



北京海致科技集团股份有限公司

Beijing Haizhi Technology Group Co., Ltd.

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

Stock Code : 2706

2025

ANNUAL REPORT



CONTENTS

2	Corporate Information
4	Financial Highlights
5	CEO's Statement
12	Management Discussion and Analysis
18	Directors and Senior Management
24	Directors' Report
40	Corporate Governance Report
57	Independent Auditor's Report
62	Consolidated Statement of Profit or Loss
63	Consolidated Statement of Profit or Loss and Other Comprehensive Income
64	Consolidated Statement of Financial Position
66	Consolidated Statement of Changes in Equity
68	Consolidated Cash Flow Statement
69	Notes to the Financial Statements
136	Definitions

CORPORATE INFORMATION

BOARD OF DIRECTORS

EXECUTIVE DIRECTORS:

Mr. Ren Xuyang (*Chairman*)
 Mr. Yang Zaifei (*Chief Executive Officer*)
 Ms. Yang Juan
 Mr. Wan Pengjiang

NON-EXECUTIVE DIRECTORS:

Mr. Li Jiaqing
 Ms. Long Yu
 Mr. Li Hongtao

INDEPENDENT NON-EXECUTIVE DIRECTORS:

Mr. Zhang Yifan
 Mr. Jiang Tian
 Mr. Li Shu Pai
 Mr. Ma Yeming

AUDIT COMMITTEE

Mr. Li Shu Pai (*Chairman*)
 Mr. Li Jiaqing
 Mr. Zhang Yifan

REMUNERATION AND APPRAISAL COMMITTEE

Mr. Jiang Tian (*Chairman*)
 Mr. Yang Zaifei
 Mr. Ma Yeming

NOMINATION COMMITTEE

Mr. Ma Yeming (*Chairman*)
 Ms. Yang Juan
 Mr. Jiang Tian

JOINT COMPANY SECRETARIES

Mr. Miao Zheng
 Ms. Poon Pui Man Hera

AUTHORIZED REPRESENTATIVES

Mr. Yang Zaifei
 Ms. Poon Pui Man Hera

REGISTERED OFFICE AND HEADQUARTERS

Room 1501, 15th Floor
 Building 8, No. 8, Kegou First Street
 Beijing Economic-Technological
 Development Area
 Beijing
 PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

4/F, Jardine House
 1 Connaught Place
 Central
 Hong Kong

AUDITOR

KPMG
Certified Public Accountants
Public Interest Entity Auditor registered in
accordance with the Accounting and
Financial Reporting Council Ordinance
 8th Floor, Prince's Building
 10 Chater Road
 Central
 Hong Kong

HONG KONG LEGAL ADVISOR

Zhong Lun Law Firm LLP
 4/F, Jardine House
 1 Connaught Place, Central
 Hong Kong

CORPORATE INFORMATION

COMPLIANCE ADVISOR

Altus Capital Limited
21 Wing Wo Street
Central
Hong Kong

H SHARE REGISTRAR

Computershare Hong Kong Investor
Services Limited
Shops 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wan Chai
Hong Kong

PRINCIPAL BANK

China Merchants Bank Co., Ltd.
Beijing Datun Road Branch
1/F, Building 1
Courtyard 66, Nanshatan
Chaoyang District
Beijing
PRC

STOCK CODE

2706

COMPANY'S WEBSITE

www.haizhi.com

FINANCIAL HIGHLIGHTS

A summary of the operating results and the assets and liabilities of the Group for the last four financial years is set out below.

	For the year ended December 31,			
	2025	2024	2023	2022
	RMB'000 (except percentages)			
Results of Operations:				
Revenue	621,081	503,129	375,573	312,992
Gross profit	268,994	182,393	132,260	96,864
Loss for the year	(205,322)	(93,733)	(265,650)	(175,780)
Profitability:				
Gross profit margin	43.3%	36.3%	35.2%	30.9%
	As of December 31,			
	2025	2024	2023	2022
	RMB'000			
Total assets	936,098	633,505	1,062,551	365,700
Total liabilities	2,387,565	1,984,250	2,296,122	320,067
Total (deficit)/equity attributable to equity shareholders of the company	(1,451,467)	(1,350,745)	(1,233,571)	45,633
Cash and cash equivalents	442,641	176,044	197,866	81,412

Note: The Company was listed on the Main Board of the Stock Exchange on February 13, 2026. The Company published financial information since 2022 in the Prospectus, and therefore the above table sets out the financial highlights for the most recent four financial years since 2022.

CEO'S STATEMENT

BUSINESS REVIEW AND OUTLOOK

I. OVERALL PERFORMANCE

We are honored to present the Company's inaugural annual report following our listing. In 2025, the Company achieved a total revenue of RMB621.1 million, representing a year-on-year (YoY) increase of approximately 23.4%. In 2025, the number of customers served by the Company reached 212, a 24.0% YoY growth. Our core growth engine, Atlas AI Agent Solution, performed exceptionally well, with revenue surging to RMB145.7 million, a leapfrog YoY growth of approximately 68.4%. It has officially emerged as the "second curve" driving the Company's long-term expansion.

Adjusted net profit stood at RMB24.1 million, up 42.6% YoY. Meanwhile, driven by the increased revenue contribution from the AI agent business and the maturation of our solutions across diverse industries and scenarios, the Company's overall gross margin improved by 7.0 percentage points to 43.3% in 2025, with the Atlas AI Agent segment's gross margin rising to 53.2%.

Furthermore, our cash flow position continued to strengthen. Excluding listing-related expenses, our net cash outflow from operating activities narrowed from RMB38.5 million in 2024 to RMB30.2 million, reflecting continuous improvement in operational efficiency. As of February 28, 2026, the Company's combined cash and cash equivalents, along with financial assets measured at fair value, exceeded RMB1 billion. With these ample capital reserves, the Company is well positioned to support its long-term healthy development.

II. TECHNICAL AND PRODUCT PROGRESS

In 2025, LLM technology advanced by leaps and bounds, accelerating the deployment of AI agents. The Company continued to advance its core "graph-LLM integration" technology, ensuring trustworthiness, explainability, and traceability in critical industrial scenarios, thereby making LLMs truly viable for enterprise-grade customers.

In 2025, Haizhi spearheaded a major national-level major project focusing on breakthroughs in key technologies and industrialization for next-generation multi-modal databases. We deeply recognize that multi-modal databases are vital infrastructure for enterprise-grade AI implementation; their core lies in utilizing graph computing engines to achieve multi-modal data modeling and deep inference. The core objects that future AI systems will deal with are no longer isolated text, but complex execution environments composed of knowledge, relationships, rules, states, tools, processes, and various types of data. Multi-modal databases can uniformly organize these objects, providing AI with knowledge and state as a foundation that can be queried, traced, constrained, and continuously evolved. Graph computing is the perfect match for this underlying logic. Naturally oriented toward relationship modeling, deep inference, and path mining, it serves as the most optimal computing paradigm for enabling AI's transition from 'conversation' to 'action execution.' Furthermore, it facilitates global coordination within complex business environments by efficiently mapping entity relationships, business chains, state transitions, and permission constraints – thereby suppressing hallucinations and ensuring decision compliance from the architectural level. As a unified scheduling and computing hub, it enables the seamless correlation, fusion, global querying, and dynamic evolution of multi-modal data through a single engine. Ultimately, from a long-term perspective, any truly deployable, scalable, and governable enterprise-grade AI system will inevitably depend on a multi-modal database foundation centered on graph computing.

CEO'S STATEMENT

In 2025, regarding our core graph computing capabilities, we marked a milestone with the flagship release of the latest AtlasGraph. This version introduces significant enhancements across dozens of core functionalities, including time-series graphs and data lifecycle management. We also thoroughly optimized the storage engine and background task system, significantly improving system stability and processing efficiency. In terms of intelligent applications, GraphRAG enhanced its ability to parse structured and semi-structured text, alongside the integration of permission management, Natural Language Interaction (NLI), and parsing technologies. Pivotal progress was also made in graph learning and graph computing engines regarding loading efficiency, memory footprint, and custom algorithms.

The Company continued to deeply cultivate graph-LLM integration technology and has been selected as the sole leading entity for Beijing Municipal Key Project: "Development and Demonstration Application of a Graph-LLM Joint Application Platform Based on Large-Scale Graph Data Analysis Technology." We conducted full-stack optimization of technologies such as large-scale graph data storage, graph-LLM joint inference computing, and intelligent application support, striving to build scalable capabilities for the application of graph-LLM collaborative analysis. The Company has pioneered in achieving a breakthrough upgrade in the core technology in the industrial-grade cognitive intelligence and AI agent domains. We have independently developed a technology foundation for Coding Agent, featuring autonomous code generation and toolchain construction, all-scenario adaptive task execution, inherent self-constraint, and full-chain self-evolution capabilities. This foundation deeply integrates the full-chain security governance mechanism of Harness Engineering and innovatively builds a graph-knowledge-enhanced Industrial Scenario World Model, thus forming a core AI agent technology kernel that is secure, controllable, autonomously iterative, and deeply adaptable to industrial needs. This kernel deeply integrates the Company's full-stack technological expertise and mature product matrix, fully connecting the comprehensive domain capabilities of the Company's Atlas Agent platform with the DMC intelligent data platform and Atlas Graph Platform. Leveraging the newly established LLM Knowledge Extraction Platform and Meta-Knowledge Management Platform, the Company has not only achieved a quantitative leap in the accuracy of cross-data format and multimodal content Q&A in complex business scenarios, but also, by virtue of the AI agent's core capabilities in autonomous tool construction and scenario-adaptive execution, it can address fragmented, customized, and highly complex business pain points in critical industries such as finance and energy. This forms an end-to-end cognitive intelligence closed loop, spanning data governance, knowledge modeling, and intelligent decision-making to automated execution. Ultimately, it realizes enterprise-grade graph-model twin Agents. This provides key industries with full-stack, highly reliable, and self-evolving industrial-grade cognitive intelligence solutions, continuing to lead the frontier of innovation and large-scale implementation in industrial AI Agents.

In terms of technical ecosystem collaboration, the Company's AI agent products are compatible with over a hundred LLMs. In 2025, the Company signed a collaboration agreement with a large state-owned commercial bank to provide AI agent services to customers, leveraging LLMs as a foundational capability. In early 2026, the Company entered into a strategic cooperation agreement with Knowledge Atlas (Zhipu AI). Both parties will forge a strategic alliance leveraging their respective technological strengths, industry expertise, and market resources, to achieve complementary and synergistic development. In the future, the Company capitalize on its profound insights in graph computing and graph-LLM integration, along with the advanced LLM capabilities of other leading LLM companies, to achieve further breakthroughs in areas such as mitigating LLM hallucinations and implementation of AI across core industry scenarios.

CEO'S STATEMENT

III. BUSINESS PROGRESS

Leveraging differentiated technological solutions in graph computing and graph-LLM integration, the Company continued to fortify its market share in key industries including finance, government and public utilities, and energy. Furthermore, we have increased strategic investment in smart manufacturing, Internet of Vehicles, and telecom operators to expand our industry reach and scenario footprint. Notably, the Company has achieved domestic substitution of graph database products within four major state-owned commercial banks, each with total assets exceeding RMB15 trillion. Building upon the foundational graph databases capabilities, we have further developed a comprehensive ecosystem of graph-based application products and AI agent products. In the realm of public safety, the Company focuses on core risk dimensions including financial security, technological security, ecological environment, and emergency disasters. Relying on our integrated “Knowledge Graph + AI agent” product suite, we have achieved precise risk perception and proactive prevention, effectively enhancing risk control capabilities and continuously maintaining a leading market share. Regarding international business, we have made significant strides in overseas markets. In Hong Kong, by leveraging our dominant advantage with mainland financial institutions, we have achieved breakthroughs in both banking and non-banking financial sectors.

As of the end of 2025, the Company had served a cumulative total of over 400 enterprise-grade customers. The overall average revenue per customer (ARPC) stood at RMB3.0 million, while the ARPC for Atlas AI Agent customers reached RMB3.6 million. Among the Atlas AI agent customers contributing revenue in 2025, 50% had previously deployed the Company's Atlas Graph Solutions, demonstrating high customer stickiness.

(1) Atlas Graph Solution

In 2025, the Company's Atlas Graph Solutions realized a total revenue of RMB475.3 million, serving 172 customers with an ARPC of RMB2.8 million. We continued to fortify our market penetration and depth within core sectors such as public safety, finance, and energy, while securing bids from flagship customers in fields like unmanned spatial systems.

- **A Large State-Owned Commercial Bank (Total Assets >RMB15 Trillion):** In 2025, the Company initiated its first headquarters-level collaboration with this client, providing a bank-wide AtlasGraph database and computing platform. Our solution effectively met the client's requirements for internal strategic development, external regulatory compliance, and domestic technology substitution. The partnership rapidly expanded across multiple business units, including Corporate Finance, Risk Management, and Internal Control & Legal Compliance. By deepening our vertical integration, we have delivered significant value through graph computing in scenarios such as supply chain operations, risk management, intelligent anti-fraud monitoring, and internal control/compliance auditing.

CEO'S STATEMENT

- **Customs of a Provincial Capital in Southeast China:** The client deployed our comprehensive Atlas Graph Solution stack, integrating the DMC Data Intelligence Platform, Atlas Knowledge Graph Platform, and AtlasGraph Graph database. By consolidating structured, semi-structured, and unstructured data – including case files, logistics information, and financial transaction records – from diverse origins, the solution transforms multi-source heterogeneous data into a unified graph-based storage format. This enables the client to conduct high-efficiency anti-smuggling intelligence analysis, uncovering hidden syndicate connections, rapidly identifying key accounts and financial evidence, and pinpointing core nodes. As a result, the efficiency of case investigation and decision-making has been significantly enhanced.
- **An Unmanned Spatial System Management Center in the Guangdong-Hong Kong-Macao Greater Bay Area (GBA):** As the primary regulatory authority for regional all-domain unmanned systems, this client is responsible for critical functions such as safety supervision of unmanned equipment, flight service assurance, and data resource coordination. To address the rapid proliferation of drones and other unmanned equipment, the Company is developing Graph-LLM Twin capabilities to enable comprehensive lifecycle digital management and intelligent oversight. The Company provides a holistic Unmanned Spatial System Data Center Solution powered by our proprietary AtlasGraph graph database and Atlas Graph Platform. We have constructed a unified Graph Ontology Model for unmanned equipment, deeply correlating core elements – including UAVs (Unmanned Aerial Vehicle), operating enterprises, pilot certifications, flight missions, airspace approvals, and route planning – with knowledge graph structure. This approach establishes individualized digital profiles (“One File per Device, One File per Flight”) across the entire lifecycle. It enables rapid tracing of ownership, verification of certification validity, and full reconstruction of mission execution, providing precise data support for unauthorized flight investigations and accident forensic analysis.

(2) Atlas AI Agent

In 2025, the Company's Atlas AI Agent Solutions generated revenue of RMB145.7 million, serving 40 clients with an ARPC of RMB3.6 million. This demonstrates significant success in securing recurring purchases from existing clients and the acquisition of new customers. Notably, 50% of our Atlas Graph Solution customers have successfully converted to our Atlas Agent products. Furthermore, 5 customers have demonstrated sustained loyalty through recurring purchases of our Atlas Agent products in 2025 since their initial launch. Beyond deep-diving into our dominant industries to facilitate product conversion, the Company has actively explored and secured orders across a broad spectrum of emerging industries and innovative scenarios.

- **A large state-owned commercial bank with total assets exceeding RMB15 trillion:** The Company has collaborated with this client for five years, serving as a key AI partner and providing full-stack Atlas Graph solutions, which include the AtlasGraph graph database, Atlas graph platform, and graph modeling application solutions. The Company has built a complete set of graph computing infrastructure and platform application systems for the client, creating significant value in areas such as intelligent marketing, credit risk control, and anti-fraud. Since 2024, the Company has continuously provided Atlas Agent Solutions to this client, covering multiple areas such as retail marketing, post-loan management, audit, and operations. It has delivered several graph-LLM integration-based AI agent products and scenario-based capabilities, making the Company's products an indispensable and important assistant to the client.

