 March 2025, obtained legal advice on 8 April 2025 pursuant to Rule 3.09D of the Listing Rules regarding all provisions applicable to him/her as a director of a listed issuer, as well as the potential consequences of making false statements or providing false information to the Stock Exchange, and has confirmed that he/she understands his/her responsibilities as a director of a listed issuer.

The Directors' biographies are set out in the section headed "Biographical Details of Directors and Senior Management" of this annual report.

There is no relationship between any Director and any member of the Board (including financial, business, family, or other significant/relevant relationships), especially between the chairman and the chief executives.

DIVERSITY OF BOARD MEMBERS

As of the end of the Reporting Period, the Board diversity analysis of the Company is as follows:

Item	Category	Number of people	Proportion of Board members
Director category	Executive Director	5	55.6%
	Non-executive Director	1	11.1%
	Independent non-executive Director	3	33.3%
Gender	Male Director	7	77.8%
	Female Director	2	22.2%
Age group	Aged 50 and below	8	88.9%
	Aged 51-59	1	11.1%
Educational background	Master's degree	4	44.4%
	Doctoral degree	3	33.3%

At present, our three independent non-executive Directors have diverse industry backgrounds and possess extensive experience in the fields of artificial intelligence, big data technology and finance, accounting for one-third of the Board members.

We have adopted a board diversity policy which sets out the approach to achieve diversity of the Board. Our Company recognizes and embraces the benefits of having a diverse Board and sees increasing diversity at the Board level, including gender diversity, as an essential element in maintaining the Company's competitive advantage and enhancing its ability to attract, retain and motivate employees from the widest possible pool of available talent.

Pursuant to our board diversity policy, selection of Board candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, industry experience, technical capabilities, professional qualifications and skills, knowledge, length of service and other related factors. We will also consider our own business model and special needs. The ultimate selection of Director candidates will be based on merits of the candidates and contribution that the candidates will bring to our Board.

Our Board currently consists of two female Directors and seven male Directors with a balanced mix of knowledge and skills, including but not limited to overall management and strategic development, finance, accounting and risk management. The Company is of the view that the Board satisfies our board diversity policy. We will implement a policy to ensure gender diversity in our recruitment process, with a view to developing female potential successors for senior management and the Board.

Our Nomination Committee is responsible for developing and maintaining policies relating to board diversity, and for implementing our board diversity policy. Our Nomination Committee will review our board diversity policy from time to time to ensure its continued effectiveness and we will disclose the implementation of our board diversity policy in our corporate governance report on an annual basis.

EMPLOYEE DIVERSITY

As of 31 December 2025, the total number of employees in the Group was 464, of which 352 were male, accounting for 75.86%, and 112 were female, accounting for 24.14%. Among senior management, 6 were male, accounting for 75%, and 2 were female, accounting for 25%. For details, please refer to the Company's 2025 Environmental, Social and Corporate Governance Report.

NOMINATION POLICY

The Board has delegated the authority to select Directors to the Nomination Committee of the Company.

The Company has a Director Nomination Policy that sets out the selection criteria and procedures and the considerations for nomination and appointment of Directors in the Board Succession Plan, which is designed to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the Company and continuity of the Board, as well as appropriate leadership at the Board level.

The Director Nomination Policy also sets out the procedures for the selection and appointment of new Directors and the re-election of Directors at general meetings. The Nomination Committee will make recommendations to the Board on the appointment of Directors (including independent non-executive Directors) in accordance with the following selection criteria and nomination procedures:

- (a) The Nomination Committee should give consideration to the Listing Rules, the Company's Articles of Association and applicable laws and regulations in identifying individuals suitably qualified to become Directors;
- (b) The Nomination Committee will consider the following factors in evaluating candidates:
 - (i) relevant qualifications (including skills, knowledge, expertise, and experience);
 - (ii) the availability of appropriate skills and experience;
 - (iii) the ability to promote diversity of the Board in all aspects; and
 - (iv) whether the candidates for independent non-executive Directors meet the independence requirements under Rule 3.13 of the Listing Rules;

- (c) The Nomination Committee is required to convene a meeting and invite nominees, if any, from Board members for consideration by the Nomination Committee prior to the meeting. The Nomination Committee may nominate individuals who have not been nominated by Board members; and
- (d) For the re-appointment of any existing member of the Board, the Nomination Committee shall make a recommendation for the Board's consideration.

BOARD MEETINGS

Code Provision C.5.1 of the Corporate Governance Code provides that Board meetings should be held at least four times a year at approximately quarterly intervals with active participation of the majority of the Directors, either in person or through electronic means of communication. As the Company was only listed on the Stock Exchange on 28 October 2025, no Board meeting was held during the period from the Listing Date to 31 December 2025. The Company expects to continue to convene at least four regular meetings in each financial year in accordance with Code Provision C.5.1 of the Corporate Governance Code.

APPOINTMENT AND RE-ELECTION OF DIRECTORS

In accordance with the requirements of the Articles of Association, the Directors are elected at the shareholders' meeting. The Directors' term of office is three years, and Directors are eligible for re-election and re-appointment upon expiry of the term. The shareholders' meeting may remove a Director from office before his/her term of office expires, such removal shall take effect from the date the resolution is made. The term of office of a Director shall commence from the date on which he/she assumes office until the expiration of the term of the current Board. If a Director's term expires but a new Director has not been elected in a timely manner, the outgoing Director shall continue to perform his/her duties in accordance with relevant laws and regulations, the regulatory requirements of relevant regulatory authorities and the Articles of Association, until the newly elected Director assumes office.

Each term of office of the independent non-executive Directors shall be the same as those of the other Directors of the Company. The independent non-executive Directors may be re-elected and re-appointed after the expiration of the term of office, but shall not hold office for more than 6 consecutive years. If an independent Director has provided services to the Company for a continuous period of six years, he/she shall not be nominated as a candidate for independent Director of the Company within 36 months from the date when such fact occurs. The tenure of an independent Director who commenced service prior to the Company's initial public offering shall be calculated on a continuous basis.

Unless otherwise provided, if the shareholders' meeting approves a proposal regarding the election of Directors, the term of the newly appointed Directors shall begin from the date on which the shareholders' meeting resolution is passed and shall last until the expiration of the term of the current Board.

TRAINING OF DIRECTORS

The Company and its professional advisors continuously arrange training and/or provide relevant materials for the Directors on various aspects such as the latest developments in legal and regulatory systems, business and market environment to assist them in performing their duties. For the year ended 31 December 2025, all Directors of the Company participated in training related to the duties of listed company directors and their continuous professional development. The main training methods included reading training materials and/or attending training courses, as detailed in the table below.

Name of Director	Type of training
Zhao Jiehui	A/B
Yang Lei	A/B
Li Qiang	A/B
Cao Lianfei	A/B
Shi Yi	A/B
Wang Zhenghao	A/B
Yang Hongxia	A/B
Kong Xianguang	A/B
Zhang Jielong	A/B

Note:

The types of training are divided into

- A: attending training courses, including but not limited to online or offline special training;
- B: reading training materials, including but not limited to professional training materials on business development, corporate governance, legal compliance and sustainable development.

FUNCTIONS AND POWERS EXERCISED BY THE BOARD AND MANAGEMENT

The shareholders' meeting is the highest authority of the Company. The Board is the decision-making body for the Company's business management and major matters, accountable to the shareholders' meeting, guiding the Company's strategic direction and major decisions, and supervising the performance of senior management. All Directors of the Company (including independent non-executive Directors) provide multi-disciplinary business experience, knowledge and expertise to the Board, enabling it to operate efficiently and effectively.

All Directors of the Company can fully and promptly access all data of the Group and may seek independent professional advice under appropriate circumstances to properly perform their duties, with the related expenses borne by the Company.

Senior management is responsible for transforming the decisions of the Board into specific business actions, the daily management of the Group's business and supervising the overall operation, and leading and guiding the team to achieve the strategic goals of the Group.

The Company has purchased liability insurance for Directors and senior management to protect Directors and senior management against any legal proceedings that they may face due to enterprise activities.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

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 roles of chairman and chief executive officer should be separate and should not be performed by the same individual. We do not have a separate chairman and chief executive officer, and Mr. Zhao Jiehui currently performs these two roles. Our Board believes that vesting the roles of both chairman of our Board and chief executive officer in the same person has the benefit of (i) ensuring consistent leadership within our Group, (ii) enabling more effective and efficient overall strategic planning for our Group, and (iii) facilitating the flow of information between the management and our Board. Our Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable our Company to make and implement decisions promptly and effectively. Our Board will continue to review and consider splitting the roles of chairman of our Board and the chief executive officer of our Company at a time when it is appropriate by taking into account the circumstances of our Group as a whole.

According to Code Provision C.2.7 of the Corporate Governance Code, the chairman should hold meetings with the independent non-executive Directors at least annually without the presence of other Directors. The Company was listed on the Stock Exchange on 28 October 2025. From the Listing Date to 31 December 2025, the Chairman did not hold any meeting with all independent non-executive Directors. The Company expects to hold this meeting in the next financial year in accordance with the requirements of the Corporate Governance Code. Mr. Zhao Jiehui is responsible for the duties set out in Code Provisions C.2.2 to C.2.9 of the Corporate Governance Code. The Board and senior management are composed of experienced and talented individuals, ensuring a balance of power and authority.

INDEPENDENT NON-EXECUTIVE DIRECTORS

From the Listing Date to 31 December 2025, the Board shall at all times comply with Rules 3.10(1) and 3.10(2) of the Listing Rules regarding the appointment of at least three independent non-executive Directors (at least one of whom must possess appropriate professional qualifications or accounting or relevant financial management expertise).

The Company has also complied with the requirement under Rule 3.10A of the Listing Rules regarding the appointment of independent non-executive Directors amounting to one-third of the Board members. Each independent non-executive Director has confirmed his or her independence pursuant to Rule 3.13 of the Listing Rules, and therefore, the Company considers them to be independent individuals.

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the functions set out in Code Provision A.2.1 of the Corporate Governance Code.

During the year, the Board has reviewed the Company's corporate governance policies and rules, the training and continuous professional development of Directors and senior management, the Company's compliance with legal and regulatory requirements, compliance with the Model Code and information disclosure regulations, and the Company's compliance with the Corporate Governance Code as well as the relevant disclosure requirements of the Corporate Governance Report.

SPECIAL COMMITTEES UNDER THE BOARD

The Company has established three special committees under the Board, namely the Audit Committee, the Remuneration and Appraisal Committee and the Nomination Committee.

AUDIT COMMITTEE

We have established the Audit Committee in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The Audit Committee consists of three Directors, namely Mr. Zhang Jielong, Dr. Yang Hongxia and Dr. Kong Xianguang. Mr. Zhang Jielong currently serves as the chairman of the Audit Committee and is appropriately qualified as required under Rules 3.10(2) and 3.21 of the Listing Rules. The primary duties of the Audit Committee are as follows:

- (i) to make recommendations to the Board on the appointment, replacement and removal of an external auditor, consider and approve the remuneration and terms of engagement of an external auditor and any questions of its resignation or dismissal;
- (ii) to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards. The Audit Committee shall discuss with the external auditor the nature and scope of the audit and reporting obligations before the audit commences;
- (iii) to develop and implement policies on engaging an external auditor to provide non-audit services;
- (iv) to review and supervise the truthfulness, completeness and correctness of financial statement, annual report and accounts and half-year report;

- (v) to review the financial policy, risk management and internal control evaluation system of the Company;
- (vi) to facilitate communications between the internal audit department and the external auditor; and
- (vii) other matters required by laws, regulations, regulatory documents, the rules of the securities regulatory authority of the place where the Shares of the Company are listed and the requirements of the Articles of Association, and as authorized by the Board.

The Company was listed on the Stock Exchange on 28 October 2025. From the Listing Date to 31 December 2025, the Audit Committee did not hold any meetings. The Board will disclose the relevant meeting details in the next annual report in accordance with the requirements of the Corporate Governance Code.

The Audit Committee continuously supervises and monitors the Company's risk management and internal control system, regularly reviewing them with external auditors and management. At least once a year, it reviews the scope, adequacy and effectiveness of the Company's corporate accounting and financial control, risk management and internal control system, as well as any significant findings related to risks or disclosures, and considers recommending improvements to such controls. The review covers all important aspects of controls, including financial control, operational control and compliance control. Further details on the annual audit carried out by the Audit Committee are set out in the section headed "Risk Management and Internal Control".

REMUNERATION AND APPRAISAL COMMITTEE

We have established the Remuneration and Appraisal Committee in compliance with Rule 3.25 of the Listing Rules and the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The Remuneration and Appraisal Committee consists of three Directors, namely Dr. Kong Xianguang, Dr. Yang Hongxia and Mr. Zhao Jiehui. Dr. Kong Xianguang currently serves as the chairman of the Remuneration and Appraisal Committee. The primary duties of the Remuneration and Appraisal Committee are as follows:

- (i) to organize and formulate the remuneration policy and plan of Directors and senior management with reference to their main duties, scope, importance, time commitment and salary level of relevant positions. The remuneration plan and policy mainly include but are not limited to performance evaluation standards, procedures and main evaluation systems, and main plans for rewards and punishments, and shall include benefits in kind, pension rights and compensation payments (including compensation for loss or termination of their office or appointment);
- (ii) to make recommendations to the Board on the remuneration packages of the executive Directors and senior management;
- (iii) to make recommendations to the Board on the remuneration of non-executive Directors;
- (iv) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in our Group;
- (v) to study and make recommendations to the Board on the appraisal criteria for Directors and senior management, review the performance of Directors (excluding independent non-executive Directors) and senior management and conduct annual performance appraisals;

- (vi) to review and approve the compensation payable to the executive Directors and senior management for their loss or termination of office or appointment to ensure that such compensation is consistent with the contractual terms; otherwise, it must be fair and not excessive;
- (vii) to review and approve the compensation arrangements relating to dismissal or removal of the relevant Directors for misconduct to ensure that such compensation is consistent with the contractual terms; otherwise, it must be fair and not excessive;
- (viii) to ensure that no Director or any of his associates is involved in deciding his/her own remuneration;
- (ix) to supervise the implementation of the remuneration procedures and review the relevant remuneration policies on a regular basis;
- (x) to review and/or approve relevant share schemes as set out in Chapter 17 of the Listing Rules; and
- (xi) other matters as authorized by the Board.

With regard to the remuneration of executive Directors and senior management, the Remuneration and Appraisal Committee makes recommendations to the Board on the remuneration packages of individual executive Directors and senior management (adopting the model described in Code Provision E.1.2(c)(ii)).