CEO'S STATEMENT

- **A major national joint-stock commercial bank:** The Company has collaborated with this client for six years, serving as a key AI partner and providing full-stack solutions. Leveraging a comprehensive suite of graph computing foundations and platform application systems, the Company has created significant value for the client in areas such as intelligent marketing, credit risk control, anti-money laundering, and intelligent auditing. Since 2025, Haizhi has been providing this client with enterprise-grade financial knowledge engineering 3.0 solutions for autonomous AI agents, including AtlasRAG, DecOnto Ontology Modeling Software, and EEKG 2.0 Ontology Methodology guidance. For this client, we have built an enterprise-grade knowledge directory, knowledge extraction pipelines, and explicit knowledge modeling to create a unified enterprise-grade semantic space. We have established unified knowledge architecture specifications and modeling standards, standardized knowledge access implementation processes and operational mechanisms, enabling AI to recognize, infer, and execute knowledge. This provides a solid graph-LLM integration technology and process foundation for AI agent scenarios such as intelligent investment advisory and automated auditing.
- **An overseas non-banking financial institution:** The Company has provided this client with a complete AI agent application platform, including an all-in-one LLM appliance. This project uses the AI agent construction platform as its core foundation, deeply integrating multimodal models like LLM, graph-to-text, and speech-to-text with GraphRAG technology. It innovatively implements four core scenarios: intelligent knowledge Q&A, intelligent voice quality inspection, intelligent customer service, and intelligent morning briefing. By synergizing multiple technologies, we have broken down financial data silos and achieved precise and efficient business responses. This has not only optimized the service experience but also established a benchmark practice for the intelligent transformation of the financial industry.
- **A large state-owned telecommunications operator:** Since 2023, the Company has been serving the headquarters of this telecommunications operator, providing it with the AtlasGraph graph database product. Leveraging its distributed graph-native characteristics, it has laid a solid foundation for complex analysis of its hundreds of billions of graph data points. The Company has signed repurchase contracts with this client for three consecutive years. Based on the graph database, we have gradually expanded ecological tools such as the graph analysis platform, graph data warehouse management platform, and GraphAgent. This has formed a graph technology product matrix encompassing basic storage and computing, analysis and mining, asset management, and innovative applications. It also provides graph-LLM digital twin capabilities for business areas such as marketing insights, operational analysis, fraud prevention and control, and data governance. This enables AI agent applications to reason, analyze, and make decisions, comprehensively enhancing users' intelligence level and operational efficiency.

CEO'S STATEMENT

- **A city traffic tunnel company:** Based on the AI agent products provided by the Company, the client utilizes underlying aggregated data such as digital models, video images, monitoring perceptions, and operations to perform integrated analysis and governance of multi-source heterogeneous data. This is then combined with digital twins for visualization and interaction. With the road network operation analysis AI agent and based on historical traffic monitoring data, it intelligently generates dynamic simulation deductions and contingency plan evaluations, optimizing plan design and matching and strengthening risk control to effectively respond to sudden emergencies. In terms of infrastructure maintenance, the intelligent maintenance agent built by the Company comprehensively monitors structural health data throughout the construction, management, and maintenance lifecycle. It proactively monitors structural conditions, quantitatively analyzes key operational indicators, and, combined with the facility safety operation evaluation system, provides intelligent auxiliary decision-making for optimizing maintenance strategies. It also reviews inspection results and establishes digital evaluations, providing effective data support for the predictive maintenance of infrastructure.

IV. OUTLOOK

As we enter an era of deep AI collaboration, human-computer interaction, in essence, is evolving into semantic symbiosis. Currently, a core pain point for enterprises lies in the “fragmentation” and “tacitness” of data assets – a large volume of high-value knowledge is stored disparately across different systems, making it difficult to activate effectively. We believe that enterprises require a unified semantic knowledge base to associate various explicit and tacit knowledge, transforming them into machine-understandable and inferable graph ontologies. We firmly believe that with “graph-LLM integration” as the technological foundation and “ontology” as the guiding cognitive principle, the liberation of enterprise-grade AI capabilities will be realized.

Therefore, we will drive the Company's long-term development from the following aspects:

(1) **Strengthening our Leading Edge of “Graph-LLM Integration” Technology to Unleash AI-Native Productivity**

The Company will continue to increase R&D investment, focusing on strengthening core graph computing capabilities and building a graph-LLM integration platform. We will further deepen our strategic collaboration with top LLM vendors, such as Zhipu AI. Leveraging Haizhi's deep accumulation of industry data, and utilizing the generalization capabilities of LLMs with the deterministic logic of knowledge graphs, we aim to create a high-performance “digital workforce” cluster that can be invoked, orchestrated, authorized, and governed. Based on this deterministic technical architecture, we will help enterprises achieve a productivity transformation from “tool-assisted” to “native AI-driven.”

CEO'S STATEMENT

(2) Distilling Industry Ontological Knowledge to Build Digital Factors of Production for the AI Era

In high-value industries where we operate, we will accelerate the extraction of human experts' tacit knowledge into machine-understandable structured contexts.

- **Semantic Evolution and World Model Construction:** Building on the Company's long-standing expertise in industry ontology, we will progressively drive a profound leap from "static business modeling" to "dynamic industry world models", with the aim that future AI agents will not only be able to "recognize" business objects, but also "understand" industry evolution patterns and anticipate strategic boundaries, thereby achieving a paradigm upgrade from "current state insight" to "future scenario anticipation" in highly complex situations.
- **Cross-Sectoral Empowerment:** Utilizing the Company's mature cross-industry migration capabilities, we will rapidly replicate our successful experiences in finance and energy to emerging high-value sectors such as high-end manufacturing (e.g., aerospace, automotive), healthcare, and intelligent mining, assisting clients in uncovering deep scenario needs and realizing asset restructuring in the AI era.
- **Global Footprint:** With the international advantages of our Hong Kong-listed platform, we will gradually explore Southeast Asian and other overseas markets, exporting internationally competitive cognitive intelligence solutions.

(3) Reshaping Industry AI Production Relations and Building a Secure and Trustworthy Governance Framework

In the AI era, production relations are undergoing profound evolution at the core: In the past, production relations were documented in institutional manuals; in the future, production relations will be embedded within "ontologies". What we are building is not an isolated knowledge graph, but an intelligent control plane comprised of "ontology + knowledge graph + process graph + permissions/actions/audit system".

- **Security Governance Framework:** We regard security and compliance as the lifeline for AI implementation. By deeply embedding data permission management into the graph ontology layer, we achieve fine-grained role-based access control and knowledge isolation, ensuring that AI accesses information strictly within authorized boundaries. Simultaneously, a full-link audit system provides real-time traceability for the AI agents' decision paths, ensuring every action is "explainable, traceable, and auditable".
- **Compliance and Closed-Loop Accountability:** "Ontology" defines the business world, while "compliance guardrails" delineate behavioral boundaries. Through our action system, we enable AI agents to enter the execution phase, and, coupled with strict compliance control mechanisms, we ensure that AI's behavioral logic always operates within the institutional and regulatory order of human society.

Looking ahead, Haizhi will evolve from a solution provider to an enabler of the industrial AI ecosystem. We do not merely provide technological tools, and we also collaborate with our partners to co-create a new type of transparent, secure, and efficient production relations for the AI era.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

REVENUE

The revenue of the Group amounted to RMB621.1 million in the Reporting Period, which was increased by RMB118.0 million (or approximately 23.4%) from RMB503.1 million in 2024. This was mainly due to an increase in revenue generated from Atlas graph solutions and Atlas AI agent.

Atlas Graph Solutions. The revenue from Atlas graph solutions increased by RMB58.7 million (approximately 14.1%) from RMB416.6 million in 2024 to RMB475.3 million in 2025, which was primarily due to the number of customers increased from 152 in 2024 to 172 in 2025, mainly as a result of an increase in market demand for our Atlas graph solutions, driven by (i) an increase in customer demand for knowledge graph solutions along with the increasing data volume and complexity of our potential customers; (ii) the growing market recognition of our Atlas graph solutions attributed to the demonstration effect of our reference customers; and (iii) our continuous efforts to expand customer base in new application scenarios.

Atlas AI Agent. The revenue from Atlas AI agent significantly increased by RMB59.1 million (or approximately 68.4%) from RMB86.6 million in 2024 to RMB145.7 million in 2025, which was primarily due to the number of our customers of Atlas AI agent increased from 19 in 2024 to 40 in 2025, mainly as a result of an increase in market demand for our Atlas AI agent, driven by (i) an increase in customer demand for our Atlas AI agent along with the growing market recognition of industry-level AI agent, driven by the rapid iteration of LLM technologies, the maturation of AI infrastructure for AI agent deployment and the increasing enterprise demand for AI transformation to enhance operational efficiency; (ii) an increase in market recognition of our Atlas AI agent driven by the demonstration effect of our reference customers; and (iii) an increase in demand for Atlas AI agent from our existing Atlas graph solution customers, driven by the synergies between our solution offerings that are capable of accurate representation and precise reasoning, which reduced hallucination and enhanced LLMs' interpretation of industry-specific information.

COST OF SALES

The cost of sales of the Group increased by approximately 9.8% from RMB320.7 million in 2024 to RMB352.1 million in the Reporting Period. This was mainly due to an increase in customer demand for our Atlas graph solutions and Atlas AI agent, which led to a corresponding increase in related costs of sales, and was in line with our increase in revenue.

GROSS PROFIT AND GROSS PROFIT MARGIN

Gross profit of the Group was RMB269.0 million in the Reporting Period which was increased by RMB86.6 million (or approximately 47.5%) from RMB182.4 million in 2024. The overall gross profit margin of the Group increased from 36.3% in 2024 to 43.3% in the Reporting Period, which was mainly due to (i) the improvement in our operational and fulfillment efficiency driven by (a) the advancement of AI technologies, particularly LLMs and (b) our strategic optimization of costs structure; and (ii) our Atlas AI agent business, which has higher gross profit margin, grow from 2024 to 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

SELLING AND MARKETING EXPENSES

Selling and marketing expenses of the Group was RMB87.6 million in the Reporting Period which was increased by RMB19.8 million (or approximately 29.2%) from RMB67.8 million in 2024. This was mainly due to (i) an increase in share-based payment expenses, mainly because the number of new options granted to our selling and marketing staff in the Reporting Period is greater than the number of new options granted in 2024; and (ii) an increase in employee benefits expenses, mainly a result of our increased sales and marketing efforts.

ADMINISTRATIVE EXPENSES

General and administrative expenses of the Group increased by RMB67.1 million (or approximately 119.9%) from RMB56.0 million in 2024 to RMB123.1 million in the Reporting Period. This was mainly due to (i) the recognition of the listing expense of RMB25.4 million in 2025, which was related to the Global Offering; and (ii) an increase in share-based payment expenses, mainly because the number of new options granted to our administrative staff in 2025 is greater than the number of new options granted in 2024.

R&D EXPENSES

R&D expenses of the Group increased by RMB39.2 million (or approximately 64.6%) from RMB60.7 million in 2024 to RMB99.9 million in 2025. This was mainly due to an increase in employee benefits expenses from increased compensation levels of R&D staff, and our enhanced efforts on research and development of AI agent, considering the increasing market demand and recognition on AI agent in 2025.

IMPAIRMENT LOSSES ON FINANCIAL ASSETS AND CONTRACT ASSETS

The impairment losses on financial assets and contract assets increased from RMB3.4 million in 2024 to RMB19.3 million in 2025, primarily due to the significant increase in trade and other receivables and contract assets in the Reporting Period compared to 2024.

OTHER INCOME AND LOSS, NET

The other net income of the Group decreased from RMB8.8 million in 2024 to RMB3.6 million in 2025, primarily due to a decrease in recognized government grants during the Reporting Period.

FINANCE COSTS

The finance costs of the Group remained relatively stable at RMB0.4 million and RMB0.6 million in 2024 and 2025, respectively.

MANAGEMENT DISCUSSION AND ANALYSIS

CHANGES IN THE CARRYING AMOUNT OF REDEMPTION LIABILITIES

The changes in the carrying amount of redemption liabilities increased by 85.7% from RMB76.1 million in 2024 to RMB141.3 million in 2025, primarily due to an increase in the redemption amounts of the shares with redemption rights issued to our pre-IPO investors.

CHANGES IN THE FAIR VALUE OF FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

The changes in the fair value of financial liabilities at fair value through profit or loss decreased by 73.2% from RMB21.4 million in 2024 to RMB5.7 million in 2025, primarily due to the execution of anti-dilution rights by our certain investors in 2025.

INCOME TAX (EXPENSE)/CREDIT

We recorded income tax expenses of RMB2.3 million in 2025, as opposed to income tax credit of RMB0.9 million in 2024. This shift was mainly attributable to the taxable income generated from the Company and other PRC subsidiaries in 2025.

LOSS FOR THE YEAR

As a result of the foregoing, our loss for the year increased by 119.0% from RMB93.7 million in 2024 to RMB205.3 million in 2025.

NON-IFRS MEASURE

To supplement our consolidated financial statements, which are presented in accordance with IFRS Accounting Standards, our Group also uses adjusted net profit (non-IFRS measure) as an additional financial measure, which are not required by or presented in accordance with IFRS Accounting Standards. We believe that these non-IFRS measures facilitate comparisons of operating performance from period to period and company to company. We believe that these non-IFRS measures provide useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as they help our management. However, our presentation of adjusted net profit (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of such non-IFRS measures has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for an analysis of, our results of operations or financial condition as reported under IFRS Accounting Standards.

MANAGEMENT DISCUSSION AND ANALYSIS

The following table reconciles our net loss for the year presented in accordance with IFRS Accounting Standards to our adjusted net profit (non-IFRS measure):

	Year ended December 31,	
	2025 RMB'000	2024 RMB'000
Reconciliation of net loss to adjusted net profit (non-IFRS measure)		
Loss for the year	(205,322)	(93,733)
Add:		
Equity settled share-based payments ⁽¹⁾	57,045	13,140
Changes in the fair value of financial liabilities at fair value through profit or loss ⁽²⁾	5,744	21,433
Changes in carrying amount of redemption liabilities ⁽³⁾	141,282	76,092
Listing expenses ⁽⁴⁾	25,398	–
Adjusted net profit for the year (non-IFRS measure)	24,147	16,932

Notes:

- (1) We adjust equity settled share-based payment expenses because it was non-cash in nature.
- (2) We adjust changes in the fair value of financial liabilities at fair value through profit or loss because it was non-cash in nature. Our changes in the fair value of financial liabilities at fair value through profit or loss was related to the derivative financial liabilities arising from anti-dilution rights granted to pre-IPO investors. These anti-dilution rights was terminated upon Listing.
- (3) We adjust changes in the carrying amount of redemption liabilities because it was non-cash in nature. We recognized the redemption liabilities at present value of redemption amounts, with changes in such carrying amounts being booked in profit or loss, arising from redemption rights issued to pre-IPO investors. These redemption rights issued was terminated upon Listing and the carrying amount of the redemption liabilities has been re-designated from liabilities to equity as a result of the automatic conversion into H Shares upon Listing, such that the net liabilities position would turn into net assets.
- (4) We adjust listing expense because it was related to the Global Offering.

MANAGEMENT DISCUSSION AND ANALYSIS

LIQUIDITY AND CAPITAL RESOURCES

The Group finance operations primarily through a combination of (i) capital contributions from shareholders; and (ii) operating cash flows.

The cash and cash equivalents of the Group increased from RMB176.0 million as of December 31, 2024 to RMB442.6 million as of December 31, 2025. This was mainly attributable to new capital injections of RMB250.0 million from pre-IPO investors in 2025 and the release of RMB100.0 million in restricted cash following the completion of anti-dilution arrangements. These inflows were partially offset by cash used in operating activities and lease payments during the year.

As of December 31, 2025, the cash and cash equivalents of the Group were primarily denominated in Renminbi, Hong Kong dollars and U.S. dollars.

BORROWINGS

As of December 31, 2025, we did not have any external borrowings or loans.

LEASE LIABILITIES

The lease liabilities of the Group amounted to RMB11.8 million as of December 31, 2025, representing an increase of RMB3.6 million as compared to RMB8.2 million as of December 31, 2024, which was mainly due to the renting of our new office in 2025.