The Company was listed on the Stock Exchange on 28 October 2025. From the Listing Date to 31 December 2025, the Remuneration and Appraisal Committee did not hold any meetings. The Board will disclose the relevant meeting details in the next annual report in accordance with the requirements of the Corporate Governance Code.

NOMINATION COMMITTEE

We have established the Nomination Committee in compliance with the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The Nomination Committee consists of five Directors, namely Mr. Zhao Jiehui, Mr. Yang Lei, Dr. Yang Hongxia, Dr. Kong Xianguang and Mr. Zhang Jielong. Mr. Zhao Jiehui currently serves as the chairman of the Nomination Committee. The primary duties of the Nomination Committee are as follows:

- (i) to review the size and composition of the Board (including the skills, knowledge and experience) at least annually and make recommendations on any proposed changes to the Board to complement our Company's corporate strategy;
- (ii) to formulate the corporate governance policies and standards, monitor the implementation, and make recommendations to the Board;
- (iii) to examine the selection standards and procedures of Directors and senior management and make recommendation to the Board, and supervise the training and development plan of Directors and senior management;
- (iv) to identify individuals suitably qualified to become Directors and select and make recommendations to the Board on the selection of individuals nominated for directorships;
- (v) to assess the independence of the independent non-executive Directors;
- (vi) to assess the number of directorships that a candidate for the Company's independent non-executive Director may hold in other listed companies, to ensure that the candidate can devote sufficient time to the Board;
- (vii) to develop and maintain a nomination policy for Directors, including the nomination procedures and the procedures and criteria for the Committee to identify, select and recommend Director candidates during the year, and regularly review and disclose in the Company's corporate governance report the policy and the progress towards achieving the objectives set in the nomination policy;
- (viii) to develop and maintain a Board diversity policy, and regularly review and disclose in the Company's corporate governance report the policy or a summary thereof;
- (ix) to regularly review the time commitment required from non-executive Directors and independent non-executive Directors, and apply performance evaluation to assess whether they have devoted sufficient time to fulfill their responsibilities;
- (x) to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors (in particular the chairman of the Board and the chief executive officer); and
- (xi) other matters required by laws, regulations, regulatory documents, the rules of the securities regulatory authority of the place where the Shares of the Company are listed and the requirements of the Articles of Association, and as authorized by the Board.

The Company was listed on the Stock Exchange on 28 October 2025. From the Listing Date to 31 December 2025, the Nomination Committee did not hold any meetings. The Board will disclose the relevant meeting details in the next annual report in accordance with the requirements of the Corporate Governance Code.

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

The remuneration of the Directors and chief executives of the Company are set out in Note 9 to the financial statements. The remuneration of other persons who served as senior management of the Company during the Reporting Period fall within the following ranges:

	Number of people
Less than RMB1 million	2
RMB1 million to RMB2 million (including RMB2 million)	5
Total	7

BOARD INDEPENDENCE MECHANISM

The Company recognizes that the independence of the Board is key to good corporate governance. The Company has established effective mechanism to support the independence of the Board and to ensure that the Board can obtain independent opinions and advice. The current composition of the Board (including more than one-third of independent non-executive Directors) and the members of the Audit Committee are all independent non-executive Directors, exceeding the independence requirement of the Listing Rules. The Remuneration and Appraisal Committee and the Audit Committee are chaired by independent non-executive Directors. The remuneration of independent non-executive Directors are subject to regular review to maintain competitiveness and to ensure it matches with their responsibilities and workload. The independence of each independent non-executive Director is assessed annually upon their appointment.

Directors must declare any direct or indirect interest they have in any recommendation or transaction considered at Board meetings (if any), and may abstain from voting as appropriate. All Directors (including independent non-executive Directors) may obtain external independent professional advice when deemed necessary. Independent non-executive Directors have consistently demonstrated a strong commitment and devoted sufficient time to fulfill their responsibilities on the Board.

The Company has also established channels through both formal and informal means, allowing independent non-executive Directors to express their opinions publicly or confidentially when necessary.

The Company has received annual confirmations from each independent non-executive Director regarding their independence in accordance with Rule 3.13 of the Listing Rules. The Company considers that, as of the date of this annual report, all independent non-executive Directors are independent.

During the Reporting Period, the Group fully complied with the aforementioned relevant regulations. The Board, after reviewing the implementation of the aforementioned mechanism, believes that such mechanism can effectively ensure that the Board obtains independent perspectives and opinions.

ATTENDANCE OF BOARD MEETINGS

From the Listing Date to the end of the Reporting Period, the Company did not hold any shareholders' meetings, Board meetings or meetings of any special committees of the Board.

Name of Director	Number of Board meetings attended/number of Board meetings that require attendance	Number of Audit Committee meetings attended/number of Audit Committee meetings that require attendance	Number of Remuneration and Appraisal Committee meetings attended/number of Remuneration and Appraisal Committee meetings that require attendance	Number of Nomination Committee meetings attended/number of Nomination Committee meetings that require attendance	Number of shareholders' meetings attended/number of shareholders' meetings that require attendance
Zhao Jiehui	0/0	0/0	0/0	0/0	0/0
Yang Lei	0/0	0/0	0/0	0/0	0/0
Li Qiang	0/0	0/0	0/0	0/0	0/0
Cao Lianfei	0/0	0/0	0/0	0/0	0/0
Shi Yi	0/0	0/0	0/0	0/0	0/0
Wang Zhenghao	0/0	0/0	0/0	0/0	0/0
Yang Hongxia	0/0	0/0	0/0	0/0	0/0
Kong Xianguang	0/0	0/0	0/0	0/0	0/0
Zhang Jielong	0/0	0/0	0/0	0/0	0/0

DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING IN RESPECT OF FINANCIAL STATEMENTS

The Board is responsible for preparing financial statements for each accounting year that accurately and fairly reflect the Company's financial position, as well as its performance and cash flows for the relevant period. In preparing the financial statements for the year ended 31 December 2025, the Board selected and applied appropriate accounting policies, made prudent, fair and reasonable judgments and estimates, and prepared the financial statements on a going concern basis. The Board is responsible for properly maintaining accounting records and reasonably and accurately disclosing the Company's financial information at all times.

RISK MANAGEMENT AND INTERNAL CONTROL

We have established a set of risk management measures and internal control policies and procedures that we consider to be appropriate for our business operations, and we are dedicated to continuously improving these policies. Furthermore, we continually review the implementation of our risk management policies and measures to ensure that our policies and implementation are effective and sufficient. We have adopted and implemented internal control management in various aspects of our business operations such as operational risk management, compliance risk management, information security and data privacy risk management and intellectual property risk management.

The Company has formulated the Administrative Measures for Information Disclosure, which has provided guidance on the management, protection and proper disclosure of information that has not already been made to the public. The Directors, management and employees of the Company should strictly comply with the statutory requirement, rules, regulations and in-house inside information requirements of the Company relating to their responsibilities of keeping information confidential.

OPERATIONAL RISK MANAGEMENT

Operational risk refers to the risk of direct or indirect financial loss resulting from incomplete or problematic internal processes, personnel mistakes, IT system failures or external events. We have established a series of internal procedures to manage such risk.

We take a holistic approach with regard to operational risk management, implement a mechanism with detailed and decentralized responsibilities and clear rewards and punishment systems, and establish the LTC management system and the IFS financial management system as the core guiding systems for business processes and expense rules, respectively.

Through the weekly automated system inspection mechanism for projects, we achieve proactive intervention and closed-loop management of risks; through special audits of key expenses, we analyze and identify potential risks and improve relevant systems, preventing non-compliant expenditure behaviors from the source; through quarterly collaborative meetings between business department and the finance department, we deeply diagnose operational risks, jointly develop improvement strategies, and continuously empower business units to achieve healthy and sustainable development.

Our information technology, human resources, finance and operations departments are collectively responsible for ensuring the compliance of our operations with internal procedures. In the event of a major adverse event, the matter will be escalated to our CEO and the Board to take appropriate measures. Through effective operational risk management, we expect to control operational risks within a reasonable range by identifying, measuring, monitoring and containing operational risks to reduce potential losses.

COMPLIANCE RISK MANAGEMENT

Compliance risk refers to the risk of being subject to legal and regulatory sanctions, and the risk of major financial and reputational losses as a result of our failure to comply with relevant laws, regulations, rules and guidelines.

Compliance risk management refers to the dynamic management processes of our effective identification and management of compliance risks and proactively preventing the occurrence of risk events. We have established sound compliance risk management procedures to achieve effective identification and management of compliance risk and ensure that our operations are in compliance with applicable laws and regulations.

In our risk management framework, the Board is at the highest level, responsible for establishing the strategic direction and overall tone of risk management. The Audit Committee under it assumes independent supervisory duties, focusing on ensuring the effective operation of the entire risk management system and leading and overseeing the implementation of internal audit. To further deepen supervision, a special audit team is also established under the Audit Committee, specifically conducting independent inspections, risk assessments, and continuously tracking subsequent rectifications for high-risk business areas, key processes and specific matters.

We have formulated targeted rules and regulations for the procurement management process, delivery management process, financial management process, contract management process and LTC (Leads to Cash) process system, and continuously improved them. Based on this, we conduct comprehensive risk control over procurement, sales, delivery, finance and contracting processes in daily business activities, carefully reviewing the contracts we enter into with customers or suppliers. Each department of the Operations Quality Center conducts joint evaluations to determine whether they comply with the corresponding process requirements and operational standards. Through comprehensive process control in the system, we effectively avoid operational risks such as procurement violations, high-risk transactions, delivery breaches and malpractice.

In addition, we continually monitor changes in relevant laws and regulations as well as the regulatory environment to ensure compliance in our business operations. Our business operations are subject to a comprehensive set of legal and regulatory requirements, in particular, the AI-related laws and industry-specific regulations. See “Regulatory Overview — Regulations on Privacy Protection”. In response to this evolving landscape, we have established robust AI compliance management procedures and defined process levels to ensure adherence to the applicable standards. In May 2025, we formally implemented the “Legal Work Management Policy of Deepexi”, and established a legal and regulatory tracking mechanism, clarifying responsible departments and the scope of tracking, conducting daily supervision of newly implemented or revised laws and regulations, and carrying out special tracking for laws related to major matters. At the same time, the policy also specifies that the Company should regularly organize training for all employees and irregular targeted training for specific departments based on development strategy and business needs. We will also establish a cooperation mechanism with external lawyers to better supervise and manage our legal work.

INFORMATION SECURITY AND DATA PRIVACY RISK MANAGEMENT

We have obtained relevant system certifications, such as ISO27017 and ISO27001, as well as the Grade 3 Hierarchy Protection for related products, ensuring system standards and security. At the same time, we have also established data compliance management procedures and process levels. The “Data Compliance Policy” stipulates the principles of data classification, data processing, data protection and data risk assessment, as well as incident response and approval procedures. It also regulates the processes for handling, collecting, transmitting, using, storing and destroying important company data. The System Log Manual Review System clarifies the audit, abnormal situation handling and data security training processes in the system log management. For further details, please refer to the section headed “Business – Data Security and Privacy” of the prospectus.

INTELLECTUAL PROPERTY RISK MANAGEMENT

We seek to protect our proprietary technology and processes, in part, by entering into confidentiality agreements with consultants, advisors and contractors. We have entered into confidentiality agreements and non-competition agreements with our senior management and certain key members of our R&D team and other employees who have access to trade secrets or confidential information about our business. In terms of intellectual property management, an internal and external collaborative working mechanism has been established: internally, dedicated positions are responsible for full-process management, covering applications, documentation and external communication; externally, professional consulting agencies are relied upon to conduct regular intellectual property risk scans and in-depth assessments of core technologies, forming a systematic risk prevention and control system. Our standard employment contract with employees contains core attachments such as the Intellectual Property Ownership Commitment Letter (《知識產權歸屬承諾書》), under which we own all the rights to all inventions, technology, know-how and trade secrets derived during the course of such employee’s work. We have simultaneously established a regularized intellectual property training system, covering all employees and embedding it into various business processes. Through systematic and continuous training, it aims to comprehensively enhance employees’ awareness of intellectual property risk prevention and strengthen their compliance capabilities in daily work. As of the end of the Reporting Period, we have not encountered any intellectual property-related litigation. For other details, please refer to the section headed “Business – Intellectual Property” of the prospectus.

AUDIT COMMITTEE EXPERIENCE AND QUALIFICATION AND BOARD OVERSIGHT

To monitor the ongoing implementation of our risk management policies, we have established an Audit Committee to review and supervise our financial reporting process and internal control system on an ongoing basis to ensure that our internal control system is effective in identifying, managing and mitigating risks involved in our business operations. The Audit Committee comprises three members, namely Mr. Zhang Jielong, Dr. Yang Hongxia and Dr. Kong Xianguang. Mr. Zhang Jielong is the Chairman of the Audit Committee and an independent non-executive Director.

In addition to our internal control department, the Audit Committee has also established a special internal audit group which is responsible for reviewing the effectiveness of internal controls and reporting issues identified and improving our internal control system and procedures by identifying internal control failures and weaknesses on an ongoing basis. The special internal audit group reports any major issues identified to the Audit Committee and Board on a timely basis, and integrates risk control requirements into daily operations to ensure that business activities are efficient, compliant and stable.

Risk management and internal control measures are designed to manage, rather than eliminate, the risk of failing to achieve business objectives, and can only provide reasonable, not absolute, assurance against the occurrence of material misstatement or loss. For details of the major risks faced by the Group, please refer to the section headed "Management Discussion and Analysis – Main Risks And Uncertainties" of this annual report.

The Company has established the Anti-Bribery Management Measures, Anti-Fraud Management Measures and Anti-Money Laundering Management Measures to rigorously manage risks such as money laundering, bribery and corruption that may arise during business operations, so as to prevent corruption and bribery within the Company.

The Company has also implemented the Improper Conduct Reporting and Handling Procedures, which outline the processes for reporting, investigating and resolving improper conduct, and establish a standardized internal whistleblowing and investigation mechanism. We encourage all employees and business partners to report violations through designated channels, including offline feedback and a dedicated online reporting email address. To protect whistleblowers, we have developed and continuously improved a whistleblower protection system, strictly prohibiting any form of retaliation. To enhance overall business integrity, we strengthen our ethical governance capabilities through institutional safeguards, ethics education, and supervisory mechanisms.

SHAREHOLDER RIGHTS

As the owners of the Company, shareholders enjoy various rights stipulated by laws, administrative regulations and the Articles of Association. The shareholders' meeting is the highest authority of the Company, and shareholders exercise their powers through the shareholders' meeting.

CONVENING OF SHAREHOLDERS' MEETINGS

If the shareholders who individually or collectively hold 10% or more of the shares of the Company request the convening of an extraordinary shareholders' meeting, the Board shall decide whether to hold an extraordinary shareholders' meeting and reply to the shareholders in writing within 10 days upon receipt of such request.