PLEDGE OF ASSETS

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

FOREIGN EXCHANGE EXPOSURE

We generate substantially all of our revenue in RMB during the Reporting Period, while the net proceeds from the Global Offering were in HK\$. Fluctuations in the exchange rate between the RMB and the HK\$ will affect the relative purchasing power in RMB in terms of the proceeds from our Global Offering. We manage our foreign exchange risk by performing regular reviews of our Group's net foreign exchange exposures and trying to minimize these exposures through natural hedges, wherever possible.

CONTINGENT LIABILITIES

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

MANAGEMENT DISCUSSION AND ANALYSIS

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

As of December 31, 2025, save as disclosed in this report, the Company had no significant investments.

In the Reporting Period, save as disclosed in this report, the Company had no material acquisitions and disposals of subsidiaries, associates and joint ventures.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in the section headed “Future Plans and Use of Proceeds” in the Prospectus, we did not have detailed future plans for material investments or capital assets.

EMPLOYEES AND REMUNERATION POLICY

As of December 31, 2025, the Group had a total of 721 employees (as of December 31, 2024: 705). In the Reporting Period, the Group’s staff cost (including share-based payments) amounted to approximately RMB260.3 million (2024: approximately RMB225.0 million).

The Group’s employee remuneration policy is determined by taking into account factors such as the remuneration in the local market, the overall remuneration level in the industry, operating efficiency, position and employees’ performance. In addition to basic salaries, our employees are entitled to annual discretionary bonuses based on our employees’ job performance. We have share incentive schemes to motivate our key management and skilled personnel.

DIRECTORS AND SENIOR MANAGEMENT

DIRECTORS

The Board currently consists of 11 Directors, including four executive Directors, three non-executive Directors and four independent non-executive Directors.

EXECUTIVE DIRECTORS

Mr. Ren Xuyang (任旭陽), aged 51, is one of our co-founders, the chairman of our Board and an executive Director of our Company. Mr. Ren joined our Group on August 23, 2013 and was appointed as the chairman of the Board of our Company on July 4, 2023. He was re-designated as our executive Director on June 14, 2025. As chairman, he is responsible for the operation of our Board and corporate governance at the Board level.

Besides the position in our Group, Mr. Ren worked consecutively at Baidu Inc. (百度), a NASDAQ-listed company (stock code: BIDU) from 2001 to 2010 with his last position as vice president. Since 2020, he has founded Verity Ventures and has served as its chairman and managing partner. Mr. Ren received his master's degree of science in management from Stanford University's Graduate School of Business in June 2011 in the United States.

Mr. Yang Zaifei (楊再飛), aged 51, is an executive Director and the chief executive officer of our Company. Mr. Yang joined our Company on April 20, 2019 and was appointed as our Director on the same date. He was re-designated as our executive Director on June 14, 2025. He is primarily responsible for the overall strategic planning, business direction and comprehensive operational management of our Group.

Prior to joining our Group, Mr. Yang worked as a journalist at China Central Television (中央電視台) from October 1994 to August 2000. He then served as the executive director, the supervisor and the general manager at Beijing Hengchengfeihong Trade Co. Ltd. (北京恒誠飛鴻商貿有限公司) from September 2005 to November 2020. Mr. Yang received his bachelor's degree in global political economy and international relations from Renmin University of China (中國人民大學) in July 1994 in the PRC.

Ms. Yang Juan (楊娟), aged 46, is an executive Director and the deputy general manager of our Company. Ms. Yang joined our Group on February 9, 2015 and was appointed as our Director on May 26, 2021 and re-designated as our executive Director on June 14, 2025. She is primarily responsible for the operational management and overseas business management of our Group. She has also been the general manager of Beijing Haizhi Xingtu Technology Co., Ltd. (北京海致星圖科技有限公司), the Company's principal subsidiary, since September 2023, responsible for coordinating all company operations.

Prior to joining our Group, Ms. Yang worked as a research and development engineer at Schlumberger Technology (Beijing) Co., Ltd. (斯倫貝謝技術(北京)有限公司) from July 2002 to January 2004. She worked as an advisory architect from February 2004 to July 2011 and as a client technical architect from March 2013 to January 2015 at IBM (China) Company Limited ("IBM China") (國際商業機器(中國)有限公司).

Ms. Yang received her bachelor's degree in computer and application and master's degree in computer application technology, both from Fudan University (復旦大學) in July 1999 and July 2002 respectively in the PRC. She received her master's degree in business administration from Hult International Business School in July 2012.

DIRECTORS AND SENIOR MANAGEMENT

Mr. Wan Pengjiang (萬澎江), aged 41, is an executive Director and the deputy general manager of our Company. Mr. Wan joined our Group on June 1, 2015 and was appointed as our Director on July 4, 2023 and re-designated as our executive Director on June 14, 2025. He is primarily responsible for the marketing strategies and operational management of our Group.

Prior to joining our Group, Mr. Wan worked at Cognos from July 2005 to April 2008. From May 2008 to May 2015, he worked as a client technical specialist in software development at IBM China.

Mr. Wan received a bachelor's degree in computer science and technology from School of Electronic and Computer Engineering (北京信息工程學院) (currently known as Beijing Information Science and Technology University (北京信息工程大學)) in June 2005 in the PRC. He received a master's degree in business administration from China Europe International Business School (中歐國際工商學院) in November 2024 in the PRC.

NON-EXECUTIVE DIRECTORS

Mr. Li Jiaqing (李家慶), aged 52, is a non-executive Director of our Company. Mr. Li joined our Company on January 11, 2016 and was appointed as our Director on May 26, 2021 and re-designated as our non-executive Director on June 14, 2025. He is primarily responsible for providing professional opinion and judgment to our Board.

Besides the position in our Group, Mr. Li consecutively served several senior roles, with his current position as president at Legend Capital Management Co. Ltd. (君聯資本管理股份有限公司) since July 2001 to present.

Mr. Li currently serves as a non-executive director of the following two companies: (i) Knowledge Atlas Technology Joint Stock Company Limited, a company listed on the Stock Exchange (stock code: 2513) since March 2025; and (ii) Pharmaron (Beijing) Co., Limited (康龍化成(北京)新藥技術股份有限公司), a company listed on the Stock Exchange (stock code: 3759) and Shenzhen Stock Exchange (stock code: 300759) since March 2007. He previously served as a director of (i) Howbuy Wealth Management Co., Ltd (好買財富管理股份有限公司), a NEEQ-listed company (stock code: 834418) from September 2021 to September 2024; (ii) UCloud Technology Co., Ltd. (優刻得科技股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 688158) from August 2021 to September 2024; and (iii) Eastern Air Logistics Co., Ltd. (東方航空物流股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 601156) from July 2017 to April 2024; and he also served as a director of Jiangsu Hichain Logistics Co., Ltd. (江蘇海晨物流股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 300873) from May 2016 to May 2025.

Mr. Li received his bachelor's degree in engineering and business management from Tsinghua University (清華大學) in July 1996 in the PRC. He received his master's degree in management science and engineering from the same institute in July 1999. He received his master's degree in business administration from Collège des Ingénieurs in June 2001 in France.

DIRECTORS AND SENIOR MANAGEMENT

Ms. Long Yu (龍宇), aged 53, is a non-executive Director of our Company. Ms. Long joined our Company on December 3, 2013 and was appointed as our Director on July 4, 2023, she was re-designated as our non-executive Director on June 14, 2025. She is primarily responsible for providing professional opinion and judgment to our Board.

Besides the position in our Group, Ms. Long has been the founding and managing partner of BAI Capital (BAI 資本) since January 2021, and a member of the group management committee at Bertelsmann SE & Co. KGaA since December 2011.

Ms. Long currently serves as an independent director of (i) Tapestry Inc., a company listed on the New York Exchange (stock code: TPR) since January 2016; (ii) Nio Inc. (蔚來集團), a company listed on the Stock Exchange (stock code: 9866), the New York Stock Exchange (stock code: NIO) and the Singapore Exchange (stock code: NIO) since July 2021; (iii) The Estée Lauder Companies Inc., a company listed on the New York Stock Exchange (stock code: EL) since November 2025; (iv) LexinFintech Holdings Ltd., (樂信控股有限公司) a NASDAQ-listed company (stock code: LX) since August 2020; and (v) The Hongkong and Shanghai Banking Corporation Limited since August 2022.

Ms. Long was awarded the Bertelsmann Entrepreneur Award and the Bertelsmann Financial Performance Award, among other honors in recognition of her outstanding contributions to the Bertelsmann Group. From 2015 to 2021, she served as the first Chinese member at the Stanford Graduate School of Business Advisory Council. She participated in the World Economic Forum and was selected as a “Young Global Leader” in 2021. Ms. Long was listed among the World’s Best Venture Capital Investors in 2024.

Ms. Long received her bachelor’s degree in electronic engineering from the University of Electronic Science and Technology of China (電子科技大學) in July 1994 in the PRC. She received her master’s degree in business administration from Stanford University in June 2005 in the United States.

Mr. Li Hongtao (李洪濤), aged 41, is a non-executive Director of our Company. Mr. Li joined our Company on December 29, 2021 and was appointed as our Director on July 4, 2023 and re-designated as our non-executive Director on June 14, 2025. He is primarily responsible for providing professional opinion and judgment to our Board.

Besides the position in our Group, Mr. Li worked as a senior client manager of the Bank of Communications Beijing Branch (交通銀行北京市分行) from August 2008 to August 2015 and later worked as the investment director at CCB Trust Co., Ltd. (建信信託有限責任公司) from August 2015 to August 2019. He has served as the investment director of China Internet Investment Fund Management Co., Ltd. (中國互聯網投資基金管理有限公司) since August 2019 to present.

Mr. Li received his bachelor’s degree in engineering from Renmin University of China (中國人民大學) in July 2006 in the PRC. He received his master’s degree in management from Peking University (北京大學) in July 2008 in the PRC.

DIRECTORS AND SENIOR MANAGEMENT

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Zhang Yifan (張軼凡), aged 53, has been our independent non-executive Director since February 13, 2026. He is primarily responsible for exercising independent judgment on our Group's strategy, performance and standard of conduct.

Besides the position in our Group, Mr. Zhang worked as a postdoctoral researcher at the Whitney and Betty MacMillan Center for International and Area Studies at Yale University from August 2005 to June 2006. He worked as an assistant professor at the Department of Economics of Lingnan University (嶺南大學) from August 2006 to August 2012 and as an associate professor at the same department from August 2012 to July 2015. Mr. Zhang worked as an associate professor at the Department of Economics of the Chinese University of Hong Kong (香港中文大學) from August 2015 to July 2022 and currently works as a professor at the same department since August 2022 to present.

Mr. Zhang was honored with the Research Excellence Award 2022-23 in June 2023. He has been the Honorary President of Hong Kong Federation of Jiang Xi Associations since 2023.

Mr. Zhang received his bachelor's degree and master's degree in economics, both from Renmin University of China (中國人民大學) in July 1994 and July 1997 respectively in the PRC. He received his doctorate degree in economics from the University of Pittsburgh in August 2005 in the United States.

Mr. Jiang Tian (江天), aged 41, has been our independent non-executive Director since February 13, 2026. He is primarily responsible for exercising independent judgment on our Group's strategy, performance and standard of conduct.

Mr. Jiang possesses extensive experience in the transportation and data technology industries. He served as the director of policy and standards department at Urban Transport Research Center of China Academy of Transportation Sciences (交通運輸部科學研究院城市交通研究中心) from October 2011 to April 2014, and the leader of Beijing transport team at WSP & Parsons Brinckerhoff from April 2014 to July 2015 and the head of big data at Shanghai Uber Information Technology Company Limited from July 2015 to May 2016. Mr. Jiang currently serves as the president of Beijing Sinoiov Information Technology Co., Ltd. (北京中交興路信息科技股份有限公司), a PRC based logistic technology company since May 2016.

Mr. Jiang has also been appointed to different social positions and engagements. He has been the vice president of the 1st Council of Shangdi Street New Social Stratum Association (上地街道新的社會階層人士聯誼會第一屆理事會) since August 2023 to present. He has been a committee member of the 9th Council of Haidian District Youth Federation (海淀區青年聯合會第九屆委員會) since December 2023 to present.

Mr. Jiang received his bachelor's degree in transportation engineering from Beijing Institute of Technology (北京理工大學) in July 2007 in the PRC. He received his master's degree in electronics and computer engineering from Purdue University in May 2008 in the United States and his master's degree in business administration from Tsinghua University (清華大學) in December 2024 in the PRC. He received his doctorate degree in transportation engineering from the University of Tokyo in September 2011 in Japan.

DIRECTORS AND SENIOR MANAGEMENT

Mr. Li Shu Pai (李書湃) (with former name as Lee Shu Paai (李書湃)), aged 49, has been our independent non-executive Director since February 13, 2026. He is primarily responsible for exercising independent judgment on our Group's strategy, performance and standard of conduct.

Mr. Li has more than 20 years of experience in the accounting and finance industry. He was admitted as a Certified Public Accountant and a fellow of the Hong Kong Institute of Certified Public Accountants in October 2004 and February 2012, respectively. Mr. Li was also admitted as a member and a fellow of Association of Chartered Certified Accountants in July 2012 and July 2017, respectively. From September 2001 to August 2007, Mr. Li worked consecutively at PricewaterhouseCoopers with his last position as audit manager. From August 2007 to July 2009, he worked as an associate at BOCI Asia Limited (中銀國際亞洲有限公司). He worked as an associate at BNP Paribas Capital (Asia Pacific) Limited from July 2010 to August 2011. Mr. Li served as the deputy chief financial officer of Beijing Tong Ren Tang Chinese Medicine Co., Ltd. (北京同仁堂國藥有限公司), a company listed on the Stock Exchange (stock code: 3613) from September 2011 to December 2013. He served as the chief financial officer of R2Game Co., Limited from August 2014 to June 2015. He served as the chief financial officer and joint company secretary of Chutian Dragon Corporation Limited (楚天龍股份有限公司) from July 2015 to December 2016. From December 2016 to September 2018, he served as the chief financial officer and company secretary of Perfectech International Holdings Limited (威發國際集團有限公司), a company listed on the Stocked Exchange (stock code: 0765). He served as an independent non-executive director of Comtec Solar Systems Group Limited (卡姆丹克太陽能系統集團有限公司), a company listed on the Stock Exchange (stock code: 712) from February 2021 to March 2021. He served as the chief financial officer and company secretary of Meilleure Health International Industry Group Limited (美瑞健康國際產業集團有限公司), a company listed on the Stock Exchange (stock code: 2327) from July 2019 to December 2025.

Mr. Li currently serves as an independent non-executive director of TransThera Sciences (Nanjing), Inc. (藥捷安康(南京)科技股份有限公司), a company listed on the Stock Exchange (stock code: 2617) since June 2021.

Mr. Li received his bachelor's degree in business administration from City University of Hong Kong (香港城市大學) in November 2001 in Hong Kong. He received his master's degree in business administration from the Hong Kong University of Science and Technology (香港科技大學) in June 2014 in Hong Kong.

Mr. Ma Yeming (馬野銘), aged 42, has been our independent non-executive Director since February 13, 2026. He is primarily responsible for exercising independent judgment on our Group's strategy, performance and standard of conduct.

Mr. Ma has more than 18 years of experience in the legal industry. He has been admitted as a solicitor in the PRC since February 2007. From July 2006 to July 2012, Mr. Ma worked at Beijing Dishu Law Firm (北京市地石律師事務所). After that, he successively worked at Baker & McKenzie, Shanghai Office and Kirkland & Ellis, Shanghai Office until June 2015. Mr. Ma served as the vice president of the legal department of Dongxia Datong (Beijing) Management Consulting Co., Ltd. (東峽大通(北京)管理諮詢有限公司) from November 2016 to November 2018. He served as the senior legal director of Ke Holdings Inc. (Beijing) Technology Co., Ltd. (貝殼找房(北京)科技有限公司) from August 2018 to May 2019. Mr. Ma currently serves as the general counsel and board secretary of Beijing Ziroom Information Technology Co., Ltd. (北京自如信息科技有限公司) since July 2019.

Mr. Ma received his bachelor's degree in laws from Renmin University of China (中國人民大學) in July 2006 in the PRC. He received his master's degree in laws from Columbia University in May 2013 in the United States.

DIRECTORS AND SENIOR MANAGEMENT

SENIOR MANAGEMENT

For details of the biographies of Mr. Ren, Mr. Yang and Mr. Wan, see “—Executive Directors”.