If the Board agrees to convene a shareholders' meeting, it shall issue a notice of convening the shareholders' meeting within 5 days after making the resolution of the Board.

If the Board does not agree to convene a shareholders' meeting or fails to provide feedback within 10 days upon receipt of such request, it shall be deemed that the Board has not convened and presided over the shareholders' meeting. The Audit Committee or shareholders individually or collectively holding 10% or more of the Company's shares for 90 consecutive days or more may convene and preside over the shareholders' meeting on their own initiative.

Shareholders who decide to convene a shareholders' meeting on their own initiative shall notify the Board in writing and the secretary to the Board shall file the same with the securities regulatory authorities of the place where the Company's shares are listed in accordance with applicable regulations.

The shareholding percentage of the shareholders convening the meeting shall not be less than 10% before the resolution of the shareholders' meeting is announced. The shareholders convening the meeting shall submit relevant supporting materials to the securities regulatory authorities of the place where the Company is registered and the Company's shares are listed (if necessary) in accordance with applicable regulations when issuing the notice of the shareholders' meeting and the announcement of the resolutions of the shareholders' meeting.

The Board and the secretary to the Board should cooperate with the shareholders to convene shareholders' meetings on their own initiative. The Board shall provide the register of members on the share registration date.

The expenses necessary for the shareholders' meeting convened by the shareholders on their own initiative shall be borne by the Company.

PROPOSALS OF SHAREHOLDERS' MEETINGS

When the Company convenes a shareholders' meeting, the Board, the Audit Committee and shareholders individually or collectively holding 1% or more of the Company's shares have the right to submit proposals to the Company.

Shareholders individually or collectively holding 1% or more of the shares of the Company may submit an interim proposal in writing to the convener 10 days before the shareholders' meeting is held. The convener shall issue a supplementary notice of the shareholders' meeting within 2 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 laws and regulations, regulatory requirements of relevant regulatory authorities and the Articles of Association or does not fall into the scope of functions and powers of the shareholders' meeting.

Except for the circumstances specified in the preceding paragraph, the convener shall not modify the proposals listed in the notice of the shareholders' meeting or add new proposals after issuing the notice of the shareholders' meeting. Proposals that are not listed in the notice of the shareholders' meeting or do not comply with the provisions of laws and regulations and the Articles of Association shall not be voted on and a resolution shall not be made by the shareholders' meeting.

The notice of shareholders' meeting and its supplementary notice shall fully and completely disclose the entire details of all proposals, as well as all the materials or explanations necessary for shareholders to make reasonable judgments on the matters to be discussed.

INQUIRY TO THE BOARD

Shareholders have the right to supervise the Company's operations, make suggestions or inquiries, and review and copy the articles of association of the Company and its subsidiaries, the register of shareholders, the minutes of shareholders' meetings, the resolutions of the Board meetings and the financial accounting reports. Qualified shareholders can review the accounting books and accounting vouchers of the Company and its wholly-owned subsidiaries.

If shareholders request to access or copy the Company's relevant information, they should provide the Company with written documents proving the type and number of shares they hold in the Company. After verifying the shareholder's identity, the Company shall provide the information according to the shareholder's request.

CONTACT DETAILS

Shareholders may submit the above inquiries to the Company in the following ways. For the avoidance of doubt, shareholders must submit or send the original of the written inquiry, duly signed, to the following contact details, and provide the shareholder's full name, contact information and identification data to enable the Company to respond.

Address: Room 1001-1002, 10th Floor, Building 1, No. 62 Courtyard, Xueyuan South Road, Haidian District, Beijing, PRC, Deepexi Technology Co., Ltd. (Recipient: Board Office)

E-mail: IR@deepexi.com.

INVESTOR RELATIONS

Shareholder Communication Policy

The Company has established internal management regulations such as the "Shareholder Communication Agreement" to ensure that the Company's shareholders and investors can obtain information about the Company in a timely and equitable manner, and exercise their shareholder rights on an informed basis, thereby promoting effective two-way communication. The details of this policy can be viewed on the Stock Exchange website (www.hkexnews.hk) and the Company's website (www.deepexi.com).

The main channels through which the Company communicates and conveys information to shareholders include, but are not limited to: the Company's regular results announcements (annual, interim and quarterly) and corresponding reports, all disclosure materials submitted by the Company to the Stock Exchange, the entire content of the Company's website, annual/interim shareholders meetings (if any), as well as various investor meetings and activities.

In accordance with the requirements of the Listing Rules, the Company publishes information regarding the Group's business operations and development, financial data and corporate governance on the websites of the Stock Exchange and the Company from time to time for public reference. At the same time, the Company has established a Board Office responsible for receiving inquiries from shareholders and investors, handling requests for data within the scope of compliance, and ensuring timely and effective communication with shareholders and investors.

The Company has reviewed the implementation of the shareholder communication policy during the Reporting Period. Considering the aforementioned communication channels with investors, the measures the Company has taken and the events held, the Company believes that the shareholder communication policy has been effectively implemented.

Amend the Articles of Association

From the Listing Date to 31 December 2025, there are no changes to the Articles of Association of the Company.

AUDITOR'S REMUNERATION

For the audit and non-audit services for the year ended 31 December 2025, the remuneration of the external auditor, Ernst & Young, of the Company is as follows:

Service provided	Remuneration paid/payable (RMB in thousands)
Audit service	2,800
Non-audit service	160

Non-audit service includes: ESG consulting service.

JOINT COMPANY SECRETARIES

Dr. Li Qiang (the executive Director, chief investment officer, secretary to the Board and joint company secretary of our Company) and Ms. Yeung Siu Wai Kitty are appointed as the joint company secretaries of the Company. Ms. Yeung Siu Wai Kitty is a senior manager of company secretarial services of Tricor Services Limited (a member of Vistra group), assisting Dr. Li Qiang in performing his duties as the company secretary of the Company. Dr. Li Qiang is her main contact in the Company.

The biographical details of Dr. Li Qiang and Ms. Yeung Siu Wai Kitty are set out in the section headed "Biographical Details of Directors and Senior Management" of this report.

During the Reporting Period, Dr. Li Qiang and Ms. Yeung Siu Wai Kitty have received no less than 15 hours of relevant professional training.

CHANGES IN DIRECTORS AND SENIOR MANAGEMENT

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in information of the Company's directors and senior management required to be disclosed are set out as follows:

Mr. Xue Genglei served as the general manager of the financial operation center of the Company during the Reporting Period, and he resigned on 31 December 2025.

Mr. Li Qiang was transferred from chief operating officer to chief investment officer of the Company approved by the Board in March 2026.

Ms. Shi Yi no longer served as the president of the human resources system of the Company in December 2025, and served as the chief operating officer of the Company from March 2026.

Dr. Yang Hongxia ceased to serve as Professor at The Hong Kong Polytechnic University in January 2026, and has been appointed as Chair Professor at The Hong Kong Polytechnic University since February 2026.

Mr. Yang Zhiliao was appointed as general manager of the finance management department of the Company in March 2026, mainly responsible for the Group's financial management and reporting affairs.

Save as disclosed above, during the Reporting Period and as of the Latest Practicable Date, there is no information regarding Directors and senior management that is required to be disclosed under Rule 13.51B(1) of the Listing Rules.

DIVIDEND POLICY

The Company has formulated the decision-making and adjustment procedure and mechanism for dividend policy and profit distribution in accordance with relevant regulations, and has made explicit provisions in the Articles of Association, as follows:

The Company shall maintain a continuous and stable profit distribution policy, and shall pay attention to bringing reasonable return to shareholders and take into account the sustainable development of the Company. The distribution of the Company's after-tax profits shall be formulated by the Board in accordance with the Company's economic efficiency, the Articles of Association and relevant provisions, and shall be implemented upon resolution by the shareholders' meeting. The Company may adjust its profit distribution policy according to production and operation conditions, investment plans and long-term development requirements, provided that the adjusted profit distribution policy shall not violate the requirements of laws and regulations. The proposals regarding such adjustments of profit distribution policy shall be reviewed by the Board of the Company before being submitted to the shareholders' meeting for approval.

Independent Auditor's Report



Ernst & Young
27/F, One Taikoo Place
979 King's Road
Quarry Bay, Hong Kong

安永會計師事務所
香港鰂魚涌英皇道979號
太古坊一座27樓

Tel 電話: +852 2846 9888
Fax 傳真: +852 2868 4432
ey.com

Independent auditor's report

To the shareholders of Deepexi Technology Co., Ltd.

(Incorporated in the People's Republic of China with limited liability)

OPINION

We have audited the consolidated financial statements of Deepexi Technology Co., Ltd. (the "Company") and its subsidiaries (the "Group") set out on pages 63 to 135, which comprise the consolidated statement of financial position as at 31 December 2025, and 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 year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") as issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the HKICPA's *Code of Ethics for Professional Accountants* (the "Code"), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

KEY AUDIT MATTERS (CONTINUED)

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matter	How our audit addressed the key audit matter
<p><i>Revenue recognition of FastData and FastAGI</i></p> <p>The Group is principally engaged in FastData and FastAGI solutions businesses. For the year ended 31 December 2025, the Group recorded a revenue of RMB415.0 million, representing an increase of RMB172.1 million or 71% as compared to the revenue in 2024, which was mainly derived from the sales of FastData and FastAGI solutions.</p> <p>The Group recognised FastData and FastAGI solutions revenue when the software platform and related services are delivered to the customer's designated place, inspected and accepted by the customer.</p> <p>We considered revenue recognition to be a key audit matter, given the significant increase in revenue during the year, inappropriate revenue recognition might have a material effect on the financial statements.</p> <p>The accounting policy relating to revenue recognition is disclosed in note 2.4 to the consolidated financial statements and the details of revenue are disclosed in note 5 to the consolidated financial statements.</p>	<p>Our audit procedures performed on the revenue recognition included, among others, the following:</p> <p>We obtained an understanding of the Group's revenue processes and internal controls, evaluated their design and operating effectiveness through walkthrough testing, and performed testing on selected key controls.</p> <p>On a sample basis, we obtained sales contracts, checked and identified contractual terms in relation to transfer of control and revenue recognition.</p> <p>On a sample basis, we tested sales transactions recorded before and after the balance sheet date by tracing the supporting documents such as customers' acceptance documents to assess whether relevant revenue had been recognised in the correct accounting periods.</p> <p>On a sample basis, we sent confirmations to customers to check the contract amounts and timing of the project acceptance.</p> <p>We conducted analytical review procedures to analyse the reasonableness of the fluctuation in revenues and gross profit margins.</p> <p>We evaluated the adequacy of the disclosures in the consolidated financial statements.</p>

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The directors of the Company are responsible for the other information. The other information comprises the information included in the Annual Report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors of the Company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors of the Company either intend to liquidate the Group or to cease operations or have no realistic alternative but to do so.

The directors of the Company are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

As part of an audit in accordance with HKSAAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Shun Lung Wai (practising certificate number: P06860).

Ernst & Young

Certified Public Accountants

Hong Kong

20 March 2026

Consolidated Statement of Profit or Loss and Other Comprehensive Income

Year ended 31 December 2025

	Notes	2025 RMB'000	2024 RMB'000
REVENUE	5	414,991	242,926
Cost of sales		(186,436)	(116,749)
Gross profit		228,555	126,177
Other income and gains	6	5,215	8,622
Selling and marketing expenses		(105,577)	(89,096)
Administrative expenses		(212,200)	(49,314)
Research and development expenses		(107,708)	(81,399)
Impairment gains/(losses) on financial and contract assets, net		497	(9,305)
Changes in fair values of financial liabilities at shares with preferential rights	26	(735,149)	(1,155,186)
Other expenses		(6,844)	(2,695)
Finance costs	8	(1,298)	(385)
Share of profits and losses of an associate		-	(2,409)
LOSS BEFORE TAX	7	(934,509)	(1,254,990)
Income tax expense	11	(50)	-
LOSS AND TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(934,559)	(1,254,990)
Loss and total comprehensive loss attributable to: Owners of the parent		(934,559)	(1,254,990)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted (RMB)	13	(3.20)	(6.11)

Consolidated Statement of Financial Position

31 December 2025

	Notes	2025 RMB'000	2024 RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment	14	5,759	3,252
Right-of-use assets	15	13,083	5,799
Other intangible assets	16	642	35
Other non-current assets	19	2,370	3,155
Total non-current assets		21,854	12,241
CURRENT ASSETS			
Inventories	17	9,758	14,546
Trade and bills receivables	18	307,614	166,233
Contract assets	20	17,081	15,350
Prepayments, other receivables and other assets	19	11,282	6,421
Financial assets at fair value through profit or loss ("FVTPL")	21	464	426
Pledged deposits	22	21,059	1,282
Restricted cash	22	8,004	–
Cash and cash equivalents	22	686,339	208,317
Total current assets		1,061,601	412,575
CURRENT LIABILITIES			
Trade and bills payables	23	111,695	83,623
Other payables and accruals	24	68,204	54,413
Interest-bearing bank borrowings	25	60,894	–
Lease liabilities	15	7,716	4,272
Shares with preferential rights	26	–	3,956,817
Total current liabilities		248,509	4,099,125
NET CURRENT ASSETS/(LIABILITIES)		813,092	(3,686,550)
TOTAL ASSETS LESS CURRENT LIABILITIES		834,946	(3,674,309)

Consolidated Statement of Financial Position (continued)

31 December 2025

	Notes	2025 RMB'000	2024 RMB'000
NON-CURRENT LIABILITIES			
Lease liabilities	15	5,105	1,605
Total non-current liabilities		5,105	1,605
Net assets/(liabilities)		829,841	(3,675,914)
EQUITY			
Share capital/paid-in capital	28	326,632	50,333
Reserves	29	503,209	(3,726,247)
Total equity/(deficits)		829,841	(3,675,914)

Zhao Jiehui
Director

Yang Zhiliao
General manager of the finance department

Consolidated Statement of Changes in Equity

31 December 2025

	Paid-in capital/share capital RMB'000	Share premium* RMB'000	Share-based payment reserve* RMB'000	Other reserves* RMB'000	Accumulated losses* RMB'000	Total deficits RMB'000
At 1 January 2024	50,137	1,472,627	160,218	(1,504,300)	(2,602,586)	(2,423,904)
Loss and total comprehensive loss for the year	–	–	–	–	(1,254,990)	(1,254,990)
Capital contribution from shareholders (note 28)	196	–	–	–	–	196
Recognition of equity-settled share- based payment (note 30)	–	–	2,784	–	–	2,784
At 31 December 2024 and 1 January 2025	50,333	1,472,627	163,002	(1,504,300)	(3,857,576)	(3,675,914)
Loss and total comprehensive loss for the year	–	–	–	–	(934,559)	(934,559)
Capital contribution from shareholders (note 28)	22,924	10,528	–	–	–	33,452
Issue of shares from initial public offering (“IPO”)	26,632	620,558	–	–	–	647,190
Share issue expenses	–	(47,551)	–	–	–	(47,551)
Conversion into joint stock company	226,743	(917,314)	–	–	690,571	–
Equity transfer between shareholders (note 26)	–	–	–	(54,513)	–	(54,513)
Automatic conversion of equity shares with redemption features upon the global offering (note 26)	–	3,187,666	–	1,558,813	–	4,746,479
Recognition of equity-settled share- based payment (note 30)	–	–	115,257	–	–	115,257
At 31 December 2025	326,632	4,326,514	278,259	–	(4,101,564)	829,841

* These reserve accounts comprise the consolidated reserves of RMB503,209,000 (2024: RMB(3,726,247,000)) in the consolidated statement of financial position.

Consolidated Statement of Cash Flows

Year ended 31 December 2025

	Notes	2025 RMB'000	2024 RMB'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		(934,509)	(1,254,990)
Adjustments for:			
Finance costs	8	1,281	382
Changes in fair values of financial liabilities at shares with preferential rights	26	735,149	1,155,186
Fair value (gain)/loss on equity investments at FVTPL		(38)	836
Investment income on financial assets at FVTPL	6	(348)	–
Share of profits and losses of an associate		–	2,409
Loss on disposal of items of property, plant and equipment		9	208
Gain on disposal of right-of-use assets		–	(112)
Equity-settled share-based payment	7	115,257	2,784
Depreciation of property, plant and equipment	14	2,607	4,434
Depreciation of right-of-use assets	15	7,771	9,871
Amortisation of other intangible assets	16	41	–
Impairment (gains)/losses on financial and contract assets, net	7	(497)	9,305
Effect of foreign exchange rate changes, net	7	2,763	(483)
		(70,514)	(70,170)
Decrease/(increase) in inventories		4,788	(3,543)
Increase in trade and bills receivables		(141,501)	(102,012)
Increase in contract assets		(1,437)	(9,195)
(Increase)/decrease in other receivables, prepayments and other assets		(3,753)	1,185
Increase in trade and bills payables		28,072	53,590
Increase in other payables and accruals		10,816	17,840
Increase/(decrease) in contract liabilities		2,452	(4,479)
Placement of pledged bank deposits		(19,777)	(895)
Increase in restricted cash		(8,004)	–
Cash used in operations		(198,858)	(117,679)
Income tax paid		(50)	–
Net cash flows used in operating activities		(198,908)	(117,679)

Consolidated Statement of Cash Flows (continued)

Year ended 31 December 2025

	Notes	2025 RMB'000	2024 RMB'000
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of items of property, plant and equipment		(5,123)	(1,070)
Purchase of intangible assets		(648)	–
Purchases of financial assets at FVPTL		(184,800)	–
Proceeds from disposal of financial assets at FVTPL		185,148	158
Net cash flows used in investing activities		(5,423)	(912)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		647,190	–
Capital contribution from shareholders		33,452	196
New bank borrowings		60,000	–
Payment for listing expense		(47,028)	–
Lease payments	15(b)	(8,498)	(10,569)
Net cash flows from/(used in) financing activities		685,116	(10,373)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			
		480,785	(128,964)
Cash and cash equivalents at beginning of year		208,317	336,798
Effect of foreign exchange rate changes, net		(2,763)	483
CASH AND CASH EQUIVALENTS AT END OF YEAR	22	686,339	208,317

Notes to Financial Statements

31 December 2025

1. CORPORATE AND GROUP INFORMATION

Deepexi Technology Co., Ltd. (the “Company”) was incorporated in the People’s Republic of China (“PRC”) on 3 May 2018, as a limited liability company under the Companies Law of the PRC. The registered office of the Company is located at Room 1001-1002, 10th Floor, Building 1, No.62 Courtyard, Xueyuan South Road, Haidian District, Beijing, China. The Company was restructured from a limited company to a joint-stock company on 8 April 2025.

During the year, the Group was principally engaged in the sale of FastData and FastAGI solutions consisting primarily of deployment of software and standard warranty services.

The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) effective from 28 October 2025.

Information about subsidiaries

As at the date of this report, the Company had direct interests in its subsidiaries, all of which are private limited liability companies, the particulars of which are as follows:

Name	Place of incorporation/ registration and business	Issued ordinary/ registered share capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
Shenzhen Dipu Intelligent Technology Co., Ltd. 深圳滴普智能科技有限公司*	PRC/Chinese mainland, 28 April 2019	RMB10,000,000	100%	–	Information transmission, software and information technology services
Shanghai Dipu Technology Co., Ltd. 上海滴普科技有限公司*	PRC/Chinese mainland, 5 August 2020	RMB10,000,000	100%	–	Scientific research and technical services
Deepexi Guangzhou Technology Co., Ltd. 廣州滴普科技有限公司*	PRC/Chinese mainland, 11 June 2019	RMB30,000,000	100%	–	Information transmission, software and information technology services
Chengdu Dipu Technology Co., Ltd. 成都滴普科技有限公司*	PRC/Chinese mainland, 30 April 2019	RMB50,000,000	100%	–	Information transmission, software and information technology services
Sichuan Dipu Intelligent Technology Co., Ltd. 四川滴普智能科技有限公司*	PRC/Chinese mainland, 9 December 2024	RMB20,000,000	100%	–	Scientific research and technical services
Beijing Dipu Intelligent Technology Co., Ltd. 北京滴普智能科技有限公司*	PRC/Chinese mainland, 25 July 2024	RMB1,000,000	100%	–	Scientific research and technical services
Dipu Zhiyun (Beijing) Technology Co., Ltd. 滴普智雲(北京)科技有限公司*	PRC/Chinese mainland, 12 June 2024	RMB5,000,000	100%	–	Scientific research and technical services
Hong Kong Deepexi Technology Limited	Hong Kong, 1 June 2023	HK\$10,000	100%	–	Scientific research and technical services
Wuxi Dipu Technology Co., Ltd. 無錫滴普科技有限公司*	PRC/Chinese mainland, 22 May 2025	RMB10,000,000	100%	–	Scientific research and technical services
Suzhou Dipu Zhiyun Technology Co., Ltd. 蘇州滴普智雲科技有限公司*	PRC/Chinese mainland, 23 May 2025	RMB10,000,000	100%	–	Scientific research and technical services
Shenzhen Dipu Zhiyun Technology Co., Ltd. 深圳滴普智雲科技有限公司*	PRC/Chinese mainland, 13 June 2025	RMB10,000,000	100%	–	Scientific research and technical services
Nantong Dipu Intelligent Technology Co., Ltd. 南通滴普智能科技有限公司*	PRC/Chinese mainland, 13 August 2025	RMB5,000,000	100%	–	Scientific research and technical services

* The English names of these companies represent the best effort made by the directors of the Company to translate their Chinese names as these companies have not been registered with any official English names.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for certain financial instruments which have been measured at fair value. These financial statements are presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand (“RMB’000”) except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 December 2025. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group’s voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and the exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group’s share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted amendments to HKAS 21 *Lack of Exchangeability* for the first time for the current year's financial statements. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective.

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted in and the functional currencies of overseas subsidiaries, joint ventures and associates for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the Group's financial statements.

2.3 ISSUED BUT NOT YET EFFECTIVE HKFRS ACCOUNTING STANDARDS

The Group has not applied the following new and amended HKFRS Accounting Standards, that have been issued but are not yet effective, in the financial statements. The Group intends to apply these new and amended HKFRS Accounting Standards, if applicable, when they become effective.

HKFRS 18	<i>Presentation and Disclosure in Financial Statements</i> ²
HKFRS 19 and its amendments	<i>Subsidiaries without Public Accountability: Disclosures</i> ²
Amendments to HKFRS 9 and HKFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments</i> ¹
Amendments to HKFRS 9 and HKFRS 7	<i>Contracts Referencing Nature-dependent Electricity</i> ¹
Amendments to HKFRS 10 and HKAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ³
Amendments to HKAS 21	<i>Translation to a Hyperinflationary Presentation Currency</i> ²
<i>Annual Improvements to HKFRS Accounting Standards – Volume 11</i>	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7 ¹

¹ Effective for annual periods beginning on or after 1 January 2026

² Effective for annual/reporting periods beginning on or after 1 January 2027

³ No mandatory effective date yet determined but available for adoption

2.3 ISSUED BUT NOT YET EFFECTIVE HKFRS ACCOUNTING STANDARDS (CONTINUED)

Further information about those HKFRS Accounting Standards that are expected to be applicable to the Group is described below.

HKFRS 18 replaces HKAS 1 *Presentation of Financial Statements*. While a number of sections have been brought forward from HKAS 1 with limited changes, HKFRS 18 introduces new requirements for presentation within the statement of profit or loss and other comprehensive income, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss and other comprehensive income into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in HKAS 1 are moved to HKAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, which is renamed as HKAS 8 *Basis of Preparation of Financial Statements*. As a consequence of the issuance of HKFRS 18, limited, but widely applicable, amendments are made to HKAS 7 *Statement of Cash Flows*, HKAS 33 *Earnings per Share* and HKAS 34 *Interim Financial Reporting*. In addition, there are minor consequential amendments to other HKFRS Accounting Standards. HKFRS 18 and the consequential amendments to other HKFRS Accounting Standards are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Group is currently analysing the new requirements and assessing the impact of HKFRS 18 on the presentation and disclosure of the Group's financial statements.

HKFRS 19 allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other HKFRS Accounting Standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in HKFRS 10 *Consolidated Financial Statements*, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements available for public use which comply with HKFRS Accounting Standards or IFRS Accounting Standards. HKFRS 19 was amended in April 2025 to include IFRS Accounting Standards in the eligibility criteria for applying the standard. The standard was further amended in October 2025 to (i) remove disclosure objectives from HKFRS 19; (ii) reduce the disclosure requirements relating to supplier finance arrangements and a specific class of financial liabilities; and (iii) replace disclosure requirements relating to management-defined performance measures with a cross-reference to HKFRS 18 for entities that use these measures. Earlier application is permitted. As the Company is a listed company, it is not eligible to elect to apply HKFRS 19 and its amendments. Some of the Company's subsidiaries are considering the application of HKFRS 19 and its amendments in their specified financial statements.

2.3 ISSUED BUT NOT YET EFFECTIVE HKFRS ACCOUNTING STANDARDS (CONTINUED)

Amendments to HKFRS 9 and HKFRS 7 *Amendments to the Classification and Measurement of Financial Instruments* clarify the date on which a financial asset or financial liability is derecognised and introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. The amendments shall be applied retrospectively with an adjustment to opening retained profits (or other component of equity) at the initial application date. Prior periods are not required to be restated and can only be restated without the use of hindsight. Earlier application of either all the amendments at the same time or only the amendments related to the classification of financial assets is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to HKFRS 9 and HKFRS 7 *Contracts Referencing Nature-dependent Electricity* clarify the application of the "own-use" requirements for in-scope contracts and amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts. The amendments also include additional disclosures that enable users of financial statements to understand the effects these contracts have on an entity's financial performance and future cash flows. The amendments relating to the own-use exception shall be applied retrospectively. Prior periods are not required to be restated and can only be restated without the use of hindsight. The amendments relating to the hedge accounting shall be applied prospectively to new hedging relationships designated on or after the date of the initial application. Earlier application is permitted. The amendments to HKFRS 9 and HKFRS 7 shall be applied at the same time. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to HKFRS 10 and HKAS 28 address an inconsistency between the requirements in HKFRS 10 and in HKAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss resulting from a downstream transaction when the sale or contribution of assets constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to HKFRS 10 and HKAS 28 was removed by the HKICPA. However, the amendments are available for adoption now.

2.3 ISSUED BUT NOT YET EFFECTIVE HKFRS ACCOUNTING STANDARDS (CONTINUED)

Annual Improvements to HKFRS Accounting Standards – Volume 11 set out amendments to HKFRS 1, HKFRS 7 (and the accompanying *Guidance on implementing HKFRS 7*), HKFRS 9, HKFRS 10 and HKAS 7. Details of the amendments that are expected to be applicable to the Group are as follows:

- *HKFRS 7 Financial Instruments: Disclosures*: The amendments have updated certain wording in paragraph B38 of HKFRS 7 and paragraphs IG1, IG14 and IG20B of the *Guidance on implementing HKFRS 7* for the purpose of simplification or achieving consistency with other paragraphs in the standard and/or with the concepts and terminology used in other standards. In addition, the amendments clarify that the *Guidance on implementing HKFRS 7* does not necessarily illustrate all the requirements in the referenced paragraphs of HKFRS 7 nor does it create additional requirements. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.
- *HKFRS 9 Financial Instruments*: The amendments clarify that when a lessee has determined that a lease liability has been extinguished in accordance with HKFRS 9, the lessee is required to apply paragraph 3.3.3 of HKFRS 9 and recognise any resulting gain or loss in profit or loss. However, the amendments do not address how a lessee distinguishes between a lease modification as defined in HKFRS 16 and an extinguishment of a lease liability in accordance with HKFRS 9. In addition, the amendments have updated certain wording in paragraph 5.1.3 of HKFRS 9 and Appendix A of HKFRS 9 to remove potential confusion. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.
- *HKFRS 10 Consolidated Financial Statements*: The amendments clarify that the relationship described in paragraph B74 of HKFRS 10 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents of the investor, which removes the inconsistency with the requirement in paragraph B73 of HKFRS 10. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.
- *HKAS 7 Statement of Cash Flows*: The amendments replace the term "cost method" with "at cost" in paragraph 37 of HKAS 7 following the prior deletion of the definition of "cost method". Earlier application is permitted. The amendments are not expected to have any impact on the Group's financial statements.

2.4 MATERIAL ACCOUNTING POLICIES

Fair value measurement

The Group measures its investment properties and financial instruments at fair value through other comprehensive income at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group 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.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
- Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories and deferred tax assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In testing a cash-generating unit for impairment, a portion of the carrying amount of a corporate asset (e.g., a headquarters building) is allocated to an individual cash-generating unit if it can be allocated on a reasonable and consistent basis or, otherwise, to the smallest group of cash-generating units.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises.

Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Related parties (Continued)

- (b) the party is an entity where any of the following conditions applies:
- (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
 - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Property, plant and equipment and depreciation (Continued)

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Electronic equipment	32%
Other equipment	19%
Leasehold improvements	Over the shorter of the lease terms and 33%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation methods are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress represents buildings and plant and machinery under construction, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Other intangible assets (other than goodwill)

Other intangible assets acquired separately are measured on initial recognition at cost. The useful lives of other intangible assets are assessed to be either finite or indefinite. Other Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Other intangible assets (other than goodwill) (Continued)

Software

Purchased software is stated at cost less any impairment loss and is amortised on the straight-line basis over its estimated useful life of 10 years.

Research and development costs

All research costs are charged to profit or loss as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

At inception or on reassessment of a contract that contains a lease component and non-lease components, the Group adopts the practical expedient not to separate non-lease components and to account for the lease component and the associated non-lease components (e.g., property management services for leases of properties) as a single lease component.

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Buildings	1 to 3 years
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If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Leases (Continued)

Group as a lessee (Continued)

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of the lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

(c) Short-term leases

The Group applies the short-term lease recognition exemption to its short-term leases of buildings (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis.

Lease payments on short-term leases are recognised as an expense on a straight-line basis over the lease term.

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade and bills receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value, plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade and bills receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under HKFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Investments and other financial assets (Continued)

Initial recognition and measurement (Continued)

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Impairment of financial assets

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

The Group considers a financial asset in default when contractual payments are within 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade and bills receivables which apply the simplified approach as detailed below.

Stage 1 – Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs

Stage 2 – Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs

Stage 3 – Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

Simplified approach

For trade and bills receivables that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, amounts due to related parties and interest-bearing bank loans and other liabilities.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition as at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in HKFRS 9 are satisfied. Gains or losses on liabilities designated at fair value through profit or loss are recognised in profit or loss, except for the gains or losses arising from the Group's own credit risk which are presented in other comprehensive income with no subsequent reclassification to profit or loss. The net fair value gain or loss recognised in profit or loss does not include any interest charged on these financial liabilities. The Group has designated its shares with preferential rights as financial liabilities at fair value through profit or loss, details of which are included in note 26 to the financial statements.

Financial liabilities at amortised cost (trade and other payables)

After initial recognition, trade and other payables are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in profit or loss.

2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average method. The net realisable value is estimated based on current market situation and historical experience on similar inventories.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand and at banks, and short-term highly liquid deposits with a maturity of generally within three months that are readily convertible into known amounts of cash, subject to an insignificant risk of changes in value and held for the purpose of meeting short-term cash commitments.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and at banks, and short-term deposits as defined above, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each of the reporting period, taking into consideration interpretations and practices prevailing in the country in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of each of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Income tax (Continued)

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of taxable temporary differences associated with investments in subsidiaries and an associate, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of deductible temporary differences associated with investments in subsidiaries and an associate, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each reporting period.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received, and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

Share-based payments

The Group operates restricted share schemes. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services in exchange for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer, further details of which are given in note 30 to the financial statements.

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of restricted shares unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification. Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately.

2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Sale of solutions

FastData and FastAGI solutions consist primarily of deployment of software and standard warranty services. The Group delivers products and solutions for projects with business enterprises. These products and solutions are provided through integrating the software and services, all of which are highly interdependent and interrelated with each other and represent multiple inputs to a combined output that is transferred to the customer. Accordingly, the software and related services, i.e., the integrated solution, are accounted for as a single performance obligation.

Revenue is recognised at the point in time when the software platform and related services are delivered to the customer's designated place, inspected and accepted by the customer. Revenue from certain sales contracts that the Group provides maintenance services is recognised over the scheduled period on a straight-line basis since the customer simultaneously receives and consumes the benefits provided by the Group. Such service contracts are for periods of one year and are billed based on the time incurred. The payment is generally due within 3 months from delivery.

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.

Contract assets

If the Group performs by transferring goods or services to a customer before being unconditionally entitled to the consideration under the contract terms, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment, details of which are included in the accounting policies for impairment of financial assets. They are reclassified to trade and bills receivables when the right to the consideration becomes unconditional.

Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related services to the customer).

2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Employee benefits

Pension scheme

The employees of the Group's subsidiaries which operate in the Chinese mainland are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain proportion of its payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting.

Interim dividends are simultaneously proposed and declared, because the Company's articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

Foreign currencies

The financial statements are presented in RMB, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of each reporting period. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Foreign currencies (Continued)

The functional currencies of certain overseas subsidiaries are currencies other than the RMB. As at the end of the reporting period, the assets and liabilities of these entities are translated into RMB at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into RMB at the exchange rates that approximate to those prevailing at the dates of the transactions.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve, except to the extent that the differences are attributable to non-controlling interests. On disposal of a foreign operation, the cumulative amount in the reserve relating to that particular foreign operation is recognised in profit or loss.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into RMB at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into RMB at the weighted average exchange rates for the year.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgement, apart from those involving estimations, which has the most significant effect on the amounts recognised in the financial statements.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the unused tax losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies. The amount of unrecognised tax losses at 31 December 2025 was RMB1,248,191,000 (2024: RMB1,098,557,000). Further details are contained in note 27 to the financial statements.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

Estimation uncertainty (Continued)

Provision for expected credit losses on trade and bills receivables and contract assets

The Group uses a provision matrix to calculate ECLs for trade and bills receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by customer type and rating).

The provision matrix is initially based on the comparable default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic products) are expected to deteriorate over the next year which can lead to an increased number of defaults, the historical default rates are adjusted. At the end of each reporting period, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of a customer's actual default in the future. The information about the ECLs on the Group's trade and bills receivables and contract assets are disclosed in notes 18 and 20 to the financial statements, respectively.

Impairment of non-financial assets (other than goodwill)

The Group assesses whether there are any indicators of impairment for all non-financial assets (including the right-of-use assets) at the end of each reporting period. The non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

Fair value of financial liabilities arising from Shares with Preferential Rights

The fair value of the shares with preferential rights that are not traded in an active market is determined using a valuation technique. The valuation technique is the discounted cash flow model. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. Details of the key assumptions used and the impact of changes to these assumptions are included in note 26 to the financial statements. The use of different valuation techniques or inputs may result in significant differences in fair value estimate. The fair value generated by the valuation technique is also verified with transactions of the same or similar financial instruments in observable markets according to market practice.

Share-based payments

The Group estimates the number of share awards contingently issuable when determining the share-based payment expenses, which depends on the achievement of certain non-market performance targets of the Group under the Employee Incentive Scheme (as defined in note 30 to the financial statements). This requires an estimation of the performance targets to be achieved by the Group, including the completion of public offering.

4. OPERATING SEGMENT INFORMATION

Operating segment information

For management purposes, the Group has only one reportable operating segment, which is sale of FastData and FastAGI solutions consisting primarily of deployment of software and standard warranty services. Since this is the only reportable operating segment of the Group, no further operating segment analysis thereof is presented.

Geographical information

(a) Revenue from external customers

	2025 RMB'000	2024 RMB'000
Chinese mainland	412,498	242,926
Hong Kong	2,493	–
Total	414,991	242,926

The revenue information above is based on the locations of the customers.

(b) Non-current assets

Since nearly all of the Group's non-current assets were located in the Chinese mainland, no geographical information is presented in accordance with HKFRS 8 *Operating Segments*.

Information about major customers

The Group has a large number of customers and no revenue from a single customer accounted for more than 10% of the Group's total revenue for the reporting period.

5. REVENUE

An analysis of revenue is as follows:

	2025 RMB'000	2024 RMB'000
Revenue from contracts with customers	414,991	242,926

Revenue from contracts with customers

(a) Disaggregated revenue information

	2025 RMB'000	2024 RMB'000
Types of goods or services		
FastAGI enterprise AI solution	254,466	90,396
FastData enterprise data intelligence solution	160,525	152,530
Total	414,991	242,926
Geographical markets		
Chinese mainland	412,498	242,926
Hong Kong	2,493	–
Total	414,991	242,926
Timing of revenue recognition		
Goods and services transferred at a point in time	407,097	240,733
Services transferred over time	7,894	2,193
Total	414,991	242,926

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period:

	2025 RMB'000	2024 RMB'000
Sale of solutions	3,662	7,108

5. REVENUE (CONTINUED)

Revenue from contracts with customers (continued)

(b) Performance obligations

Information about the Group's performance obligations is summarised below:

Sale of solutions

Revenue is recognised at the point in time when the software platform and related services are delivered to the customer's designated place, inspected and accepted by the customer. Revenue from certain sales contracts that the Group provides maintenance services is recognised over the scheduled period on a straight-line basis since the customer simultaneously receives and consumes the benefits provided by the Group. Such service contracts are for periods of one year and are billed based on the time incurred.

The payment is generally due within 3 months from delivery.

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December are as follows:

	2025 RMB'000	2024 RMB'000
Amounts expected to be recognised as revenue:		
Within one year	96,520	47,612
After one year	3,745	212
Total	100,265	47,824

The amounts of transaction prices allocated to the remaining performance obligations which are expected to be recognised as revenue after one year relate to FastData enterprise data intelligence solutions, of which the performance obligations are to be satisfied within two years. All the other amounts of transaction prices allocated to the remaining performance obligations are expected to be recognised as revenue within one year. The amounts disclosed above do not include variable consideration which is constrained.

6. OTHER INCOME AND GAINS

An analysis of other income and gains is as follows:

	2025 RMB'000	2024 RMB'000
Other income		
Government grants*	3,299	3,521
Interest income	1,530	4,317
Investment income on financial assets at FVTPL	348	–
Others	–	189
Total	5,177	8,027
Gains		
Fair value gain on equity investments at FVTPL	38	–
Foreign exchange gains	–	483
Gain on termination of lease contracts	–	112
Other income and gains	5,215	8,622

* The government grants have been received from the PRC local government authorities for supporting the Group's operating activities. There are no unfulfilled conditions relating to these government grants.

7. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

	Notes	2025 RMB'000	2024 RMB'000
Cost of inventories and services sold		186,436	116,749
Depreciation of property, plant and equipment*	14	2,607	4,434
Depreciation of right-of-use assets*	15	7,771	9,871
Amortisation of intangible assets*	16	41	–
Lease payments not included in the measurement of lease liabilities	15(c)	335	166
Loss on disposal of items of property, plant and equipment***		9	208
Auditor's remuneration		2,800	379
Legal and professional fee		309	681
Listing expense		56,618	631
Interest income	6	(1,530)	(4,317)
Foreign exchange differences, net**		2,763	(483)
Impairment of trade and bills receivables	18	120	8,726
(Reversal of impairment)/impairment of contract assets	20	(294)	406
(Reversal of impairment)/impairment of other receivables		(323)	173
Government grants	6	(3,299)	(3,521)
Employee benefit expenses (including directors' and chief executive's remuneration (note 9)):			
Wages, salaries and other allowances		139,252	140,635
Share-based payment expense		115,257	2,784
Pension scheme contributions and social welfare		16,663	16,281

* The depreciation of property, plant and equipment, amortisation of intangible assets, and depreciation of right-of-use assets are included in "Cost of sales", "Selling and marketing expenses", "Administrative expenses", and "Research and development expenses" in the consolidated statement of profit or loss and other comprehensive income.

** The amounts are included in "Other income and gains" and "Other expenses" in the consolidated statement of profit or loss and other comprehensive income.

*** The amounts are included in "Other expenses" in the consolidated statement of profit or loss and other comprehensive income.

8. FINANCE COSTS

An analysis of finance costs is as follows:

	2025 RMB'000	2024 RMB'000
Interest on bank loans	894	–
Interest on lease liabilities	387	382
Others	17	3
Total	1,298	385

9. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors' and chief executive's remuneration for the reporting period, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

	2025 RMB'000	2024 RMB'000
Fees	624	–
Other emoluments:		
Salaries, allowances and benefits in kind	7,002	4,743
Equity-settled share-based payment expense	107,116	–
Pension scheme contributions	161	104
Subtotal	114,279	4,847
Total	114,903	4,847

9. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (CONTINUED)**(a) Independent non-executive directors**

The fees paid to independent non-executive directors during the reporting period were as follows:

	2025 RMB'000	2024 RMB'000
Dr. Yang HongXia (i)	208	–
Dr. Kong Xianguang (i)	208	–
Mr. Zhang Jielong (i)	208	–
Total	624	–

Note:

- (i) Dr. Yang Hongxia, Dr. Kong Xianguang and Mr. Zhang Jielong were appointed as independent non-executive directors of the Company in March 2025.

There were no other emoluments payable to the independent non-executive directors during the year (2024: Nil).

(b) Executive directors and a non-executive director

	Salaries, allowances and benefits in kind RMB'000	Equity-settled share-based payment expense RMB'000	Pension scheme contributions and social welfare RMB'000	Total remuneration RMB'000
2025				
Executive directors:				
Mr. Zhao Jiehui (i)	1,903	3,293	65	5,261
Mr. Yang Lei (ii)	1,443	–	11	1,454
Dr. Li Qiang (iii)	1,067	68,414	65	69,546
Mr. Cao Lianfei (iv)	1,443	21,126	9	22,578
Ms. Shi Yi (v)	1,146	14,283	11	15,440
Non-executive director:				
Mr. Wang Zhenghao (vi)	–	–	–	–
Total	7,002	107,116	161	114,279

9. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (CONTINUED)

(b) Executive directors and a non-executive director (Continued)

	Salaries, allowances and benefits in kind RMB'000	Equity-settled share-based payment expense RMB'000	Pension scheme contributions and social welfare RMB'000	Total remuneration RMB'000
2024				
Executive directors:				
Mr. Zhao Jiehui (i)	1,263	–	42	1,305
Mr. Yang Lei (ii)	1,106	–	10	1,116
Dr. Li Qiang (iii)	487	–	33	520
Mr. Cao Lianfei (iv)	1,032	–	9	1,041
Ms. Shi Yi (v)	855	–	10	865
Non-executive director:				
Mr. Wang Zhenghao (vi)	–	–	–	–
Total	4,743	–	104	4,847

Notes:

- (i) Mr. Zhao Jiehui was appointed as an executive director in March 2025.
- (ii) Mr. Yang Lei was appointed as an executive director in March 2025.
- (iii) Dr. Li Qiang was appointed as an executive director in March 2025.
- (iv) Mr. Cao Lianfei was appointed as an executive director in March 2025.
- (v) Ms. Shi Yi was appointed as an executive director in March 2025.
- (vi) Mr. Wang Zhenghao was appointed as a non-executive director in March 2025.

During the year and in prior years, certain directors were granted restricted shares, in respect of their services to the Group, under the incentive scheme of the Company. The fair value of restricted shares, which has been recognised in profit or loss over the vesting period, was determined as at the date of grant and the amount included in the financial statements for the current year is included in the above directors' and chief executive's remuneration disclosures.