Mr. Miao Zheng (苗正), aged 34, is the Board secretary of our Company. Mr. Miao has served as our Board secretary since December 25, 2024. He is primarily responsible for managing board meetings and ensuring compliance and governance of our Company.

Prior to joining our Group, Mr. Miao worked as a vice president at Minsheng Securities Co., Ltd. (民生證券股份有限公司) from July 2016 to February 2021. He worked as a senior manager at China International Capital Corporation Limited (中國國際金融股份有限公司), a company dual listed on the Stock Exchange (stock code: 3908) and Shanghai Stock Exchange (stock code: 601995) from March 2021 to September 2024.

Mr. Miao received his bachelor’s degree in financial engineering and law from Shandong University (山東大學) in June 2014 in the PRC. He received his master’s degree in finance from University of International Business and Economics (對外經濟貿易大學) in June 2016 in the PRC.

JOINT COMPANY SECRETARIES

Mr. Miao Zheng (苗正) is the Board secretary and joint company secretary of our Company. For details of his biography, see “—Senior Management”.

Ms. Poon Pui Man Hera (潘霽民) of Zhong Lun Law Firm LLP, an external service provider, has been appointed as one of our joint company secretaries of our Company with effect upon Listing. She is a solicitor qualified to practice in Hong Kong. Ms. Poon is currently an associate of Zhong Lun Law Firm LLP, specialising in corporate finance work including initial public offerings and post-listing compliance matters. Ms. Poon received her Juris Doctor degree and Postgraduate Certificate in Laws from The Chinese University of Hong Kong in July 2019 and August 2020, respectively.

DIRECTORS' REPORT

The Board of the Company is pleased to present this report together with the audited consolidated financial statements of the Group for the year ended December 31, 2025.

PRINCIPAL ACTIVITIES

The Company was incorporated in the PRC on August 23, 2013 as a limited liability company and was converted from a limited liability company into a joint stock limited liability company on January 9, 2025. On the same date, the registered name of the Company was changed to Beijing Haizhi Technology Group Co., Ltd. (北京海致科技集團股份有限公司).

The Company and its subsidiaries (together, the “Group”) are principally engaged in provision of Atlas graph solutions and Atlas AI agent in the PRC.

BUSINESS REVIEW

A fair review of the Group’s business for the year ended December 31, 2025, which includes an analysis of the Group’s performance using financial key performance indicators, particulars of important events affecting the Group since the end of the financial year ended December 31, 2025, and an indication of likely future developments in the Group’s business can be found in the sections headed “CEO’s Statement” on pages 5 to 11, “Management Discussion and Analysis” on pages 12 to 17 and “Significant Events After the Reporting Period” on page 38 in this report.

Possible risks and uncertainties that the Group may be facing are set out in the section headed “Principal Risks and Uncertainties” below in this report. Discussions on the environmental policies and performance, compliance by the Group with the relevant laws and regulations that have a significant impact on the Group and the account of the key relationships of the Group with its stakeholders are set out in our Environmental, Social and Governance Report published on the same date as this report.

FINANCIAL SUMMARY

The H Shares of the Company were listed on the Main Board of the Stock Exchange on February 13, 2026. A summary of the operating results and financial position of the Group for the most recent four financial years is set out on page 4 of this annual report. This summary does not form part of our consolidated financial statements.

DIRECTORS' REPORT

USE OF PROCEEDS FROM THE GLOBAL OFFERING

The Company was listed on the Main Board of the Stock Exchange on February 13, 2026. The net proceeds from the Global Offering amounted to approximately HK\$655.4 million (after deduction of the underwriting fees and commissions and the related costs and expenses). The Company intends to utilize such net proceeds in accordance with the purposes set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus. The following table sets out breakdown of the use of proceeds from the Global Offering.

	Approximate percentage of the total net proceeds from the Global Offering	Net proceeds from the global offering of the Company as of the Listing Date (HK\$ million)	Utilized proceeds during the Reporting Period (HK\$ million)	Unutilized proceeds as of the end of the Reporting Period (HK\$ million)	Expected timetable for the full utilization of unutilized proceeds
R&D for graph-LLM integration technologies	45%	294.9	–	–	By end of 2030
Optimizing Atlas AI agent	20%	131.1	–	–	By end of 2030
Enhancing collaboration with our customers, developing new application scenarios and expanding overseas markets	15%	98.4	–	–	By end of 2030
Pursuing strategic investment, mergers and acquisitions	10%	65.5	–	–	By end of 2030
Working capital and general corporate purposes	10%	65.5	–	–	By end of 2030
Total:	100%	655.4			

Notes:

- The Company intends to use the net proceeds in the same manner and proportion as set out in the section headed "Future Plans and Use of Proceeds" of the Prospectus. As of the date of this annual report, the Company does not anticipate any change to its plan on the use of proceeds.
- The difference between the net proceeds from the Global Offering and the information disclosed in the Prospectus and the announcement of the Company dated February 12, 2026 in relation to final offer price and allotment results is due to the adjustment based on the final offer price and the actual issuance expenses.

DIRECTORS' REPORT

The Company will use the net proceeds in accordance with the intended purposes and expected implementation as stated in the Prospectus.

SHARE CAPITAL

Details of the changes in the Company's issued shares during the year ended December 31, 2025 are set out in note 29 to the financial statements.

TAX RELIEF

The Company is not aware of any relief from taxation available to the Shareholders by reason of their holding of the Company's Shares. Shareholders should seek expert advice if they are unsure of the tax implications of purchasing, holding, selling, dealing in the Shares, or exercising any of the rights attached to them.

PRE-EMPTIVE RIGHTS

There is no provision for the pre-emptive rights under the Articles of Association or the PRC laws, which would oblige the Company to offer new Shares on a pro-rate basis to its existing Shareholders.

PENSION SCHEMES

Details of the pension schemes are set out in note 6(b) to the financial statements.

During the Reporting Period, no forfeited contributions were utilised by the Group to reduce its contributions.

PRINCIPAL SUBSIDIARIES

The particulars and principal business activities of the Company's principal subsidiaries are set out in note 14 to the financial statements.

RESERVES

Details of movements in the reserves of the Group are set out in the consolidated statement of changes in equity of this annual report. As of December 31, 2025, the Company has no reserves available for distribution (as of December 31, 2024: nil).

DIRECTORS' REPORT

MAJOR CUSTOMERS AND SUPPLIERS

During the Reporting Period, the Group's five largest customers in aggregate accounted for approximately 22.3% of the Group's total revenue. The Group's largest customer accounted for 6.3% of the Group's total revenue for the Reporting Period.

During the Reporting Period, the Group's five largest suppliers in aggregate accounted for approximately 32.7% of the Group's total purchases. The Group's largest supplier accounted for approximately 9.2% of the Group's total purchases for the Reporting Period.

To the best of the knowledge of the Directors, none of the Directors, their close associates or any Shareholder (which, to the best knowledge of the Directors, owns more than 5% of the issued Shares (excluding treasury shares) of the Company) had any interest in any of the Group's five largest customers and suppliers during the Reporting Period.

PROPERTY AND EQUIPMENT

Details of the changes in property and equipment of the Group during the year ended December 31, 2025 are set out in note 11 to the financial statements.

CONVERTIBLE BONDS

During the Reporting Period, the Group did not issue any convertible bonds.

BANK LOANS AND OTHER BORROWINGS

As of December 31, 2025, the Group did not have any bank loan and other borrowings. As such, gearing ratio, calculated as total borrowings divided by total equity, is not applicable to the Group.

DIRECTORS' REPORT

EMPLOYEE SHARE INCENTIVE SCHEME

EQUITY INCENTIVE SCHEME

To attract and retain talents as well as provide incentives to our employees, our Company adopted an equity incentive scheme (the “**Equity Incentive Scheme**”) in June 2023. The Equity Incentive Scheme is not subject to the provisions of Chapter 17 of the Listing Rules as it does not involve any grant of share options or awards by our Company or any issuance of new Shares by our Company. According to the Equity Incentive Scheme and the respective grant agreements, our employees were granted awards and registered as the limited partners of the relevant equity incentive platforms upon grant of their awards. All management and voting powers of the equity incentive platforms are exercised by their respective general partner according to the respective partnership agreements, whereas the relevant employees as the limited partners of such equity incentive platforms are entitled to the economic interest. For more details, see the paragraph headed “Appendix VI — Statutory and General Information — Further Information About Our Directors, Chief Executive and Substantial Shareholders — 5. Equity Incentive Scheme” in the Prospectus.

PRE-IPO SHARE OPTION SCHEME

Our Company adopted a pre-IPO share option scheme (the “**Pre-IPO Share Option Scheme**”) on June 15, 2025. The terms of the Pre-IPO Share Option Scheme are not subject to the provisions of Chapter 17 of the Listing Rules as no option will be granted under the Pre-IPO Share Option Scheme after the Listing. The following is a summary of the principal terms of the Pre-IPO Share Option Scheme:

- (a) **Purpose.** The purpose of the Pre-IPO Share Option Scheme is to strengthen the human resources management of our Company by providing a means through which our Company may grant equity-based incentives to attract and retain skilled management, business and marketing personnel.
- (b) **Duration.** Subject to the termination provisions under the Pre-IPO Share Option Scheme, the Pre-IPO Share Option Scheme shall be valid and effective for the period of five years commencing from June 15, 2025. The remaining life of the Pre-IPO Share Option Scheme is approximately four years.
- (c) **Participants.** Eligible participants of the Pre-IPO Share Option Scheme include Directors, senior management members, middle management personnel, key position staff, technical core staff, talent pipeline candidates, and other individual as determined by the Board or the administrator.
- (d) **Administration.** The Pre-IPO Share Option Scheme shall be subject to the administration of the Board (the “**Administrator**”).
- (e) **Payment.** The exercise price for the options to be granted under the Pre-IPO Share Option Scheme shall be determined by the Administrator.
- (f) **Vesting Schedule.** The options under the Pre-IPO Share Option Scheme generally vest over a period of 36 months, commencing from the Listing Date. The actual vesting schedule for the options granted will depend on the achievement of any required performance targets, if applicable.
- (g) **Period Between the Granting of Award and the Exercise of Award.** The grantee may exercise the option between the date of granting the relevant award and the earliest date the grantee is entitled to exercise the option as determined by the Administrator.

DIRECTORS' REPORT

- (h) **Maximum Number of Options to be Granted.** The maximum number of options that may be granted pursuant to the Pre-IPO Share Option Scheme shall not exceed 11,172,014 H Shares of our Company. As of the date of this annual report, an aggregate of 10,532,200 options had been granted and no further options would be granted under the Pre-IPO Share Option Scheme. The total number of Shares available for issue under the Pre-IPO Share Option Scheme is 10,532,200 Shares, representing approximately 2.6% of the share capital in issue of our Company (excluding treasury shares) as of the date of this annual report.
- (i) **Maximum Entitlement.** There is no maximum entitlement for each participant under the Pre-IPO Share Option Scheme.

All the options are granted to our Company's employees. Details of the options granted under the Pre-IPO Share Option Scheme are set out below:

The grantees	Outstanding as of 1 January 2025	Vested during the Reporting Period	Exercised during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Outstanding as of December 31, 2025
One current senior management	-	-	-	-	-	960,000 ⁽²⁾
Nine current employees that are not Directors, senior management, or other connected persons of our Company	-	-	-	-	-	9,572,200 ⁽³⁾
Total						10,532,200

Notes:

- (1) All of the options were granted on June 15, 2025 with an exercise price of RMB0.1. The exercise period for the options granted is ten years.
- (2) 50% of these options had been vested on the Listing Date. 10% of these options will be vested on the 1st anniversary of the Listing Date, and the remaining 40% will be vested if the grantee attains specified performance grade within twelve months after the Listing.
- (3) Among these options:
50% of 7,222,310 options had been vested on the Listing Date. 10% of these options will be vested on the 1st anniversary of the Listing Date, and the remaining 40% will be vested if the relevant grantees attain specified performance grade within twelve months after the Listing.
50%, 25% and 25% of 2,173,890 options will be vested on the 1st anniversary, 2nd anniversary and 3rd anniversary of the Listing Date, respectively. There is no performance target for these options.
70% of 176,000 options had been vested on the Listing Date, and 20% and 10% of these options will be vested on the 1st anniversary and 2nd anniversary of the Listing Date, respectively. There is no performance target for these options.
- (4) For the fair value of the options granted during the Reporting Period at the grant date and the accounting standard and policy adopted, please refer to Note 3 and 27 to the consolidated financial statements.
- (5) The number of options available for grant under the Pre-IPO Share Option Scheme was nil as of January 1, 2025 and 639,814 as of December 31, 2025, respectively.
- (6) The number of Shares that may be issued in respect of options granted during the Reporting Period under the Pre-IPO Share Option Scheme divided by the weighted average number of Shares of in issue for the year ended December 31, 2025 was nil as no H Share was issued before the Listing Date.

DIRECTORS' REPORT

EQUITY-LINKED AGREEMENTS

Other than the Pre-IPO Share Option Scheme, during the year ended December 31, 2025, the Company has not entered into any equity-linked agreement.

PERMITTED INDEMNITY PROVISION

The Company has arranged for appropriate insurance in respect of legal actions arising out of corporate activities against the current Directors. The permitted indemnity provision is in force for the benefit of the Directors as required under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).

DIRECTORS

The Directors from the Listing Date and up to the date of this annual report were as follows:

EXECUTIVE DIRECTORS:

Mr. Ren Xuyang (*Chairman*)
Mr. Yang Zaifei (*Chief Executive Officer*)
Ms. Yang Juan
Mr. Wan Pengjiang

NON-EXECUTIVE DIRECTORS:

Mr. Li Jiaqing
Ms. Long Yu
Mr. Li Hongtao

INDEPENDENT NON-EXECUTIVE DIRECTORS:

Mr. Zhang Yifan
Mr. Jiang Tian
Mr. Li Shu Pai
Mr. Ma Yeming

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

The biographical details of the Directors and the senior management of our Group are disclosed in the section headed "Directors and Senior Management" on pages 18 to 23 of this annual report.

DIRECTORS' REPORT

DIRECTORS' SERVICE CONTRACTS

Each of the Directors has entered into a service contract or a letter of appointment with the Company for a term of three years.

Pursuant to Article 99 of the Articles of Association, the term for Directors is three years commencing from the date of their respective appointment or re-appointment, subject to re-appointment at a general meeting.

Save as disclosed above, there are no service contracts or letters of appointment between the Company or its subsidiaries and any of the Directors which are not determinable by the Company within one year without payment of compensation apart from statutory compensation.

Each of our Directors confirms that he or she (1) has obtained the legal advice referred to under Rule 3.09D of the Listing Rules on June 17, 2025; and (2) understands his or her obligations as a director of a listed issuer under the Listing Rules.

CONFIRMATION OF INDEPENDENCE BY INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received a confirmation of independence from each of the independent non-executive Directors pursuant to Rule 3.13 of the Listing Rules and all of them are considered to be independent.

MANAGEMENT CONTRACTS

Other than the service contracts and letters of appointment of the Directors, no contracts concerning the management and administration of the whole or any substantial part of any business of the Company were entered into or subsisted during the year ended December 31, 2025.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

As of December 31, 2025 and up to the date of this report, none of the Directors or their close associates had any competing interests in the businesses which compete or are likely to compete, directly or indirectly, with the Group or would otherwise require disclosure under Rule 8.10 of the Listing Rules.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as otherwise disclosed in this report, during the Reporting Period, none of the Directors or any entity connected with them had any material interest, either directly or indirectly, in any transaction, arrangement or contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party.

DIRECTORS' REPORT

EMOLUMENTS OF DIRECTORS AND SENIOR MANAGEMENT

During the Reporting Period, no remuneration was paid to the Directors or any of the five highest paid individuals as an inducement to join, or upon joining the Group. During the Reporting Period, no compensation was paid to, or receivable by, any of the Directors, former directors or the five highest paid individuals for the loss of office as director of any member of the Group or of any other office in connection with the management of the affairs of any member of the Group. None of the Directors waived any emoluments during the Reporting Period. Details of the emoluments of the Directors in the Group are set out in note 8 to the financial statements.