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the year.

10. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the reporting period included five directors (2024: four directors), details of whose remuneration are set out in note 9 above. Details of the remuneration for the year ended 31 December 2024 of the remaining one highest paid employee who are neither a director nor chief executive of the Company are as follows:

	2025 RMB'000	2024 RMB'000
Salaries, allowances and benefits in kind	–	966
Pension scheme contributions	–	9
Total	–	975

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following band is as follows:

	2025	2024
HK\$1,000,001 to HK\$1,500,000	–	1
Total	–	1

In prior years, restricted shares were granted to a non-director and non-chief executive highest paid employee in respect of his services to the Group, further details of which are included in the disclosures in note 30 to the financial statements. The fair value of such restricted shares which has been recognised in profit or loss over the vesting period, was determined as at the date of grant and the amount included in the financial statements is included in the above non-director and non-chief executive highest paid employee's remuneration disclosures.

11. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

Chinese mainland

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the Enterprise Income Tax (“EIT”) rate of the PRC subsidiaries was 25% during the reporting period, unless otherwise specified below.

The Company is qualified as a high and new technology enterprise and was subject to income tax at a preferential tax rate of 15% for the reporting period. This qualification is subject to review by the relevant tax authority in the PRC for every three years.

Deepexi Guangzhou Technology Co., Ltd., a subsidiary of the Group in the Chinese mainland, was qualified as a high and new technology enterprise and was subject to income tax at a preferential tax rate of 15% for the year ended 31 December 2024.

Hong Kong

A subsidiary incorporated in Hong Kong is subject to Hong Kong profits tax at the rate of 8.25% for taxable income not exceeding HK\$2,000,000, and 16.5% for taxable income exceeding HK\$2,000,000 on any estimated assessable profits arising in Hong Kong. No provision for Hong Kong profits tax has been made as the Group had no assessable profits derived from or earned in Hong Kong during the reporting period.

Certain of the Group’s PRC subsidiaries were qualified as small and micro enterprises and were entitled to a preferential corporate income tax rate of 20% during the reporting period.

	2025 RMB'000	2024 RMB'000
Current – Chinese mainland: Charge for the year	50	–

11. INCOME TAX (CONTINUED)

A reconciliation of the tax expense applicable to loss before tax using the statutory rate for the jurisdiction in which the Company and the majority of its subsidiaries are domiciled and/or operate to the tax expense at the effective tax rate is as follows:

	2025 RMB'000	2024 RMB'000
Loss before tax	(934,509)	(1,254,990)
Tax at the statutory tax rate of 25%	(233,627)	(313,748)
Lower tax rates for specific provinces or enacted by local authority	95,101	125,499
Additional deductible allowance for research and development expenses	(10,239)	(7,854)
Tax effect of changes in the carrying amount of shares with preferential rights	110,272	173,278
Deductible temporary differences and tax losses not recognised	38,075	22,397
Expenses not deductible for tax	468	428
Tax charge at the Group's effective tax rate	50	–

The Group had accumulated tax losses arising in the Chinese mainland of RMB1,248,191,000 as of 31 December 2025 (2024: RMB1,098,557,000), that will expire in one to ten years for offsetting against future taxable profits of the Group.

Deferred tax assets have not been recognised in respect of these losses and deductible temporary differences as they have arisen in the subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits in the foreseeable future will be available against which the tax losses can be utilised.

12. DIVIDENDS

No dividend was paid or declared by the Company during the years ended 31 December 2025 and 2024.

13. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amount is based on the loss for the year attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares of 292,269,000 (2024: 205,566,000) outstanding during the year.

The Group had no potentially dilutive ordinary shares in issue and no adjustment has been made to the basic loss per share amounts presented for the years ended 31 December 2025 and 2024.

	2025	2024
Loss		
Loss attributable to ordinary equity holders of the parent, used in the basic loss per share calculation (RMB'000)	(934,559)	(1,254,990)
Shares		
Weighted average number of ordinary shares in issue during the year, used in the basic loss per share calculation ('000)	292,269	205,566
Loss per share (basic and diluted) RMB per share	(3.20)	(6.11)

14. PROPERTY, PLANT AND EQUIPMENT

	Electronic equipment RMB'000	Other equipment RMB'000	Leasehold improvements RMB'000	Construction in progress RMB'000	Total RMB'000
31 December 2025					
At 1 January 2025:					
Cost	4,486	968	14,230	–	19,684
Accumulated depreciation	(3,243)	(738)	(12,451)	–	(16,432)
Net carrying amount	1,243	230	1,779	–	3,252
At 1 January 2025, net of accumulated depreciation	1,243	230	1,779	–	3,252
Additions	4,948	–	175	–	5,123
Disposal	(7)	(2)	–	–	(9)
Depreciation provided during the year	(954)	(117)	(1,536)	–	(2,607)
At 31 December 2025, net of accumulated depreciation	5,230	111	418	–	5,759
At 31 December 2025:					
Cost	8,053	645	8,160	–	16,858
Accumulated depreciation	(2,823)	(534)	(7,742)	–	(11,099)
Net carrying amount	5,230	111	418	–	5,759
31 December 2024					
At 1 January 2024:					
Cost	4,552	1,110	13,283	285	19,230
Accumulated depreciation	(2,303)	(543)	(9,152)	–	(11,998)
Net carrying amount	2,249	567	4,131	285	7,232
At 1 January 2024, net of accumulated depreciation	2,249	567	4,131	285	7,232
Additions	–	–	947	–	947
Disposals	(66)	(142)	–	(285)	(493)
Depreciation provided during the year	(940)	(195)	(3,299)	–	(4,434)
At 31 December 2024, net of accumulated depreciation	1,243	230	1,779	–	3,252
At 31 December 2024:					
Cost	4,486	968	14,230	–	19,684
Accumulated depreciation	(3,243)	(738)	(12,451)	–	(16,432)
Net carrying amount	1,243	230	1,779	–	3,252

15. LEASES**The Group as a lessee**

The Group has lease contracts for various items of buildings. Leases of buildings generally have lease terms between 1 and 3 years.

(a) Right-of-use assets

The carrying amount of the Group's right-of-use assets and the movements during the year are as follows:

	Buildings RMB'000
As at 1 January 2024	15,535
Additions	1,799
Depreciation charge	(9,871)
Termination of lease contracts	(1,664)
As at 31 December 2024	5,799
Additions	15,055
Depreciation charge	(7,771)
As at 31 December 2025	13,083

15. LEASES (CONTINUED)**The Group as a lessee (Continued)****(b) Lease liabilities**

The carrying amount of lease liabilities and the movements during the year are as follows:

	2025 RMB'000	2024 RMB'000
Carrying amount at 1 January	5,877	16,041
New leases	15,055	1,799
Accretion of interest recognised during the year	387	382
Payments	(8,498)	(10,569)
Termination of lease contracts	–	(1,776)
Carrying amount at 31 December	12,821	5,877
Analysed into:		
Current portion	7,716	4,272
Non-current portion	5,105	1,605

The maturity analysis of lease liabilities is disclosed in note 36 to the financial statements.

(c) The amounts recognised in profit or loss in relation to leases are as follows:

	2025 RMB'000	2024 RMB'000
Interest on lease liabilities	387	382
Depreciation charge of right-of-use assets	7,771	9,871
Expense related to short-term and low-value leases	335	166
Total amount recognised in profit or loss	8,493	10,419

(d) The total cash outflow for leases is disclosed in note 31 to the financial statements.

Notes to Financial Statements (continued)

31 December 2025

16. OTHER INTANGIBLE ASSETS

	Software RMB'000
31 December 2025	
Cost at 1 January 2025, net of accumulated amortisation	35
Additions	648
Amortisation provided during the year	(41)
At 31 December 2025	642
At 31 December 2025:	
Cost	1,345
Accumulated amortisation	(703)
Net carrying amount	642
31 December 2024	
At 1 January 2024	
Cost	697
Accumulated amortisation	(662)
At 1 January 2024 and 31 December 2024, net of accumulated amortisation	35
At 31 December 2024 and at 1 January 2025:	
Cost	697
Accumulated amortisation	(662)
Net carrying amount	35

17. INVENTORIES

	2025 RMB'000	2024 RMB'000
Contract fulfilment costs	9,758	14,546
Less: Provision for impairment	–	–
Total	9,758	14,546

Contract fulfilment costs are recognised from the costs incurred to fulfil the contracts for FastData and FastAGI solutions which will be recognised as cost of sales mainly within 12 months when the Group's related performance obligations are satisfied and hence the related service contract revenue is recognised.

18. TRADE AND BILLS RECEIVABLES

	2025 RMB'000	2024 RMB'000
Trade and bills receivables	326,558	185,057
Impairment	(18,944)	(18,824)
Total	307,614	166,233

The Group's trading terms with its certain customers are on credit, and the credit period is generally within 90 days. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by management. In view of the aforementioned and the fact that the Group's trade and bills receivables relate to diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade and bills receivables are non-interest-bearing.

18. TRADE AND BILLS RECEIVABLES (CONTINUED)

An ageing analysis of the trade and bills receivables as at the end of each reporting period, based on the date of revenue recognition and net of loss allowance, is as follows:

	2025 RMB'000	2024 RMB'000
Within 1 year	281,905	144,754
1 to 2 years	18,587	14,551
2 to 3 years	6,660	1,596
Over 3 years	462	5,332
Total	307,614	166,233

The movements in the loss allowance for impairment of trade and bills receivables are as follows:

	2025 RMB'000	2024 RMB'000
At beginning of year	18,824	10,098
Impairment losses, net	120	8,726
At end of year	18,944	18,824

An impairment analysis was performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

18. TRADE AND BILLS RECEIVABLES (CONTINUED)

The Group writes off trade receivables when there is information indicating that the counterparty is in severe financial difficulties and there is no realistic prospect of recovery, e.g., when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, whichever occurs sooner, also taking into account legal advice where appropriate.

Set out below is the information about the credit risk exposure on the Group's trade and bills receivables using a provision matrix:

As at 31 December 2025

	Within 1 year	1 to 2 years	2 to 3 years	Over 3 years	Total
Expected credit loss rate	3.50%	12.71%	24.08%	89.38%	5.80%
Gross carrying amount (RMB'000)	292,140	21,294	8,772	4,352	326,558
Expected credit losses (RMB'000)	10,235	2,707	2,112	3,890	18,944

As at 31 December 2024

	Within 1 year	1 to 2 years	2 to 3 years	Over 3 years	Total
Expected credit loss rate	6.51%	15.71%	25.07%	50.78%	10.17%
Gross carrying amount (RMB'000)	154,831	17,262	2,130	10,834	185,057
Expected credit losses (RMB'000)	10,077	2,711	534	5,502	18,824

19. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

	2025 RMB'000	2024 RMB'000
Deposits and other receivables	5,441	5,776
Prepayments	4,375	–
Deductible value-added tax	2,230	2,964
Other current assets	2,117	1,559
Deferred listing expenses	–	111
	14,163	10,410
Impairment allowance	(511)	(834)
Subtotal	13,652	9,576
Less: Other non-current assets	(2,370)	(3,155)
Total current portion	11,282	6,421

Deposits and other receivables had no historical default. Deposits and other receivables were categorised in stage 1 at the end of each reporting period. In calculating the expected credit loss rate, the Group adjusts for forward-looking macroeconomic data. As at 31 December 2025, the Group estimated the expected credit losses for other receivables to be RMB511,000 (2024: RMB834,000).

Other receivables are unsecured, non-interest-bearing and are collectable within one year.

The movements in the loss allowance for impairment of other receivables are as follows:

	2025 RMB'000	2024 RMB'000
At beginning of year	834	661
Impairment loss, net	(323)	173
At end of year	511	834

20. CONTRACT ASSETS

	31 December 2025 RMB'000	31 December 2024 RMB'000
Contract assets arising from:		
Warranty retention receivables	17,702	16,265
Impairment of contract assets	(621)	(915)
Total	17,081	15,350

Contract assets are initially recognised for the revenue earned from sales of products and the receipt of retention consideration is conditional on expiration of the warranty period. Upon expiration of the warranty period, the amounts recognised as contract assets are reclassified to trade and bills receivables.

The expected timing of recovery or settlement for all the contract assets is within one year.

The movements in the loss allowance for impairment of contract assets are as follows:

	2025 RMB'000	2024 RMB'000
At beginning of year	915	509
(Reverse of impairment losses)/impairment losses, net	(294)	406
At end of year	621	915

21. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	31 December 2025 RMB'000	31 December 2024 RMB'000
Listed equity investments, at fair value	464	426

The above equity investments were classified as financial assets at FVTPL they were held for trading.

22. CASH AND CASH EQUIVALENTS, RESTRICTED CASH AND PLEDGED DEPOSITS

	2025 RMB'000	2024 RMB'000
Cash at banks	715,402	209,599
Less:		
Restricted cash*	8,004	–
Pledged deposits**	21,059	1,282
Cash and cash equivalents	686,339	208,317
Denominated in:		
RMB	659,864	175,597
US\$	24,378	32,720
HK\$	2,097	–

* As at 31 December 2025, the cash of RMB8,004,000 (2024: Nil) was restricted due to litigations which will become unrestricted after the resolution of those litigations.

** As at 31 December 2025, the pledged deposits included an amount of RMB21,059,000 (2024: RMB1,282,000), used as performance deposits for certain sales contracts which will become unrestricted after the completion of the contracts.

The RMB is not freely convertible into other currencies, however, under the Chinese mainland'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. Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

23. TRADE AND BILLS PAYABLES

An ageing analysis of the trade and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

	2025 RMB'000	2024 RMB'000
Within 1 year	98,318	75,174
1 to 2 years	9,037	4,869
2 to 3 years	2,181	1,592
Over 3 years	2,159	1,988
Total	111,695	83,623

The trade and bills payables are non-interest-bearing and are normally settled on terms of 1 to 3 months.

24. OTHER PAYABLES AND ACCRUALS

	Notes	2025 RMB'000	2024 RMB'000
Payroll and welfare payables		17,953	14,872
Other payables	(a)	17,403	20,291
Other tax payable		15,868	13,295
Accrued listing expenses		8,703	849
Contract liabilities	(b)	6,145	3,693
Accrued operating expenses		2,132	1,413
Total		68,204	54,413

(a) Other payables are trade in nature, non-interest-bearing and repayable on demand.

(b) Details of contract liabilities are as follows:

	2025 RMB'000	2024 RMB'000
<i>Short-term advances received from customers</i>		
Sale of solutions	6,145	3,693

25. INTEREST-BEARING BANK BORROWINGS

The effective interest rates and maturity of the borrowings are as follows:

	As at 31 December 2025		
	Effective interest rate (%)	Maturity	RMB'000
Current			
Bank loans — unsecured	2.60-3.00	2026	60,894

The carrying amounts of borrowings are denominated in RMB.