Details of the remuneration of the current senior management (other than Directors) by band for the year ended December 31, 2025 are set out below:

Remuneration band (HK\$)	Number of person(s)
HK\$5,500,001 – HK\$6,000,000	1

CONNECTED TRANSACTIONS

During the Reporting Period, we have not entered into any non-exempt connected transaction or continuing connected transaction which should be disclosed pursuant to Rules 14A.49 and 14A.71 of the Listing Rules.

RELATED PARTY TRANSACTIONS

Details of the related party transactions carried out in the normal course of business are set out in note 32 to the financial statements.

None of these related party transactions constitutes a connected transaction or continuing connected transaction which is subject to the Shareholders' approval, annual review and disclosure requirements under Chapter 14A of the Listing Rules. Since the Listing Date and up to the date of this report, there was no connected transaction nor continuing connected transaction of the Group which has to be disclosed in accordance with the Chapter 14A of the Listing Rules.

DISCLOSURE OF INTEREST

INTERESTS AND SHORT POSITION OF EACH OF THE DIRECTORS AND CHIEF EXECUTIVE IN SHARES, UNDERLYING SHARES AND DEBENTURES

As the H Shares of the Company were not listed on the Main Board of the Stock Exchange as of the end of the Reporting Period, Divisions 7 and 8 of Part XV and section 352 of the SFO were not applicable to the Directors and chief executive of the Company as of the end of the Reporting Period.

DIRECTORS' REPORT

As of the date of this annual report, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

The Company

Name of Shareholder	Capacity/Nature of interest	Class of Shares	Number of Shares interested ⁽¹⁾	Approximate percentage of shareholding in total share capital ⁽¹⁾⁽²⁾
Executive Directors				
Mr. Ren Xuyang	Interest of concert parties ⁽³⁾	H Shares	48,623,980	12.14%
	Interest in controlled corporation ⁽³⁾	H Shares	39,495,420	9.86%
	Beneficial interest	H Shares	21,559,630	5.38%
Mr. Yang Zaifei	Interest of concert parties ⁽³⁾	H Shares	61,055,050	15.25%
	Interest in controlled corporation ⁽³⁾	H Shares	30,829,450	7.70%
	Beneficial interest	H Shares	17,794,530	4.44%
Ms. Yang Juan	Beneficial interest	H Shares	4,935,070	1.23%
Mr. Wan Pengjiang	Beneficial interest	H Shares	4,697,820	1.17%

Notes:

- (1) All interests stated are long positions.
- (2) The calculation is based on the total number of 400,430,680 H Shares as of the date of this annual report.
- (3) Haikuo Fenxiang is beneficially owned as to Mr. Ren with Mr. Ren as its general partner. Haikuo Chengzhang is beneficially owned as to Mr. Yang with Mr. Yang as its general partner. As Mr. Ren and Mr. Yang have been acting in concert since March 2, 2021, each of Mr. Ren, Mr. Yang, Haikuo Fenxiang and Haikuo Chengzhang is deemed to be interested in a total of 109,679,030 H Shares comprising (a) 21,559,630 H Shares held by Mr. Ren; (b) 17,794,530 H Shares held by Mr. Yang; (c) 39,495,420 H Shares held by Haikuo Fenxiang and (d) 30,829,450 H Shares held by Haikuo Chengzhang.

DIRECTORS' REPORT

INTERESTS AND SHORT POSITIONS OF THE SUBSTANTIAL SHAREHOLDERS

As the H Shares of the Company were not listed on the Main Board of the Stock Exchange as of the end of the Reporting Period, Divisions 2 and 3 of Part XV of the SFO and section 336 of the SFO were not applicable to the substantial shareholders of the Company as of the end of the Reporting Period.

As of the date of this annual report, to the best knowledge of the Directors, the following persons (other than a Director or chief executive of the Company) had interests or short positions in the Shares or underlying Shares which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or recorded in the register required to be kept by the Company under Section 336 of the SFO:

Name of Shareholder	Capacity/Nature of interest	Class of Shares	Number of Shares interested ⁽¹⁾	Approximate percentage of shareholding in total share capital ⁽²⁾
Haikuo Fenxiang	Beneficial interest ⁽³⁾	H Shares	39,495,420	9.86%
Haikuo Chengzhang	Beneficial interest ⁽⁴⁾	H Shares	30,829,450	7.70%
LC ELITE LIMITED ⁽⁶⁾ ("LC ELITE")	Beneficial interest and interest in concert parties	H Shares	50,765,060	12.68%
LC Fund VI, L.P. ⁽⁶⁾	Interest in controlled corporations and interest in concert parties	H Shares	50,765,060	12.68%
LC Fund VI GP, L.P. ⁽⁶⁾	Interest in controlled corporations and interest in concert parties	H Shares	50,765,060	12.68%
LC Fund VI GP Limited ⁽⁶⁾	Interest in controlled corporations and interest in concert parties	H Shares	50,765,060	12.68%
LC Fund GP Limited ⁽⁶⁾	Interest in controlled corporations and interest in concert parties	H Shares	50,765,060	12.68%
Union Season Holdings Limited ⁽⁶⁾	Interest in controlled corporations and interest in concert parties	H Shares	50,765,060	12.68%
Suzhou Junlian Xiangdao Equity Investment Partnership (Limited Partnership) (蘇州君聯相道股權投資合夥企業(有限合夥)) ⁽⁶⁾ ("Junlian Xiangdao LP")	Beneficial interest and interest in controlled corporations and interest in concert parties	H Shares	50,765,060	12.68%
Xiamen Junlian Yihe Venture Capital Partnership (Limited Partnership) (廈門君聯逸禾創業投資合夥企業(有限合夥)) ⁽⁶⁾ ("Junlian Yihe LP")	Beneficial interest and interest in controlled corporations and interest in concert parties	H Shares	50,765,060	12.68%
Suzhou Junjunde Equity Investment Partnership (Limited Partnership) (蘇州君駿德股權投資合夥企業(有限合夥)) ("Suzhou Junjunde LP")	Beneficial interest and interest in controlled corporations and interest in concert parties	H Shares	50,765,060	12.68%

DIRECTORS' REPORT

Name of Shareholder	Capacity/Nature of interest	Class of Shares	Number of Shares interested ⁽¹⁾	Approximate percentage of shareholding in total share capital ⁽²⁾
Lhasa Junqi Enterprise Management Co., Ltd. (拉薩君祺企業管理 有限公司) ⁽⁶⁾ ("Lhasa Junqi")	Interest in controlled corporations and interest in concert parties	H Shares	50,765,060	12.68%
Legend Capital Management Co. Ltd. (君聯資本管理股份 有限公司) ⁽⁶⁾ ("Legend Capital")	Interest in controlled corporations	H Shares	50,765,060	12.68%
Beijing Juncheng Hezhong Investment Management Partnership (Limited Partnership) (北京君誠合眾投資 管理合夥企業 (有限合夥)) ⁽⁶⁾ ("Juncheng Hezhong")	Interest in controlled corporations	H Shares	50,765,060	12.68%
Beijing Junqi Jiarui Enterprise Management Limited (北京君祺嘉睿 企業管理有限公司) ⁽⁶⁾ ("Junqi Jiarui")	Interest in controlled corporations	H Shares	50,765,060	12.68%
Mr. Chen Hao (陳浩) ⁽⁶⁾	Interest in controlled corporations	H Shares	50,765,060	12.68%
BAI GmbH ⁽⁷⁾	Beneficial interest	H Shares	24,224,340	6.05%

Notes:

- (1) All interests stated are long positions.
- (2) The calculation is based on the total number of 400,430,680 H Shares as of the date of this annual report.
- (3) Haikuo Fenxiang, one of our equity incentive platforms, directly held 3,949,542 H Shares in our Company, whose general partner is Mr. Ren.
- (4) Haikuo Chengzhang, one of our equity incentive platforms, directly held 3,082,945 H Shares in our Company, whose general partner is Mr. Yang.

DIRECTORS' REPORT

(5) As of the date of this annual report, Haikuo Fenxiang, Haikuo Chengzhang, Mr. Ren, and Mr. Yang directly held 3,949,542, 3,082,945, 2,155,963, and 1,779,453 H Shares in our Company, respectively. Mr. Ren is the general partner of Haikuo Fenxiang and Mr. Yang is the general partner of Haikuo Chengzhang. Mr. Ren and Mr. Yang have been acting in concert since March 2, 2021. They have been acting in concert and will continue to do so in our Company's Shareholders meetings and board meetings. As a result, Haikuo Fenxiang, Haikuo Chengzhang, Mr. Ren, and Mr. Yang form the single largest shareholders group of the Company (the **"Single Largest Shareholders Group"**). Consequently, each of these parties is deemed to be interested in the H Shares held by other members of the Single Largest Shareholders Group.

(6) As of the date of this annual report, LC ELITE, Junlian Xiangdao LP, Junlian Yihe LP and Suzhou Junjunde LP directly held 5.55%, 6.09%, 0.99% and 0.99% of our total issued share capital, respectively. Each of them confirms the existence of a concert party relationship among them. Therefore, each of them is deemed to be interested in the H Shares held by the concert parties under the SFO.

As of the date of this annual report, LC ELITE was held as to approximately 95.18% by LC Fund VI, L.P. and approximately 4.82% by LC Parallel Fund VI, L.P. The general partner of LC Fund VI, L.P. is LC Fund VI GP, L.P., which is controlled by its general partner LC Fund VI GP Limited, a wholly-owned subsidiary of LC Fund GP Limited. LC Fund GP Limited is wholly-owned by Union Season Holdings Limited, which is a wholly-owned subsidiary of Legend Capital.

The general partner of each of Junlian Xiangdao LP, Junlian Yihe LP and Suzhou Junjunde LP is Lhasa Junqi Enterprise Management Co., Ltd. (拉薩君祺企業管理有限公司), which is a wholly-owned subsidiary of Legend Capital. Therefore, Legend Capital is deemed to be interested in the H Shares held by LC ELITE, Junlian Xiangdao LP, Junlian Yihe LP and Suzhou Junjunde LP under the SFO.

Legend Capital is owned as to 80% by Juncheng Hezhong, and as to 20% by Legend Holdings Corporation (聯想控股股份有限公司). Juncheng Hezhong is controlled by its general partner Junqi Jiarui, which is in turn held as to 40% by Mr. Chen Hao (陳浩). Therefore, Mr. Chen Hao is deemed to be interested in the H Shares held by LC ELITE, Junlian Xiangdao LP, Junlian Yihe LP and Suzhou Junjunde LP under the SFO.

(7) As of the date of this annual report, BAI GmbH was a direct wholly-owned subsidiary of Reinhard Mohn GmbH, which is wholly owned by Bertelsmann SE & Co. KGaA. All voting rights in Bertelsmann SE & Co. KGaA are controlled by Bertelsmann Verwaltungsgesellschaft mbH which in turn is controlled by Mr. Christoph Mohn. Ms. Mohn Shobhna is Mr. Christoph Mohn's spouse.

Bertelsmann SE & Co. KGaA was owned as to 52.22% by Johannes Mohn Gesellschaft mit beschränkter Haftung and 47.78% by Reinhard Mohn Verwaltungsgesellschaft mit beschränkter Haftung, with Bertelsmann Management SE being its general partner. Bertelsmann Management SE was owned as to 52.22% by Johannes Mohn Gesellschaft mit beschränkter Haftung and 47.78% by Reinhard Mohn Verwaltungsgesellschaft mit beschränkter Haftung. Reinhard Mohn Verwaltungsgesellschaft mit beschränkter Haftung was in turn owned as to 60.09% by Johannes Mohn Gesellschaft mit beschränkter Haftung. Johannes Mohn Gesellschaft mit beschränkter Haftung was owned as to 95.88% by Bertelsmann Stiftung which is a non-profit foundation and has no shareholder.

Therefore, each of Reinhard Mohn GmbH, Bertelsmann SE & Co. KGaA, Bertelsmann Verwaltungsgesellschaft mbH, Mr. Christoph Mohn, Ms. Mohn Shobhna, Johannes Mohn Gesellschaft mit beschränkter Haftung, Reinhard Mohn Verwaltungsgesellschaft mit beschränkter Haftung, Bertelsmann Management SE and Bertelsmann Stiftung is deemed to be interested in the H Shares held by BAI GmbH under the SFO.

Save as disclosed above, as of the date of this annual report, the Directors were not aware of any other persons, other than the Directors and the chief executive of the Company, who had interests or short positions in the Shares or underlying Shares which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or recorded in the register required to be kept by the Company under Section 336 of the SFO.

PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained a sufficient public float as of the date of this annual report.

DIRECTORS' REPORT

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

As the Company's H Shares were listed on the Main Board of the Stock Exchange on February 13, 2026, neither the Company nor its subsidiaries had purchased, sold or redeemed any of the securities (including treasury shares) of the Company listed on the Stock Exchange during the Reporting Period. As of December 31, 2025, the Company did not hold any treasury shares.

CORPORATE GOVERNANCE

The Company's corporate governance principles and practices are set out in the Corporate Governance Report on pages 40 to 56 of this annual report.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Information on the Company's fulfillment of its environmental and social responsibilities is set out in our Environmental, Social and Governance Report, which will be published on the Stock Exchange's website and the Company's website concurrently with the publication of this report.

COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS

To the best knowledge, information and belief of the Board and the management, the Group is in compliance with applicable laws and regulations that may have significant effect on the business and operations of the Group. The Group did not record any material losses and impacts arising from non-compliance with the regulations during the Reporting Period.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group's business faces risks including those set out in the section headed "Risk Factors" in the Prospectus. The following list is a summary of certain principal risks and uncertainties facing the Group, some of which are beyond our control:

- The industry in which we operate is fast-growing. It may not develop as we expected, and we may fail to compete effectively against our existing or potential competitors.
- Our success depends largely on our capability to efficiently develop and innovate our products to meet customers' evolving needs of functionality, performance, reliability, design and security. If we fail to stay attuned to evolving consumer needs or keep up with technological advances, our competitiveness may be materially and adversely affected.

DIRECTORS' REPORT

- If our expansion into new application scenarios or our attempt to develop new solutions is unsuccessful, our business, prospects and growth momentum may be materially and adversely affected.
- We have been and intend to continue investing significantly in R&D, which may negatively impact our profitability and operating cash flow in the short-term and may not generate the results we expect to achieve.
- We may not be able to retain existing customers or attract new customers. Any failure to offer high-quality maintenance and support services for our existing customers may harm our relationships with them and, consequently, our business.
- Our technology infrastructure may experience unexpected system failure, interruption, inadequacy, security breaches or cyber-attacks.
- Our use of open-source technology could pose particular risk to our proprietary software, solutions in a manner that negatively affects our business.
- We are subject to credit risks related to delay in payment and defaults of customers.
- We may not be successful in executing our growth strategy or otherwise achieving revenue growth in the future.
- We are subject to concentration risks. If existing customers do not make subsequent purchases from us or renew their contracts with us, or if our relationships with our largest customers are impaired or terminated, our revenue could decline, and the results of our operations would be adversely impacted.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

On February 13, 2026, the Group completed its initial public offering on the Stock Exchange. Immediately prior to the Listing, the Group conducted the share subdivision (the “**Share Subdivision**”), pursuant to which each of share with nominal value of RMB1.00 subdivided into 10 shares with nominal value of RMB0.1 each. Upon completion of such Share Subdivision, the registered share capital of the Company, which is RMB37,240,048, was divided into 372,400,480 shares with nominal value of RMB0.1 per share.

Upon the Listing, the Group issued 28,030,200 ordinary shares at a price of HK\$27.06 per share. The total gross proceeds from the Global Offering were amounted to approximately HK\$758.5 million. All the financial instruments issued to investors were automatically converted to 238,104,620 ordinary shares of the Company upon the Listing.

DIRECTORS' REPORT

FINAL DIVIDEND

The Board has resolved not to recommend the payment of a final dividend for the year ended December 31, 2025.

As of the date of this annual report, the Board is not aware of any Shareholder who has waived or agreed to waive any dividends.

AUDITOR

KPMG has audited the Group's consolidated financial statements for the year ended December 31, 2025.

The H Shares of the Company were listed on the Main Board of the Stock Exchange on February 13, 2026, and there has been no change in auditor since the Listing Date.

DONATION

No charitable or other donations were made by the Group during the year ended December 31, 2025.

Yang Zaifei

Chief Executive Officer and Executive Director

Beijing Haizhi Technology Group Co., Ltd.

March 27, 2026

CORPORATE GOVERNANCE REPORT

We are committed to maintaining a high standard of corporate governance to safeguard the interests of its Shareholders and enhance its value and accountability. The Board endeavors to adhere to the principles of corporate governance and has set and implemented sound corporate governance practices to fulfill the legal and commercial standards in the management structures, internal control, risk management and fair disclosure to achieve effective transparency and accountability.

As the H Shares of the Company were listed on the Main Board of the Stock Exchange on February 13, 2026, the CG Code as set out in Appendix C1 to the Listing Rules was not applicable to the Company during the Reporting Period. However, the Company has been committed to adopting policies and practices that are in line with the CG Code in preparation for its Listing. Since the Listing Date and up to the date of this annual report, the Company has complied with all applicable code provisions set out in the CG Code.

The Company will continue to review its corporate governance practices to ensure its continued compliance with the CG Code, to enhance its corporate governance standard, and to meet the rising expectations of the Shareholders and investors.

CORPORATE CULTURE

It is our corporate culture to maintain an inclusive and safe workplace for our employees. The Group promotes diversity at all levels to enhance the effectiveness of our corporate governance and ensures there is gender diversity when recruiting staff at mid to senior levels. The Group will also continue to provide diversified career development opportunities to our staff and engage different training resources for them. It is our top priority to maintain high standards of safety and integrity in our business operations.

The Group has established and implemented policies that promote a diversified and safe workplace. The Board strives to act lawfully, ethically and responsibly to promote our corporate culture and is committed to maintaining a high standard of corporate governance in its operations and activities.

COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS

Since its Listing, the Company has adopted the Model Code as the code of conduct regulating dealings in securities of the Company by its Directors and employees who are in possession of inside information in relation to the Group or the Company's securities. As the H Shares of the Company were listed on February 13, 2026, the Company was not required to comply with the Model Code during the Reporting Period.

In response to specific enquiries made by the Board, all Directors confirmed that they have complied with the provisions of the Model Code since the Listing Date and up to the date of this annual report.

CORPORATE GOVERNANCE REPORT

DIRECTORS

THE BOARD

The Company is governed by the Board, which is responsible for the leadership and control of the Group, overseeing and managing the Group's businesses, strategic decisions and performance. The Board is also responsible for convening Shareholders' general meetings and reporting on its work at these meetings, implementing the resolutions passed at Shareholders' general meetings, determining business and investment plans, preparing annual budgets and final accounts, and exercising other powers, functions, and duties as conferred by the Articles of Association.

All the Directors carry out their duties in good faith and in compliance with applicable laws and regulations, taking decisions objectively and acting in the interests of the Company and its Shareholders at all times.

The Company has entered into formal service contracts and letters of appointment with the executive Directors, non-executive Directors and the independent non-executive Directors, respectively, setting out the key terms and conditions of their appointments. Pursuant to the Articles of Association, the term of office of each Director is three years, subject to re-election upon expiry of the term of office.

The Company has arranged appropriate directors' and officers' liability insurance coverage in respect of legal actions against its Directors and senior management.

Save as disclosed in the biographies of Directors and senior management in this annual report, to the best knowledge of the Directors, there is no personal relationship (including financial, business, family or other material/relevant relationship) with any other Directors.

CORPORATE GOVERNANCE REPORT

COMPOSITION OF THE BOARD

The Board currently comprises 11 Directors, including four executive Directors, three non-executive Directors and four independent non-executive Directors. The members of the Board are set out below:

Executive Directors:

Mr. Ren Xuyang (*Chairman*)
Mr. Yang Zaifei (*Chief Executive Officer*)
Ms. Yang Juan
Mr. Wan Pengjiang

Non-executive Directors:

Mr. Li Jiaqing
Ms. Long Yu
Mr. Li Hongtao

Independent non-executive Directors:

Mr. Zhang Yifan
Mr. Jiang Tian
Mr. Li Shu Pai
Mr. Ma Yeming

The biographical details of the Directors are set out in the section of “Directors and Senior Management” in this annual report. The Company considers that the composition of the Board is well balanced. Each of the Directors has the relevant experience, knowledge and expertise that can contribute to the business of the Company. The executive Directors oversee the daily operations of the Group while the independent non-executive Directors bring along independent judgment to the decision-making process of the Board.

During the period from the Listing Date to the date of this annual report, the Company has complied with Rules 3.10(1) and (2) and 3.10A of the Listing Rules relating to the appointment of at least three independent non-executive Directors, representing more than one-third of the Board and at least one of them has appropriate professional qualifications or accounting or related financial management expertise. All independent non-executive Directors also meet the guidelines for assessment of their independence pursuant to Rule 3.13 of the Listing Rules. The Company has received a confirmation of independence from each of the independent non-executive Directors as required under the Rule 3.13 of the Listing Rules. The Company considers all the independent non-executive Directors to be independent. The Board will assess their independence on an annual basis.

CORPORATE GOVERNANCE REPORT

CHAIRMAN AND CHIEF EXECUTIVE

Mr. Ren Xuyang serves as the chairman of the Board and is primarily responsible for overseeing the operation of the Board and ensuring corporate governance at the Board level.

Mr. Yang Zaifei serves as the chief executive officer and is primarily responsible for the overall strategic planning, business direction, and comprehensive operational management of the Group. The roles of chairman and chief executive are separate and held by different individuals, ensuring a clear division of responsibilities and a balance of power and authority, in compliance with code provision C.2.1 of the CG Code.

RESPONSIBILITIES AND DELEGATION OF FUNCTIONS

The Company has formalized and adopted written terms on the division of functions reserved for the Board and those delegated to the management. The management is mainly responsible for implementing the business plans, strategies, and policies adopted by the Board and for the day-to-day management of the Group. The Board reserves for its decision all major matters of the Company, including the approval and monitoring of policy matters, overall strategies and budgets, risk management and internal control systems, material transactions, financial information, appointment of Directors, and other significant financial and operational matters.

The Board recognizes that corporate governance is the collective responsibility of the Directors and periodically reviews the delegated functions and work tasks.

APPOINTMENT, RE-ELECTION AND REMOVAL OF DIRECTORS

All executive Directors, non-executive Directors, and independent non-executive Directors are appointed for a specific term of three years. All Directors are eligible for re-election upon the expiry of their term of office. The appointments are subject to the provisions of the Company's Articles of Association.

The Nomination Committee is responsible for identifying suitably qualified candidates and making recommendations to the Board on appointments and re-elections.

BOARD INDEPENDENCE EVALUATION

The Board has implemented mechanism to ensure independent views and input are available to the Board. Under this mechanism, all Directors have full and timely access to relevant information of the Group, as well as the advice and services of the joint company secretaries and senior management. Any Director may request independent professional advice in appropriate circumstances at the Company's expense, upon reasonable request to the Board. The implementation and effectiveness of such mechanism was reviewed on an annual basis. The Board considers that such mechanism has been implemented properly and effectively from the Listing Date to the date of this report.

CORPORATE GOVERNANCE REPORT

BOARD MEETINGS, GENERAL MEETINGS AND PROCEDURES

Number of Meetings and Directors' Attendance

Pursuant to the CG Code, the Board should meet regularly and Board meetings should be held at least four times a year at approximately quarterly intervals involving active participation, either in person or through electronic means of communication, of a majority of Directors.

As the H Shares of the Company were listed on the Main Board of the Stock Exchange on February 13, 2026, the code provisions in relation to the number of Board meetings and Board committees meetings held during the Reporting Period set out in the CG Code were not applicable to the Company during the year ended December 31, 2025. During the period from the Listing Date and up to the date of this annual report, the Board convened one Board meeting and did not hold any general meeting. The said Board meeting was held to, among other things, approve the Company's audited consolidated annual results for the year ended December 31, 2025, this annual report, the 2025 Environmental, Social and Governance Report and other matters. The attendance of the individual Directors at Board meeting of the Company is set out below:

Name of the Directors	Number of attendance/ meeting(s) held
Executive Directors	
Mr. Ren Xuyang	1/1
Mr. Yang Zaifei	1/1
Ms. Yang Juan	1/1
Mr. Wan Pengjiang	1/1
Non-executive Directors	
Mr. Li Jiaqing	1/1
Ms. Long Yu (<i>Note</i>)	1/1
Mr. Li Hongtao	1/1
Independent non-executive Directors	
Mr. Zhang Yifan	1/1
Mr. Jiang Tian	1/1
Mr. Li Shu Pai	1/1
Mr. Ma Yeming	1/1

Note: Ms. Long Yu attended the above board meeting by proxy.

During the period from the Listing Date up to the date of this annual report, the chairman of the Board had also held one meeting with the independent non-executive Directors without the presence of other Directors in accordance with code provision C.2.7 of CG Code.

CORPORATE GOVERNANCE REPORT

Practices and Conduct of Board Meetings

The Board members are provided with complete, adequate, and timely information to allow them to fulfill their duties properly. Notices of at least 14 days are given for all regular Board meetings to provide all Directors with an opportunity to attend and include matters in the agenda for regular Board meetings. For all other Board meetings, reasonable notice has to be given generally. For other committee meetings, a notice shall be given as prescribed in the terms of reference prior to the meeting. Minutes of meetings are kept by the joint company secretaries of the Company with copies circulated to all Directors for information and records.

CONTINUOUS PROFESSIONAL DEVELOPMENT

All Directors have been given relevant guideline materials regarding their responsibilities and obligations, relevant laws and regulations, and the duty of disclosure. Newly appointed Directors are provided with induction materials to ensure they have a proper understanding of the Company's operations and a full awareness of their duties under the Listing Rules and relevant statutory requirements. All Directors are updated from time to time on the latest developments regarding the Listing Rules and other applicable regulatory requirements.

Directors should participate in appropriate continuous professional development to develop and refresh their knowledge and skills. During the year ended December 31, 2025 and prior to the Listing, all Directors have participated in continuous professional development by attending training course and read relevant training materials to develop and refresh their knowledge and skills in relation to their contribution to the Board.

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the corporate governance duties set out in code provision A.2.1 of Part 2 of the CG Code. During the period from the Listing Date and up to the date of this annual report, the Board has reviewed the Company's policies and practices on corporate governance, the continuous professional development of the Directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, and the Company's code of conduct applicable to its employees and Directors, and the Company's compliance with the CG Code and disclosure in this corporate governance report.

BOARD COMMITTEES

The Board has established three Board committees, namely the Audit Committee, the Remuneration and Appraisal Committee and the Nomination Committee, to assist in the efficient implementation of their functions and to oversee particular aspects of the Company's affairs. All committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice at the Company's expense.

CORPORATE GOVERNANCE REPORT

AUDIT COMMITTEE

The Audit Committee consists of one non-executive Director, namely Mr. Li Jiaqing, and two independent non-executive Directors, namely Mr. Li Shu Pai and Mr. Zhang Yifan. Mr. Li Shu Pai holds the appropriate professional qualifications as required under Rule 3.10(2) and 3.21 of the Listing Rules, and he serves as the chairman of the Audit Committee. The terms of reference of the Audit Committee have been adopted in compliance with the CG Code. The primary duties of the Audit Committee include, but not limited to, the following:

- (i) proposing the appointment or change of external auditors to our Board, and monitoring the independence of external auditors and evaluating their performance;
- (ii) guiding internal audit work;
- (iii) examining the financial information of our Company, reviewing financial reports and statements of our Company and giving comments on relevant matters;
- (iv) assessing the effectiveness of internal control;
- (v) coordinating the communication among management, internal audit department, related departments and external audit agency; and
- (vi) dealing with other matters that are authorized by our Board or involved in relevant laws and regulations.

As the H Shares of the Company were listed on the Main Board of the Stock Exchange on February 13, 2026, no Audit Committee meetings were held during the Reporting Period. During the period from the Listing Date and up to the date of this annual report, the Audit Committee held one meeting to review and discuss the annual results of the Company for the year ended December 31, 2025, risk management and internal control systems and other relevant matters. The attendance of members of the Audit Committee is set out below:

Name of members of the Audit Committee	Number of attendance/ meeting(s) held
Mr. Li Shu Pai	1/1
Mr. Zhang Yifan	1/1
Mr. Li Jiaqing	1/1

CORPORATE GOVERNANCE REPORT

NOMINATION COMMITTEE

The Nomination Committee consists of one executive Director, namely Ms. Yang Juan, and two independent non-executive Directors, namely Mr. Ma Yeming, and Mr. Jiang Tian. Mr. Ma Yeming serves as the chairman of the Nomination Committee.

The terms of reference of the Nomination Committee have been adopted in compliance with the CG Code. The primary duties of the Nomination Committee include, but not limited to, the following:

- (i) reviewing the structure, size and composition (including the skills, knowledge and experience) of our Board at least annually, assisting our Board in maintaining a board skills matrix; and making recommendations to our Board on any proposed changes to our Board based on our Company's business operation, asset scale and equity structure;
- (ii) researching and developing standards and procedures for the election of our Board members, general managers and members of the senior management, and making recommendations to our Board;
- (iii) conducting extensive search and providing to our Board suitable candidates for Directors, general managers and other members of the senior management;
- (iv) examining our Board candidates, general manager and members of the senior management and making recommendations to our Board;
- (v) assessing and reviewing the independence of independent non-executive Directors;
- (vi) making recommendations to our Board on the appointment or reappointment of directors and succession planning for directors, in particular the chairman and the chief executive;
- (vii) supporting our regular evaluation of our Board's performance; and
- (viii) dealing with other matters that are authorized by our Board.

CORPORATE GOVERNANCE REPORT

As the H Shares of the Company were listed on the Main Board of the Stock Exchange on February 13, 2026, no Nomination Committee meetings were held during the Reporting Period. During the period from the Listing Date and up to the date of this annual report, the Nomination Committee held one meeting to review the structure, size and composition of the Board, assess the independence of the independent non-executive Directors, review the Director Nomination Policy, and other relevant matters. The attendance of members of the Nomination Committee is set out below:

Name of members of the Nomination Committee	Number of attendance/ meeting(s) held
Mr. Ma Yeming	1/1
Mr. Jiang Tian	1/1
Ms. Yang Juan	1/1

DIRECTOR NOMINATION POLICY

The Company has adopted a Director Nomination Policy which mainly sets out the selection and recommendation criteria and the nomination procedures in relation to nomination and appointment of Directors of the Company.

The Nomination Committee will consider the following criteria and factors in evaluating candidates:

- integrity;
- educational background, professional qualifications and working experience;
- the availability of appropriate skills and experience;
- whether they are able to devote sufficient time and attention to the affairs of the Company;
- diversity of the Board, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service; and
- in case of the candidates for independent non-executive Directors, whether they meet the independence requirements under Rule 3.13 of the Listing Rules.

CORPORATE GOVERNANCE REPORT

The nomination procedures include:

- (i) the Nomination Committee is required to convene a meeting and invite nominations of candidates from Board members, if any, for consideration by the Nomination Committee. The Nomination Committee may also nominate individuals who have not been nominated by Board members;
- (ii) the Nomination Committee shall conduct sufficient due diligence on the Director candidates and make recommendations to the Board for its consideration;
- (iii) for the re-appointment of any existing member of the Board, the Nomination Committee shall make a recommendation for the Board's consideration; and
- (iv) in respect of procedures for Shareholders' nomination of any Director candidate, please refer to the Procedures for Shareholders to Nominate Director Candidate on the Company's website.

BOARD DIVERSITY POLICY

The Board has adopted a Board Diversity Policy which sets out the approach to achieving diversity on the Board. All Board appointments are based on merit, and candidates are considered against objective criteria, having due regard for the benefits of diversity, including but not limited to gender, age, cultural and educational background, professional experience, skills, and knowledge.

As of the date of this annual report, the Board has nine male members and two female members with six Directors of age 40 to 49 and five Directors of age 50 to 60. The Board has a balanced mix of knowledge, skills, and experience, including corporate management, finance, technology, law, and investment. In light of the current Board composition, the Nomination Committee considers that the Board Diversity Policy has been complied with and does not propose to set additional objectives on gender diversity. Nevertheless, the Nomination Committee will monitor the market practices among comparable companies in respect of board diversity, and will review the Board Diversity Policy annually to ensure its continued effectiveness.