	2025 RMB'000	2024 RMB'000
Analysed into:		
Bank loans and overdrafts repayable:		
Within one year	60,894	—

26. SHARES WITH PREFERENTIAL RIGHTS

From December 2020 to August 2022, the Company received several rounds of investments as follows:

In December 2020, the Company issued 3,529,412 angel round equity shares with a par value of RMB1.00 per share ("Series Angel Shares") to several independent investors for a cash consideration of RMB15,000,000 or RMB4.25 per share.

In December 2020, the Company issued 8,728,653 series pre-A equity shares with a par value of RMB1.00 per share ("Series Pre-A Shares") to several independent investors for a cash consideration of RMB54,117,647 or RMB6.20 per share.

In December 2020, the Company issued 8,870,967 series A1 equity shares with a par value of RMB1.00 per share ("Series A1 Shares") to several independent investors for a cash consideration of RMB212,763,225 or RMB23.98 per share.

In December 2020, the Company issued 10,059,797 series A+ equity shares with a par value of RMB1.00 per share ("Series A+ Shares") to several independent investors for a cash consideration of RMB314,545,922 or RMB31.27 per share.

In March 2021, the Company issued 1,876,366 series A3 equity shares with a par value of RMB1.00 per share ("Series A3 Shares") to several independent investors for a cash consideration of RMB68,605,000 or RMB36.56 per share.

In March 2021, the Company issued 5,874,409 series A4 equity shares with a par value of RMB1.00 per share ("Series A4 Shares") to several independent investors for a cash consideration of RMB270,119,157 or RMB45.98 per share.

In August 2021, the Company issued the first tranche of 6,477,799 series B1 equity shares with a par value of RMB1.00 per share ("Series B1 Shares") to several independent investors for a cash consideration of RMB448,726,000 or RMB69.27 per share.

In January 2022, the Company issued the second tranche of 150,936 series B1 equity shares with a par value of RMB1.00 per share ("Series B1 Shares") to one independent investor for a cash consideration of RMB10,450,000 or RMB69.23 per share.

In May 2022, the Company issued 1,354,022 series B2 equity shares with a par value of RMB1.00 per share ("Series B2 Shares") to several independent investors for a cash consideration of RMB110,000,000 or RMB81.24 per share.

In February 2025, Mr. Zhao Jiehui and Mr. Yang Lei contributed RMB592,333 and RMB140,232, respectively, as registered capital to the Company. The funds were subsequently transferred to CMBC Financial Investment ("Series Equity Transfer Shares"). The total equity transfer consideration of RMB30,000,000 was determined based on arm's length negotiation between the parties and the equity transfer was approved by all shareholders of the Company.

Series Angel Shares, Series Pre-A Shares, Series A1 Shares, Series A+ Shares, Series A3 Shares, Series A4 Shares, Series B1 Shares, Series B2 Shares and Series Equity Transfer Shares are collectively referred to as the shares with preferential rights.

Notes to Financial Statements (continued)

31 December 2025

26. SHARES WITH PREFERENTIAL RIGHTS (CONTINUED)

Details of the key terms of the above shares were set out in note 27 of Appendix I in the prospectus published on 20 October 2025.

The Group recognised the financial instruments issued to investors as financial liabilities. Financial liabilities are measured at fair value and any changes in the fair value of the financial liabilities were recorded in “changes in fair values of financial liabilities at shares with preferential rights” in the consolidated statement of profit or loss and other comprehensive income.

All issued shares were automatically converted into ordinary shares upon the successful global offering of the Company on 28 October 2025 and the fair value of the financial liabilities of RMB4,746,479,000 have been reclassified to equity accordingly.

The movements in shares with preferential rights are set out as follows:

	Series Angel Shares RMB'000	Series Pre-A Shares RMB'000	Series A1 Shares RMB'000	Series A+ Shares RMB'000	Series A3 Shares RMB'000	Series A4 Shares RMB'000	Series B1 Shares RMB'000	Series B2 Shares RMB'000	Series Equity Transfer Shares RMB'000	Total shares RMB'000
At 1 January 2024	170,722	426,889	483,907	584,712	114,390	389,921	518,429	112,661	-	2,801,631
Change in fair value	95,326	235,982	233,172	253,182	45,069	132,290	134,333	25,832	-	1,155,186
At 31 December 2024 and 1 January 2025	266,048	662,871	717,079	837,894	159,459	522,211	652,762	138,493	-	3,956,817
Equity transfer between shareholders	-	-	-	-	-	-	-	-	54,513	54,513
Change in fair value	85,486	206,511	166,478	164,070	27,428	62,887	7,468	(3,630)	18,451	735,149
Automatic conversion of equity shares with redemption features upon the global offering	(351,534)	(869,382)	(883,557)	(1,001,964)	(186,887)	(585,098)	(660,230)	(134,863)	(72,964)	(4,746,479)
At 31 December 2025	-	-	-	-	-	-	-	-	-	-

26. SHARES WITH PREFERENTIAL RIGHTS (CONTINUED)

The fair values of the shares were valued by the directors of the Company with reference to valuation reports carried out by an independent qualified professional valuer. The Group used the discounted cash flow method to determine the total share value of the Group and applied the equity allocation model to determine the fair market value of the shares of relevant series at the end of the reporting period upon redemption.

Key valuation assumptions used to determine the fair market value of the shares are as follows:

	2024
Discount rate	13.90%
Risk-free interest rate	1.10%
Volatility	42.90%
Discounts for lack of marketability ("DLOM")	11.60%

27. DEFERRED TAX

The movements in deferred tax liabilities and assets during the reporting period are as follows:

Deferred tax assets

	Lease liabilities RMB'000	Impairment losses on financial and contract assets RMB'000	Impairment of inventories RMB'000	Total RMB'000
At 1 January 2024	2,406	1,691	195	4,292
Deferred tax (charged)/credited to profit or loss during the year	(1,524)	1,395	(195)	(324)
Gross deferred tax assets at 31 December 2024 and 1 January 2025	882	3,086	–	3,968
Deferred tax credited/(charged) to profit or loss during the year	1,127	(74)	–	1,053
Gross deferred tax assets at 31 December 2025	2,009	3,012	–	5,021

27. DEFERRED TAX (CONTINUED)**Deferred tax liabilities**

	Right-of-use assets RMB'000
At 1 January 2024	2,330
Deferred tax credited to profit or loss during the year	(1,460)
Gross deferred tax liabilities at 31 December 2024 and 1 January 2025	870
Deferred tax charged to profit or loss during the year	1,181
Gross deferred tax liabilities at 31 December 2025	2,051

For presentation purposes, certain deferred tax assets and liabilities have been offset in the statement of financial position.

Deferred tax assets have not been recognised in respect of the following items:

	2025 RMB'000	2024 RMB'000
Tax losses	1,248,191	1,098,557
Deductible temporary differences	2,970	3,098
Total	1,251,161	1,101,655

The above tax losses are available for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as it is not considered probable that taxable profits will be available against which the tax losses can be utilised, refer to note 11.

28. SHARE CAPITAL/PAID-IN CAPITAL

	2025 RMB'000	2024 RMB'000
Issued and fully paid	326,632	50,333
Issued but not fully paid	–	22,924

A summary of movements in the Company's Paid-in capital/share capital is as follows:

	Number of shares in issue	Paid-in capital/ share capital RMB'000
At 1 January 2024	50,136,658	50,137
Capital contribution from a shareholder (note (a))	195,905	196
At 31 December 2024 and 1 January 2025	50,332,563	50,333
Capital contribution from shareholders (note (b))	22,923,877	22,924
Issue of ordinary shares upon conversion into a joint stock company (note (c))	226,743,560	226,743
Shares from IPO (note (d))	26,632,000	26,632
At 31 December 2025	326,632,000	326,632

Notes:

- (a) In December 2024, the registered capital of RMB195,905 of the Company was subscribed by an investor at par value. The capital contribution increased the paid-in capital by RMB196,000.
- (b) In February 2025, the registered capital of RMB22,923,877 of the Company was subscribed by investors. The capital contributions increased the paid-in capital and capital reserve by RMB22,924,000 and RMB10,528,000, respectively.
- (c) Pursuant to the shareholders' resolutions on 14 March 2025, the then existing shareholders of the Company agreed to convert the Company into a joint stock limited liability company with registered capital of RMB300,000,000. Upon the completion of registration with governmental authorities on 8 April 2025, the Company has been converted into a joint stock company with limited liability.
- (d) In connection with the Company's Hong Kong Public Offering and the International Offering on 28 October 2025, 26,632,000 ordinary shares of RMB1.00 each were issued and allotted at an offer price of HK\$26.66 per share for a total gross consideration of HK\$710,009,000 (equivalent to RMB647,190,000).

29. RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity.

(a) Share premium

The share premium represents capital contributions and distributions to the shareholders.

(b) Share-based payment reserve

The share-based payment reserve represents the equity-settled share awards as set out in note 30 to the financial statements.

30. SHARE-BASED PAYMENTS

2021 Share Incentive Scheme

A share incentive plan ("Employee Incentive Scheme") was approved by the shareholders of the Company on 8 July 2021 and became effective on the same day. Restricted shares under the Employee Incentive Scheme were granted to the employees who promote the success of the Group's operations. Tianjin Deepexi Huachuang Enterprise Management Consulting Partnership (Limited Partnership) (天津滴普華創企業管理諮詢合夥企業(有限合夥)) ("Deepexi Huachuang") was the restricted share platform to facilitate the administration of the Employee Incentive Scheme. 37,299,300 shares of the Company held by Deepexi Huachuang were authorised and approved under the Employee Incentive Scheme. Pursuant to the Employee Incentive Scheme, the subscription price was RMB1.00 or RMB3.00 per restricted share.

On 7 December 2023, the shareholders of the Company decided to waive the implied service period for certain employees who were granted shares in Deepexi Huachuang in recognition of their contribution to the Group. The removal of the vesting condition resulted in the one-time accelerated vesting of certain incentive shares in 2023. The share-based payment expenses of RMB86,384,000 were recognised immediately, which led to a significant increase in share-based payment expenses in 2023.

2023 Share Incentive Scheme

A share incentive plan ("Employee Incentive Scheme") was approved by the shareholders of the Company on 7 December 2023 and became effective on the same day. Restricted shares under the Employee Incentive Scheme were granted to the employees who promote the success of the Group's operations. Guangzhou Deepexi Huaying Enterprise Management Consulting Partnership (Limited Partnership) (廣州滴普華贏企業管理諮詢合夥企業(有限合夥)) ("Deepexi Huaying") was the restricted share platform to facilitate the administration of the Employee Incentive Scheme. 6,364,500 shares of the Company held by Deepexi Huaying were authorised and approved under the Employee Incentive scheme. Pursuant to the Employee Incentive Scheme, the subscription price was RMB6.00 per restricted share.

Subject to the terms and conditions as set out in the Employee Incentive Schemes above, if eligible employees resign before within three years after the completion of IPO (the "Target Date"), the controlling shareholder or parties designated by the controlling shareholder have the right to repurchase and the resigned employees have to sell the restricted shares granted which shall vest at the subscription price. Therefore, the period from the grant date to the Target Date constitutes an implied service period. The Group does not bear the obligation to settle the restricted shares for employees, the Employee Incentive Schemes were accounted as equity transactions for share-based payments.

In January 2025, certain employees were granted shares in Deepexi Huaying in recognition of their contribution to the Group without vesting condition resulted in the one-time vesting of certain incentive shares. The share-based payment expenses of RMB106,773,000 were recognised immediately, which led to a significant increase in share-based payment expenses in 2025.

30. SHARE-BASED PAYMENTS (CONTINUED)

The following granted shares were outstanding under the Employee Incentive Schemes during the years ended 31 December 2025 and 2024:

	Number of granted incentive shares
As at 31 December 2023 and 1 January 2024	6,835,045
Forfeited during the year	(1,303,802)
As at 31 December 2024 and 1 January 2025	5,531,243
Granted during the year	7,983,643
Forfeited during the year	(137,881)
Vested during the year	(6,464,321)
As at 31 December 2025	6,912,684

The fair value of the restricted shares as at the grant date was determined with reference to the fair value of ordinary shares on the grant date. The following table lists the inputs to the model:

	2025	2024
DLOM	10.43%	–
Risk-free interest rate (%)	1.35	–

The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

The total share-based payment expenses recognised in profit or loss for restricted shares were approximately RMB115,257,000 and RMB2,784,000 during the years ended 31 December 2025 and 2024, respectively.

31. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS**(a) Major non-cash transactions**

During the year, the Group had non-cash additions to right-of-use assets and lease liabilities of RMB15,055,000 (2024: RMB1,799,000), respectively, in respect of lease agreements.

(b) Changes in liabilities arising from financing activities**2025**

	Shares with preferential rights RMB'000	Lease liabilities RMB'000	Interest-bearing bank borrowings RMB'000
At 1 January 2025	3,956,817	5,877	–
Change in fair value	735,149	–	–
Equity transfer between shareholders	54,513	–	–
Automatic conversion of equity shares with redemption features upon the global offering	(4,746,479)	–	–
Payments	–	(8,498)	–
New leases	–	15,055	–
Interest expenses	–	–	894
Accretion of interest recognised during the year	–	387	–
Changes from financing cash flows	–	–	60,000
At 31 December 2025	–	12,821	60,894

2024

	Shares with preferential rights RMB'000	Lease liabilities RMB'000
At 1 January 2024	2,801,631	16,041
Change in fair value	1,155,186	–
Payments	–	(10,569)
New leases	–	1,799
Termination of lease contracts	–	(1,776)
Accretion of interest recognised during the year	–	382
At 31 December 2024	3,956,817	5,877

31. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)**(c) Total cash outflow for leases**

The total cash outflow for leases included in the statement of cash flows is as follows:

	2025 RMB'000	2024 RMB'000
Within operating activities	335	166
Within financing activities	8,498	10,569
Total	8,833	10,735

32. COMMITMENTS

At the end of the reporting period, the Group did not have any significant contractual commitments (31 December 2024: Nil).

33. RELATED PARTY TRANSACTIONS**(a) Name and relationship**

Name of related party	Relationship with the Group
Wuxi Nianhua Yun Technology Service Co., Ltd. 無錫拈花雲科技服務有限公司	Associate of the Group

(b) Outstanding balances with related parties

	2025 RMB'000	2024 RMB'000
Due from a related company:		
Trade related		
Wuxi Nianhua Yun Technology Service Co., Ltd.	-	1,407

The amount due from a related party is unsecured, interest-free and repayable on demand.