GENDER DIVERSITY OF EMPLOYEES

The Company strives to achieve gender diversity and gender equality in its workforce. As of December 31, 2025, the total workforce comprised 597 male and 124 female employees. The Company supports diversity across a variety of perspectives, the key areas of which are similar to those for the Board diversity. The Company considers that it has a balanced workforce and will continue to promote gender diversity. For further details of gender ratio, please refer to the disclosure in our Environmental, Social and Governance Report.

CORPORATE GOVERNANCE REPORT

REMUNERATION AND APPRAISAL COMMITTEE

The Remuneration and Appraisal Committee consists of one executive Director, namely Mr. Yang Zaifei, and two independent non-executive Directors, namely Mr. Jiang Tian, and Mr. Ma Yeming. Mr. Jiang Tian serves as the chairman of the Remuneration and Appraisal Committee.

The terms of reference of the Remuneration and Appraisal Committee have been adopted in compliance with the CG Code. The primary duties of the Remuneration and Appraisal Committee include, but not limited to, the following:

- (i) formulating individual remuneration plans for Directors and members of the senior management in accordance with the terms of reference of the job responsibilities, the importance of their positions as well as the remuneration benchmarks for the relevant positions in other comparable companies;
- (ii) examining the criteria of performance evaluation of Directors and the senior management of our Company, and conducting annual performance evaluation;
- (iii) supervising the implementation of the remuneration plan of our Company; and
- (iv) dealing with other matters that are authorized by our Board.

The Company has adopted the model as described in code provision E.1.2(c)(ii) of the CG Code, under which the Remuneration and Appraisal Committee makes recommendations to the Board on the remuneration packages of individual executive Directors and senior management.

As the H Shares of the Company were listed on the Main Board of the Stock Exchange on February 13, 2026, no Remuneration and Appraisal Committee meetings were held during the Reporting Period. During the period from the Listing Date and up to the date of this annual report, the Remuneration and Appraisal Committee held one meeting to review, discuss and make recommendations to the Board on the remuneration package of the Directors and senior management. The attendance of members of the Remuneration and Appraisal Committee is set out below:

Name of members of the Remuneration and Appraisal Committee	Number of attendance/ meeting(s) held
Mr. Jiang Tian	1/1
Mr. Ma Yeming	1/1
Mr. Yang Zaifei	1/1

CORPORATE GOVERNANCE REPORT

DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Board acknowledges its responsibility for preparing the Company's financial statements for the Reporting Period and to ensure that they are prepared in accordance with statutory requirements and applicable accounting standards. The Directors, having made appropriate enquiries, confirm that they are not aware of any material uncertainties relating to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges its responsibility for the risk management and internal control systems and for reviewing their effectiveness. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board is responsible for evaluating and determining the nature and extent of risks the Company is willing to take in achieving its strategic objectives and for ensuring the Company establishes and maintains appropriate and effective risk management and internal control systems. The Board will review the Company's risk management and internal control system annually. The management is responsible for designing, implementing, and monitoring these systems on an ongoing basis, while the Board, with the assistance of the Audit Committee, oversees the management in performing its duties.

RISK MANAGEMENT SYSTEM

The Company adopts a risk management system comprising risk identification, register, assessment and management phases to manage risks associated with its business and operations as below:

Risk identification

The operation departments of the Group identify risks that may affect the achievement of the Company's development objectives and strategies. The Company classifies the principal risks into five categories, namely: strategic risk, financial risk, market risk, operational risk, and compliance risk.

Risk register

The Company collects risk-related information and, through classification, consolidation and analysis, establishes a comprehensive risk register. The risk register is reviewed on an annual basis and will be updated and refined as appropriate.

CORPORATE GOVERNANCE REPORT

Risk assessment

The Company adopts qualitative, quantitative, or a combination of both methods to assess the likelihood of occurrence and the potential impact of identified risks, in order to determine the Company's key risk exposures. Risk assessments are conducted on both a regular basis and an ad hoc basis.

Risk management

Depending on the nature of different risks, the Company adopts appropriate risk management measures, including risk avoidance, risk mitigation, risk transfer, and risk acceptance, and allocates necessary human and financial resources to ensure effective risk management.

For significant and major risks, a risk response measure form needs to be completed. Upon approval by general manager office, the relevant department is required to implement the corresponding measures immediately.

INTERNAL CONTROL SYSTEM

The Company has an internal control system designed to achieve objectives regarding the effectiveness and efficiency of operations, reliability of financial reporting, and compliance with applicable laws and regulations. Key components include a strong control environment, ongoing risk assessment, comprehensive control activities, effective information and communication, and continuous monitoring.

The Company has also adopted an inside information policy and procedures to ensure the completeness, accuracy, and timeliness of its public disclosures and to maintain confidentiality. Under these policy and procedures, the Company is required to disclose to the public any inside information as soon as reasonably practicable after it becomes aware of it or is likely to create a false market.

OPERATIONAL RISK MANAGEMENT

The Group has established a series of internal systems to manage operational risks, with clear delegation of authority, detailed process standardization, and defined reward and disciplinary mechanisms. The finance, audit, legal, and HR departments collectively ensure compliance with internal policies.

CORPORATE GOVERNANCE REPORT

INTERNAL AUDIT FUNCTION

The Company has an internal audit department that conducts ongoing audits of different departments and functions to assess the adequacy and effectiveness of the existing internal control, legal and regulatory compliance, and risk management systems. The internal audit department examined key issues in relation to the accounting practices and all material controls and provided its findings and recommendations for improvement to the Audit Committee.

EFFECTIVENESS OF THE RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS

The management has reported to the Audit Committee on the effectiveness of the risk management and internal control systems for the year ended December 31, 2025. The Board, as supported by the Audit Committee as well as the management report and the internal audit findings, conducted an annual review of the risk management and internal control systems of the Group, including the financial, operational and compliance controls, for the year ended December 31, 2025, and concluded that the risk management and internal control systems for the year ended December 31, 2025 were effective and adequate. The annual review also covered the financial reporting, internal audit function, resources, staff qualifications and experience of relevant staff.

ANTI-CORRUPTION

The Group has a zero-tolerance policy for any form of corruption. It has established an anti-corruption policy and provides internal reporting channels for employees to report suspected acts of corruption or bribery. The Group also conducts periodic anti-corruption training to strengthen employee awareness.

WHISTLEBLOWING POLICY

The Board has established and adopted a whistleblowing policy, setting out channels for employees and other stakeholders to raise concerns about possible improprieties, in confidence and anonymity, with the Audit Committee about possible improprieties in any matters related to the Company. The Audit Committee is responsible for the implementation and oversight of the policy.

CORPORATE GOVERNANCE REPORT

AUDITOR'S REMUNERATION

The statement of the external auditor of the Company about their reporting responsibilities for the Company's financial statements for the year ended December 31, 2025 is set out in the section headed "Independent Auditor's Report" in this annual report.

During the year ended December 31, 2025, the remuneration paid/payable to the Company's external auditor, KPMG is set out below. The remuneration for the audit services also includes the service fees in connection with the initial public offering.

Nature of services	Remuneration (RMB'000)
Audit services	2,800
IPO-related services	5,375
Non-audit services	
– Other services	351
Total:	8,526

JOINT COMPANY SECRETARIES

Mr. Miao Zheng and Ms. Poon Pui Man Hera are the joint company secretaries of the Company. They are responsible for overseeing the company secretarial work of the Group. All Directors have access to the advice and services of the joint company secretaries on corporate governance and board practices and matters. Ms. Poon's primary contact person at the Company is Mr. Miao.

The Company was not listed on the Stock Exchange during the Reporting Period. The joint company secretaries of the Company will receive no less than 15 hours of relevant professional training annually pursuant to the requirements of Rule 3.29 of the Listing Rules.

The biographies of Mr. Miao and Ms. Poon are set out in the section headed "Directors and Senior Management" in this annual report.

CORPORATE GOVERNANCE REPORT

COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS

The Board believes that transparent and timely disclosure is essential for enhancing investor relations and enabling Shareholders and investors to make informed investment decisions. The Company maintains an ongoing dialogue with Shareholders, particularly through annual general meetings and other general meetings.

The Company has adopted a Shareholders Communication Policy to ensure that Shareholders' views and concerns are appropriately addressed. The policy aims to ensure transparent, accurate, and open communications with Shareholders and is reviewed annually to ensure its effectiveness.

The Company maintains a website at www.haizhi.com where corporate communication documents, financial information, and other updates are available for public access. Shareholders and investors may also direct their enquiries to the Company's principal place of business in China or via email.

The Company will regularly review the implementation and effectiveness of its Shareholders Communication Policy. Having considered the implementation and outcome of its Shareholders Communication Policy, the Company considered it to be appropriate and effective during the period from the Listing Date and up to the date of this annual report.

SHAREHOLDERS' RIGHTS

PROCEDURES FOR CONVENING AN EXTRAORDINARY GENERAL MEETING ON REQUISITION

Pursuant to Article 53 of the Articles of Association, Shareholders individually or collectively holding more than 10% of the Shares of the Company may, by a written requisition, request the Board to convene an extraordinary general meeting. If the Board does not agree to convene such an extraordinary general meeting, or fails to make a reply within ten days upon receipt of the requisition, the Shareholders individually or collectively holding more than 10% of the Shares of the Company shall have the right to request the Audit Committee to convene an extraordinary general meeting by a written requisition. If the Audit Committee fails to issue the notice convening such a meeting within the five days upon receipt of the requisition, it shall be deemed to have failed to convene and preside over such meeting. Shareholders individually or collectively holding more than 10% of the Shares for 90 consecutive days or longer period may convene and preside over such meeting on their own.

PROCEDURES FOR PUTTING FORWARD PROPOSALS AT GENERAL MEETINGS

Pursuant to Article 58 of the Articles of Association, Shareholders individually or collectively holding more than 1% of the Shares of the Company are entitled to propose new resolutions in writing to the Company no later than ten days prior to a general meeting. The convener shall issue a supplemental notice of the general meeting to incorporate such proposals into the agenda within two days after receipt thereof.

CORPORATE GOVERNANCE REPORT

PROCEDURES FOR RAISING ENQUIRIES WITH THE BOARD

Shareholders may put forward any enquiries to the Board, by sending written enquiries to the Company. The Company will not normally deal with verbal or anonymous enquiries. For the avoidance of doubt, Shareholders must deposit and send the original duly signed written requisition, notice, statement or enquiry (as the case may be) to the following address and provide their full name, contact details and identification in order to give effect thereto.

Address: Room 1501, 15th Floor, Building 8,
No. 8, Kegou First Street,
Beijing Economic-Technological Development Area,
Beijing, PRC
(For the attention of the Joint Company Secretaries)

Email: irgroup@haizhi.com

For enquiries about H Share shareholdings, Shareholders should direct their enquiries to the Company's H Share Registrar. Their details are as follows:

Name: Computershare Hong Kong Investor Services Limited
Address: Shops 1712-1716, 17th Floor, Hopewell Centre,
183 Queen's Road,
Wanchai, Hong Kong
Tel No.: (852) 2862 8555

DIVIDEND POLICY

From the Listing Date and up to the date of this annual report, we did not declare or pay any dividends, nor did we have any dividend policy in place. Pursuant to Article 155 of the Articles of Association, our Board will formulate the dividends distribution plan after taking into account our future operations and earnings, capital requirements and surplus, general financial condition, contractual restriction and other factors which our Directors consider relevant. Any declaration and payment as well as the amount of dividends will be subject to the Articles of Association, the applicable PRC law and approval by our Shareholders. Our Shareholders in a general meeting may approve any declaration of dividends, which must not exceed the amount recommended by our Board. Pursuant to 153 of the Articles of Association, any future net profit that we make will have to be first applied to make up for our historically accumulated losses, after which we will be obliged to allocate 10% of our net profit to our statutory common reserve fund until such fund has reached more than 50% of our registered capital.

CONSTITUTIONAL DOCUMENTS

The Company adopted the Articles of Association, which became effective on the Listing Date, February 13, 2026. There has not been any change to the Articles of Association since the Listing Date and up to the date of this annual report. The Articles of Association is available on the websites of the Company and the Stock Exchange.

INDEPENDENT AUDITOR'S REPORT



Independent auditor's report to the shareholders of Beijing Haizhi Technology Group Co., Ltd.

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

OPINION

We have audited the consolidated financial statements of Beijing Haizhi Technology Group Co., Ltd. ("**the Company**") and its subsidiaries ("**the Group**") set out on pages 57 to 135, which comprise the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and notes, comprising material accounting policy information and other explanatory 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 IFRS Accounting Standards as issued by the International Accounting Standards Board ("**IASB**") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("**HKSAs**") issued by the Hong Kong Institute of Certified Public Accountants ("**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.

INDEPENDENT AUDITOR'S REPORT

KEY AUDIT MATTER

Key audit matter is the matter that, in our professional judgement, was of most significance in our audit of the consolidated financial statements of the current period. This matter was 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 this matter.

Revenue recognition – revenue recognised at point in time

Refer to Note 4 to the consolidated financial statements and the accounting policies in Note 2(s).

The Key Audit Matter

During the year ended 31 December 2025, the Group recognised revenue at point in time and over time of RMB602.0 million and RMB19.1 million respectively.

The revenue recognised at a point in time primarily came from sales of the Atlas graph solutions and Atlas AI agent, which were delivered through a customised integrated service (the “**Integrated Service**”). The Integrated Service may include software, hardware, services and warranty service which leverages AI technologies to solve specific problems, automate tasks or enhance decision-making across various domains. The Integrated Service is recognised as revenue when the services are delivered to the customer’s designated place, inspected and accepted by the customer.

We identified revenue recognition at point in time as a key audit matter because it accounts for a significant portion of the Group’s revenue and revenue is a key performance indicator of the Group which gives rise to an inherent risk that revenue could be subject to manipulation to meet financial expectations or targets.

How the matter was addressed in our audit

Our procedures to assess the recognition of revenue at a point in time included the following:

- obtaining an understanding of and assessing the design, and implementation of management’s key internal controls in relation to revenue recognition;
- inspecting sales contracts, on a sample basis, to understand the key terms and conditions relating to the transfers of control of the Integrated Service to customers and assessing whether the revenue recognition policies were in accordance with the requirements of the prevailing accounting standards;
- comparing, on a sample basis, sales transactions recorded during the financial reporting period with the underlying documents, such as sales contracts, customer orders and customers’ acceptance notes, and assessing whether the related revenue was properly recognised in accordance with the Group’s revenue recognition policy; and
- comparing, on a sample basis, sales transactions recorded before and after the end of the financial reporting period, with the underlying documents, such as customers’ acceptance notes, and assessing whether the revenue was recognised in the correct financial reporting period.

INDEPENDENT AUDITOR'S REPORT

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The directors are responsible for the other information. The other information comprises all the information included in the annual report, other than the consolidated financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

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 when it becomes available 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.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the IASB 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 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 either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

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

INDEPENDENT AUDITOR'S REPORT

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. This 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.

As part of an audit in accordance with HKSA's, 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.

INDEPENDENT AUDITOR'S REPORT

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

- 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.

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 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 Hui Sau Yee, Jenny (practising certificate number: P05552).