33. RELATED PARTY TRANSACTIONS (CONTINUED)**(c) Compensation of key management personnel of the Group**

	2025 RMB'000	2024 RMB'000
Salaries, bonuses, allowances and benefits in kind	8,169	6,123
Pension scheme contributions	276	219
Equity-settled share-based payment expenses	107,280	29
Total	115,725	6,371

Further details of directors' and the chief executive's remuneration are included in note 9 to the financial statements.

34. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

2025***Financial assets***

	Financial assets at FVTPL RMB'000	Financial assets at amortised cost RMB'000	Total RMB'000
Financial assets at FVTPL	464	–	464
Trade and bills receivables	–	307,614	307,614
Financial assets included in prepayments, other receivables and other assets	–	11,933	11,933
Restricted cash	–	8,004	8,004
Pledged deposits	–	21,059	21,059
Cash and cash equivalents	–	686,339	686,339
Total	464	1,034,949	1,035,413

34. FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows: (Continued)

Financial liabilities

	Financial liabilities at FVTPL RMB'000	Financial liabilities at amortised cost RMB'000	Total RMB'000
Trade and bills payables	–	111,695	111,695
Financial liabilities included in other payables and accruals	–	17,403	17,403
Lease liabilities	–	12,821	12,821
Total	–	141,919	141,919

2024**Financial assets**

	Financial assets at FVTPL RMB'000	Financial assets at amortised cost RMB'000	Total RMB'000
Financial assets at FVTPL	426	–	426
Trade and bills receivables	–	166,233	166,233
Financial assets included in prepayments, other receivables and other assets	–	7,446	7,446
Pledged deposits	–	1,282	1,282
Cash and cash equivalents	–	208,317	208,317
Total	426	383,278	383,704

34. FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows: (Continued)

Financial liabilities

	Financial liabilities at FVTPL RMB'000	Financial liabilities at amortised cost RMB'000	Total RMB'000
Shares with preferential rights	3,956,817	–	3,956,817
Trade payables	–	83,623	83,623
Financial liabilities included in other payables and accruals	–	20,291	20,291
Lease liabilities	–	5,877	5,877
Total	3,956,817	109,791	4,066,608

35. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and cash equivalents, restricted cash, pledged deposits, trade and bills receivables, financial assets included in prepayments, other receivables and other assets, trade and bills payables and financial liabilities included in other payables and accruals approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The finance manager of the Group is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The Group's finance manager reports directly to the chief financial officer. At the end of each reporting period, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of listed equity investments are based on quoted market prices.

The fair values of the shares with preferential rights are determined using the discounted cash flow method. Further details are set out in note 26 to the financial statements.

35. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)**Fair value hierarchy**

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

As at 31 December 2025

	Fair value measurement using			Total RMB'000
	Quoted prices in active markets Level 1 RMB'000	Significant observable inputs Level 2 RMB'000	Significant unobservable inputs Level 3 RMB'000	
Financial assets at FVTPL	464	–	–	464

As at 31 December 2024

	Fair value measurement using			Total RMB'000
	Quoted prices in active markets Level 1 RMB'000	Significant observable inputs Level 2 RMB'000	Significant unobservable inputs Level 3 RMB'000	
Financial assets at FVTPL	426	–	–	426

35. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)**Fair value hierarchy (Continued)**

Liabilities measured at fair value:

The Group did not have any financial liabilities measured at fair value as at 31 December 2025.

As at 31 December 2024

	Fair value measurement using			Total RMB'000
	Quoted prices in active markets RMB'000	Significant observable inputs RMB'000	Significant unobservable inputs RMB'000	
Shares with preferential rights	–	–	3,956,817	3,956,817

During the reporting periods, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities.

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments mainly comprise cash and bank balances and trade and bills receivables. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as financial assets included in prepayments, other receivables and other assets and trade and bills payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)**Foreign currency risk**

The Group has transactional currency exposures. Such exposures arise from the Company's cash and cash equivalents in currencies other than the Company's functional currencies, i.e., HK\$ and US\$.

The following table demonstrates the sensitivity at the end of each reporting period to a reasonably possible change in foreign currency exchange rates, with all other variables held constant, of the Group's loss before tax (due to changes in the fair value of monetary assets and liabilities) and the Group's equity.

	Increase/(decrease) in the rate of foreign currency rate %	(Decrease)/increase in loss before tax/equity RMB'000
2025		
If the RMB weakens against the US\$	10	(2,438)
If the RMB strengthens against the US\$	(10)	2,438
If the RMB weakens against the HK\$	10	(210)
If the RMB strengthens against the HK\$	(10)	210
2024		
If the RMB weakens against the US\$	10	(3,272)
If the RMB strengthens against the US\$	(10)	3,272

Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)**Credit risk (Continued)*****Maximum exposure and year-end staging***

The tables below show the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 December.

The amounts presented are gross carrying amounts for financial assets.

As at 31 December 2025

	12-month ECLs		Lifetime ECLs		Simplified approach RMB'000	Total RMB'000
	Stage 1 RMB'000	Stage 2 RMB'000	Stage 3 RMB'000			
Trade and bills receivables*	–	–	–		326,558	326,558
Financial assets included in prepayments, other receivables and other assets						
– Normal**	11,933	–	–		–	11,933
Pledged deposits						
– Not yet past due	21,059	–	–		–	21,059
Restricted cash						
– Not yet past due	8,004	–	–		–	8,004
Cash and cash equivalents						
– Not yet past due	686,339	–	–		–	686,339
Total	727,335	–	–		326,558	1,053,893

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)**Credit risk (Continued)****Maximum exposure and year-end staging (Continued)**

As at 31 December 2024

	12-month ECLs		Lifetime ECLs		Simplified approach RMB'000	Total RMB'000
	Stage 1 RMB'000	Stage 2 RMB'000	Stage 3 RMB'000			
Trade receivables*	–	–	–	–	185,057	185,057
Financial assets included in prepayments, other receivables and other assets						
– Normal**	7,446	–	–	–	–	7,446
Pledged deposits						
– Not yet past due	1,282	–	–	–	–	1,282
Cash and cash equivalents						
– Not yet past due	208,317	–	–	–	–	208,317
Total	217,045	–	–	–	185,057	402,102

* For trade and bills receivables to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in note 18 to the financial statements.

** The credit quality of the financial assets included in prepayments, other receivables and other assets is considered to be “normal” when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be “doubtful”.

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)**Liquidity risk**

The Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management of the Group to finance the operations and mitigate the effects of fluctuations in cash flows.

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

	2025			Total RMB'000
	Within 1 year RMB'000	1 to 5 years RMB'000	Over 5 years RMB'000	
Trade and bills payables	111,695	–	–	111,695
Lease liabilities	8,056	5,239	–	13,295
Financial liabilities included in other payables and accruals	17,403	–	–	17,403
Interest-bearing bank borrowings	61,773	–	–	61,773
Total	198,927	5,239	–	204,166

	2024			Total RMB'000
	Within 1 year RMB'000	1 to 5 years RMB'000	Over 5 years RMB'000	
Trade payables	83,623	–	–	83,623
Lease liabilities	4,397	1,630	–	6,027
Financial liabilities included in other payables and accruals	20,291	–	–	20,291
Shares with preferential rights	3,956,817	–	–	3,956,817
Total	4,065,128	1,630	–	4,066,758

Capital management

The Group's primary objectives for managing capital are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2025 and 31 December 2024.

37. EVENTS AFTER THE REPORTING PERIOD

The Group had no other significant events after the reporting period up to the approval date of these financial statements.

38. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

	2025 RMB'000	2024 RMB'000
NON-CURRENT ASSETS		
Property, plant and equipment	3,365	3,234
Right-of-use assets	12,196	5,799
Other intangible assets	642	35
Investments in subsidiaries	151,357	143,625
Long-term receivables from subsidiaries	97,022	97,013
Other non-current assets	2,245	3,132
Total non-current assets	266,827	252,838
CURRENT ASSETS		
Inventories	6,919	14,333
Trade and bills receivables	307,614	165,944
Contract assets	17,081	15,320
Prepayments, other receivables and other assets	584,651	578,918
Financial assets at FVTPL	464	426
Pledged deposits	19,379	1,282
Restricted cash	4,734	–
Cash and cash equivalents	644,151	197,789
Total current assets	1,584,993	974,012

38. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (CONTINUED)

	2025 RMB'000	2024 RMB'000
CURRENT LIABILITIES		
Trade and bills payables	109,601	67,245
Amounts due to subsidiaries	8,201	28,047
Other payables and accruals	59,970	53,125
Interest-bearing bank borrowings	56,754	–
Lease liabilities	7,333	4,272
Shares with preferential rights	–	3,956,817
Total current liabilities	241,859	4,109,506
NET CURRENT ASSETS/(LIABILITIES)	1,343,134	(3,135,494)
TOTAL ASSETS LESS CURRENT LIABILITIES	1,609,961	(2,882,656)
NON-CURRENT LIABILITIES		
Lease liabilities	4,627	1,605
Total non-current liabilities	4,627	1,605
Net assets/(liabilities)	1,605,334	(2,884,261)
EQUITY		
Share capital/paid-in capital	326,632	50,333
Reserves	1,278,702	(2,934,594)
Total equity/(deficits)	1,605,334	(2,884,261)

38. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (CONTINUED)

Note:

A summary of the Company's reserves is as follows:

	Share premium RMB'000	Share-based payment reserve RMB'000	Other reserves RMB'000	Accumulated losses RMB'000	Total RMB'000
As at 1 January 2024	1,472,627	160,218	(1,504,300)	(1,810,062)	(1,681,517)
Loss and total comprehensive loss for the year	–	–	–	(1,255,861)	(1,255,861)
Recognition of equity-settled share-based payment	–	2,784	–	–	2,784
As at 31 December 2024 and 1 January 2025	1,472,627	163,002	(1,504,300)	(3,065,923)	(2,934,594)
Loss and total comprehensive loss for the year	–	–	–	(950,719)	(950,719)
Capital contribution from shareholders	10,528	–	–	–	10,528
Issue of shares from IPO	620,558	–	–	–	620,558
Share issue expenses	(47,551)	–	–	–	(47,551)
Conversion into a joint stock company	(917,314)	–	–	690,571	(226,743)
Equity transfer between shareholders	–	–	(54,513)	–	(54,513)
Automatic conversion of equity shares with redemption features upon the global offering	3,187,666	–	1,558,813	–	4,746,479
Recognition of equity-settled share-based payment	–	115,257	–	–	115,257
As at 31 December 2025	4,326,514	278,259	–	(3,326,071)	1,278,702

39. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 20 March 2026.

Four-Year Financial Summary

A summary of the results and of the assets and liabilities of the Group for the last four financial years^{Note} is set out below:

	2025 RMB'000	2024 RMB'000	2023 RMB'000	2022 RMB'000
Revenue	414,991	242,926	129,040	100,468
Gross profit	228,555	126,177	51,773	29,559
Loss and total comprehensive loss for the year	(934,559)	(1,254,990)	(503,075)	(654,700)
Adjusted net loss (Non-HKFRS measure)	(27,535)	(96,389)	(188,987)	(223,900)
Total assets and total liabilities				
Total assets	1,083,455	424,816	464,976	661,468
Total liabilities	253,614	4,100,730	2,888,880	2,675,182
Equity	829,841	(3,675,914)	(2,423,904)	(2,013,714)

Note: The Company was only listed on the Hong Kong Stock Exchange on 28 October 2025, no financial information for the year ended 31 December 2021 has been published.

Definitions

In this report, unless the context otherwise requires, the following terms shall have the meanings set out below:

“Articles of Association”	the Articles of Association of the Company (as amended, supplemented or otherwise modified from time to time)
“Annual Report”	the annual report of the Company for the year ended 31 December 2025
“Audit Committee”	the audit committee of our Board
“Board” or “Board of Directors”	the board of Directors of our Company
“China” or “PRC”	the People’s Republic of China, excluding the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan
“Company”, “our Company” or “the Company”	Deepexi Technology Co., Ltd. (滴普科技股份有限公司), a limited liability company established under the laws of the PRC on 3 May 2018 under the name of Beijing Deepexi Technology Co., Ltd. (北京滴普科技有限公司) and converted into a joint stock limited company on 8 April 2025 under the current name, the H Shares of which are listed and traded on the Hong Kong Stock Exchange
“Controlling Shareholders”	has the meaning ascribed to it under the Listing Rules and unless the context requires otherwise, refers to Mr. Zhao Jiehui, Mr. Yang Lei, Deepexi Huachuang, Deepexi Huaying and Deepexi Huichuang
“CSRC”	the China Securities Regulatory Commission (中國證券監督管理委員會)
“Group”, “our Group”, “we”, “our” or “us”	our Company and its subsidiaries
“Deepexi Huachuang”	Tianjin Deepexi Huachuang Enterprise Management Consulting Partnership (Limited Partnership) (天津滴普華創企業管理諮詢合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on 2 November 2018, and a member of the Controlling Shareholders Group
“Deepexi Huaying”	Guangzhou Deepexi Huaying Enterprise Management Consulting Partnership (Limited Partnership) (廣州滴普華贏企業管理諮詢合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on 8 July 2021, and a member of the Controlling Shareholders Group
“Deepexi Huichuang”	Zhuhai Deepexi Huichuang Enterprise Management Consulting Company Limited (珠海滴普慧創企業管理諮詢有限公司), a limited liability company established under the laws of the PRC on 8 May 2021, and a member of the Controlling Shareholders Group

Definitions

“H Share(s)”	share(s) in the share capital of our Company with a nominal value of RMB1.00 each, which is/are listed and traded on the Stock Exchange
“HK\$” or “Hong Kong dollars” or “HK dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“Latest Practicable Date”	8 April 2026
“Listing Date”	28 October 2025
“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
“Listing”	the listing of the H Shares on the Main Board
“Main Board”	the stock market (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with GEM of the Stock Exchange
“prospectus”	the prospectus issued by the Company on 28 October 2025
“Reporting Period”	from 1 January 2025 to 31 December 2025
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“SFO” or “Securities and Futures Ordinance”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Shareholder(s)”	holder(s) of the shares in the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“SCNPC”	The Standing Committee of the National People’s Congress of the PRC

Notes:

1. Certain amounts and percentage figures included in this report have been subject to rounding adjustments.
2. In the event of any discrepancy between the Chinese and English names of Chinese laws and regulations, governmental authorities, institutions, natural persons or other entities (including certain subsidiaries of the Company), the Chinese version shall prevail. English translations of company names and other terms from the Chinese language are marked with “*” and are provided for identification purposes only.