KPMG

Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong
27 March 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2025

(Expressed in Renminbi ("RMB"))

	Note	2025 RMB'000	2024 RMB'000
Revenue	4	621,081	503,129
Cost of sales		(352,087)	(320,736)
Gross profit		268,994	182,393
Selling and marketing expenses		(87,605)	(67,796)
Administrative expenses		(123,115)	(55,976)
Research and development expenses		(99,860)	(60,681)
Impairment losses on financial assets and contract assets		(19,321)	(3,393)
Other income and loss, net	5	3,624	8,789
(Loss)/profit from operations		(57,283)	3,336
Finance costs	6(a)	(615)	(405)
Changes in fair value of financial products issued by financial institutions		1,857	–
Changes in the carrying amount of redemption liabilities	25(b)(i)	(141,282)	(76,092)
Changes in the fair value of financial liabilities at fair value through profit or loss ("FVPL")	25(b)(ii)	(5,744)	(21,433)
Loss before taxation	6	(203,067)	(94,594)
Income tax (expense)/credit	7(a)	(2,255)	861
Loss for the year		(205,322)	(93,733)
Loss per share			
Basic and diluted (RMB)	10	(0.58)	(0.29)

The notes on pages 69 to 135 form part of these financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025
(Expressed in RMB)

	Note	2025 RMB'000	2024 RMB'000
Loss for the year		(205,322)	(93,733)
Other comprehensive income for the year (after tax)			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of financial statements of overseas subsidiaries		(840)	(2)
Total comprehensive income for the year		(206,162)	(93,735)

The notes on pages 69 to 135 form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025

(Expressed in RMB)

	Note	2025 RMB'000	2024 RMB'000
Non-current assets			
Property and equipment	11	6,908	2,260
Right-of-use assets	12	11,313	7,229
Intangible assets	13	771	871
Contract assets	16	15,151	8,983
Restricted cash	19	1,909	1,487
Deferred tax assets	28(b)	13,391	15,646
		49,443	36,476
Current assets			
Inventories and contract costs	15	78,232	74,728
Contract assets	16	25,266	21,464
Trade and bills receivables	17	292,045	201,381
Prepayments, deposits and other receivables	18	26,248	18,287
Restricted cash	19	22,223	105,125
Cash and cash equivalents	20	442,641	176,044
		886,655	597,029
Current liabilities			
Trade payables	21	142,827	118,809
Other payables and accruals	22	49,953	38,680
Contract liabilities	23	92,128	88,704
Lease liabilities	24	3,255	2,785
Redemption liabilities	25	2,063,421	1,672,139
Financial liabilities at FVPL	25	–	41,249
Provisions	26	16,207	12,120
		2,367,791	1,974,486
Net current liabilities		(1,481,136)	(1,377,457)
Total assets less current liabilities		(1,431,693)	(1,340,981)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025
(Expressed in RMB)

	Note	2025 RMB'000	2024 RMB'000
Non-current liabilities			
Lease liabilities	24	8,565	5,374
Deferred income		11,209	4,390
		19,774	9,764
NET LIABILITIES		(1,451,467)	(1,350,745)
CAPITAL AND RESERVES			
Paid-in capital/share capital	29	37,240	33,051
Reserves		(1,488,707)	(1,383,796)
TOTAL DEFICIT ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY		(1,451,467)	(1,350,745)

Approved and authorised for issue by the board of directors on 27 March 2026.

Yang Zaifei
Director

Yang Juan
Director

The notes on pages 69 to 135 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

(Expressed in RMB)

Note	Paid-in capital	Share capital	Capital reserve	Other reserve	Share-based payments reserve	Exchange reserve	Accumulated losses	Total deficit
	RMB'000 (Note 29(c))	RMB'000 (Note 29(c))	RMB'000 (Note 29(d)(i))	RMB'000 (Note 29(d)(ii))	RMB'000 (Note 29(d)(iii))	RMB'000	RMB'000	RMB'000
Balance at 1 January 2025	33,051	-	1,100,637	(1,547,078)	267,917	(32)	(1,205,240)	(1,350,745)
Changes in deficit for 2025:								
Loss for the year	-	-	-	-	-	-	(205,322)	(205,322)
Other comprehensive income	-	-	-	-	-	(840)	-	(840)
Total comprehensive income	-	-	-	-	-	(840)	(205,322)	(206,162)
Conversion into a joint stock company with limited liability	29(c)	(33,051)	33,051	(449,422)	-	-	449,422	-
Issuance of shares under exercise of anti-dilution rights	25(b)(ii)	-	1,368	(1,368)	46,993	-	-	46,993
Capital contributions from Series E-2 Investors	25(a)	-	2,821	247,179	-	-	-	250,000
Recognition of redemption liabilities	25(b)(i)	-	-	-	(250,000)	-	-	(250,000)
Capital contributions from other shareholders	29(c)	-	-	1,402	-	-	-	1,402
Equity settled share-based payments	27	-	-	-	-	57,045	-	57,045
Balance at 31 December 2025	-	37,240	898,428	(1,750,085)	324,962	(872)	(961,140)	(1,451,467)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025
(Expressed in RMB)

		Paid-in capital	Capital reserve	Other reserve	Share-based payments reserve	Exchange reserve	Accumulated losses	Total deficit
Note	RMB'000 (Note 29(c))	RMB'000 (Note 29(d)(i))	RMB'000 (Note 29(d)(ii))	RMB'000 (Note 29(d)(iii))	RMB'000 (Note 29(d)(iii))	RMB'000	RMB'000	RMB'000
Balance at 1 January 2024		31,976	1,001,712	(1,410,499)	254,777	(30)	(1,111,507)	(1,233,571)
Changes in deficit for 2024:								
Loss for the year		-	-	-	-	-	(93,733)	(93,733)
Other comprehensive income		-	-	-	-	(2)	-	(2)
Total comprehensive income		-	-	-	-	(2)	(93,733)	(93,735)
Effect of modification of the preferred rights	25(b)(i)	-	-	(36,579)	-	-	-	(36,579)
Capital contributions from Series E-2 Investor	25(a)	1,075	98,925	-	-	-	-	100,000
Recognition of redemption liabilities	25(b)(i)	-	-	(100,000)	-	-	-	(100,000)
Equity settled share-based payments	27	-	-	-	13,140	-	-	13,140
Balance at 31 December 2024		33,051	1,100,637	(1,547,078)	267,917	(32)	(1,205,240)	(1,350,745)

The notes on pages 69 to 135 form part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2025

(Expressed in RMB)

	Note	2025 RMB'000	2024 RMB'000
Cash flows from operating activities			
Operating activities			
Cash used in operations	20(b)	(55,271)	(37,915)
Tax paid		–	(634)
Net cash used in operating activities		(55,271)	(38,549)
Investing activities			
Payment for the purchase of property and equipment and intangible assets		(5,605)	(1,508)
Proceeds from disposal of property and equipment		12	3
Payment for the purchase of financial products issued by financial institutions		(856,000)	–
Redemption of financial products issued by financial institutions		857,857	–
Increase in restricted cash	19	(20,000)	–
Net cash used in from investing activities		(23,736)	(1,505)
Financing activities			
Capital element of lease rentals paid	20(c)	(3,889)	(2,415)
Interest element of lease rentals paid	20(c)	(385)	(405)
Payments in relation to the Group structure reorganisation in 2023 before initial public offering (“the Reorganisation”)		–	(514,572)
Proceeds in relation to the Reorganisation		–	506,597
Proceeds from paid-in capital contributions from other shareholders		1,402	29,858
Proceeds from capital contributions from Series E-2 Investors	25(a)	250,000	–
Decrease in restricted cash	19	100,000	–
Listing expense paid		(1,522)	–
Net cash generated from financing activities		345,606	19,063
Net increase/(decrease) in cash and cash equivalents		266,599	(20,991)
Cash and cash equivalents at the beginning of the year		176,044	197,866
Effect of foreign exchange rate changes		(2)	(831)
Cash and cash equivalents at the end of the year	20(a)	442,641	176,044

The notes on pages 69 to 135 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

1 GENERAL INFORMATION

Beijing Haizhi Technology Group Co., Ltd. (the **“Company”**, formerly known as Beijing Haizhi Technology Group Limited (北京海致科技集團有限公司)) was incorporated in Beijing, the People’s Republic of China (the **“PRC”**) on 23 August 2013 as a limited liability company. On 9 January 2025, the Company was converted from a limited liability company into a joint stock limited liability company and changed its registered name to Beijing Haizhi Technology Group Co., Ltd. (北京海致科技集團股份有限公司). The Company’s shares have been listed on the Main Board on the Stock Exchange of Hong Kong Limited (the **“Stock Exchange”**) since 13 February 2026 by way of its initial public offering (the **“Listing”**).

The Company and its subsidiaries (collectively, the **“Group”**) are principally engaged in provision of Atlas graph solutions and Atlas AI agent in the PRC.

2 MATERIAL ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with IFRS Accounting Standards, which collective term includes all applicable individual International Financial Reporting Standards (**“IFRSs”**), International Accounting Standards (**“IASs”**) and Interpretations issued by the International Accounting Standards Board (the **“IASB”**) and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange. Material accounting policies adopted by the Group are disclosed below.

The IASB has issued certain new and amended IFRS Accounting Standards that are first effective or available for early adoption for the current accounting year of the Group. Note 2(c) provides information on any changes in accounting policies resulting from the initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting years reflected in these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2025 comprise the Company and its subsidiaries.

The measurement basis used in the preparation of the financial statements is the historical cost basis except for financial assets at FVPL as explained in Note 2(e) and financial liabilities at FVPL as explained in Note 2(o).

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of IFRS Accounting Standards that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in Note 3.

For the year ended 31 December 2025, the Group incurred net loss of RMB205.3 million and as at 31 December 2025, the Group recorded net liabilities of RMB1,451.5 million and net current liabilities of RMB1,481.1 million, which included financial instruments issued to investors amounted to RMB2,063.4 million. The financial instruments issued to investors have been converted into equity upon the listing of the Company's shares on the Stock Exchange on 13 February 2026. The Group issued 28,030,200 ordinary shares at a price of HK\$27.06 per share. The total gross proceeds from the placing were amounted to approximately HK\$758.5 million. Taking the above into consideration, the directors of the Company consider that the Group will have sufficient financial resources to continue as a going concern for the next twelve months. Therefore, the directors of the Company are satisfied that it is appropriate to prepare the financial statements on a going concern basis.

The consolidated financial statements are presented in RMB, rounded to the nearest thousand, which is the Group's presentation currency and the functional currency of the Company and its major subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(c) Changes in accounting policies

The Group has applied amendments to IAS 21, *The effects of changes in foreign exchange rates – Lack of exchangeability* issued by the IASB to these financial statements for the current accounting period. The amendments do not have a material impact on these financial statements as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

(d) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see Note 2(i)(ii)), unless it is classified as held for sale (or included in a disposal group classified as held for sale).

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(e) Other investments other than equity investments

Non-equity investments are classified into one of the following measurement categories:

- amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Expected credit losses, interest income calculated using the effective interest method (see Note 2(s)(ii)(b)), foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
- fair value through other comprehensive income (“**FVOCI**”) - recycling, if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Expected credit losses, interest income (calculated using the effective interest method) and foreign exchange gains and losses are recognised in profit or loss and computed in the same manner as if the financial asset was measured at amortised cost. The difference between the fair value and the amortised cost is recognised in other comprehensive income (“**OCI**”). When the investment is derecognised, the amount accumulated in OCI is recycled from equity to profit or loss.
- FVPL if the investment does not meet the criteria for being measured at amortised cost or FVOCI (recycling). Changes in the fair value of the investment (including interest) are recognised in profit or loss.

(f) Property and equipment

Property and equipment and right-of-use assets are stated at cost, which includes capitalised borrowing costs, less accumulated depreciation and any accumulated impairment losses (see Note 2(i)(ii)).

If significant parts of an item of property and equipment have different useful lives, then they are accounted for as separate items (major components).

Any gain or loss on disposal of an item of property and equipment is recognised in profit or loss.

Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual values, if any, using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(f) Property and equipment (Continued)

The estimated useful lives for the current and comparative periods are as follows:

– Leasehold improvements	Over the shorter of the useful lives of 5 years and lease terms
– Office and other equipment	3 – 5 years
– Server and electronic equipment	3 years
– Right-of-use assets	Over the lease term

Depreciation methods, useful lives and residual values are reviewed annually and adjusted if appropriate.

(g) Intangible assets

Expenditure on research activities is recognised in profit or loss as incurred. Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the resulting asset. Otherwise, it is recognised in profit or loss as incurred. Capitalised development expenditure is subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

Other intangible assets, that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses (see Note 2(i)(ii)).

Expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, if any, and is generally recognised in profit or loss.

The estimated useful lives for the reporting period are as follows:

– Patent	5 – 10 years
----------	--------------

Amortisation methods, useful lives and residual values are reviewed annually and adjusted if appropriate.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(h) Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. This is the case if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

As a lessee

Where the contract contains lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for leases that have a short lease term of 12 months or less, and leases of low-value items. When the Group enters into a lease in respect of a low-value item, the Group decides whether to capitalise the lease on a lease-by-lease basis. If not capitalised, the associated lease payments are recognised in profit or loss on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is recognised using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and are charged to profit or loss as incurred.

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see Notes 2(f) and 2(i)(ii)).

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(h) Leased assets (Continued) As a lessee (Continued)

The lease liability is also remeasured when there is a lease modification, which means a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract, if such modification is not accounted for as a separate lease. In this case, the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification.

In the consolidated statement of financial position, the current portion of long-term lease liabilities is determined as the principal portion of contractual payments that are due to be settled within twelve months after the reporting period.

(i) Credit losses and impairment of assets

(i) Credit losses from financial instruments and contract assets

The Group recognises a loss allowance for expected credit losses (“ECL”)s on:

- financial assets measured at amortised cost (including cash and cash equivalents, trade and bills receivables and other receivables); and
- contract assets (see Note 2(k)).

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Generally, credit losses are measured as the present value of all expected cash shortfalls between the contractual and expected amounts.

The expected cash shortfalls are discounted using the following rates if the effect is material:

- fixed-rate financial assets, trade and other receivables and contract assets: effective interest rate determined at initial recognition or an approximation thereof.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(i) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments and contract assets (Continued)

Measurement of ECLs (Continued)

ECLs are measured on either of the following bases:

- 12-month ECLs: these are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months); and
- lifetime ECLs: these are the ECLs that result from all possible default events over the expected lives of the items to which the ECL model applies.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-months ECLs:

- financial instruments that are determined to have low credit risk at the reporting date; and
- other financial instruments for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade and bills receivables and contract assets are always measured at an amount equal to lifetime ECLs.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(i) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments and contract assets (Continued)

Significant increases in credit risk

When determining whether the credit risk of a financial instrument has increased significantly since initial recognition and when measuring ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in non-equity securities that are measured at FVOCI (recycling), for which the loss allowance is recognised in OCI and accumulated in the fair value reserve (recycling) does not reduce the carrying amount of the financial asset in the statement of financial position.

Credit-impaired financial assets

At each reporting date, the Group assesses whether a financial asset is credit – impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

- significant financial difficulties of the debtor;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(i) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments and contract assets (Continued)

Write-off policy

The gross carrying amount of a financial asset or contract asset is written off to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(ii) Impairment of other non-current assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories and contract costs, contract assets and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units ("CGU"s).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated to reduce the carrying amounts of the assets in the CGU on a pro rata basis.

An impairment loss is reversed only to the extent that the resulting carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Inventories and contract costs

(i) Inventories

Inventories are measured at the lower of cost and net realisable value. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(ii) Contract costs

Contract costs are either the incremental costs of obtaining a contract with a customer or the costs to fulfil a contract with a customer which are not capitalised as inventory.

Incremental costs of obtaining a contract are capitalised if the costs relate to revenue which will be recognised in a future reporting period and the costs are expected to be recovered. Other costs of obtaining a contract are expensed when incurred.

Costs to fulfil a contract are capitalised if the costs relate directly to an existing contract or to a specifically identifiable anticipated contract; generate or enhance resources that will be used to provide goods or services in the future; and are expected to be recovered. Otherwise, costs of fulfilling a contract, which are not capitalised are expensed as incurred.

The Group recognises an impairment loss in profit or loss to the extent that the carrying amount of contract fulfilment cost recognised exceeds:

- the remaining amount of consideration that the Group expects to receive in exchange for the services to which the asset relates; less
- the costs that relate directly to providing those services and that have not been recognised as expenses.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(k) Contract assets and contract liabilities

A contract asset is recognised when the Group recognises revenue (see Note 2(s)(i)) before being unconditionally entitled to the consideration under the terms in the contract. Contract assets are assessed for ECLs (see Note 2(i)(i)) and are reclassified to receivables when the right to the consideration becomes unconditional (see Note 2(l)).

A contract liability is recognised when the customer pays non-refundable consideration before the Group recognises the related revenue (see Note 2(s)(i)). A contract liability is also recognised if the Group has an unconditional right to receive non-refundable consideration before the Group recognises the related revenue. In such latter cases, a corresponding receivable is also recognised (see Note 2(l)).

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method (see Note 2(s)(i)).

(l) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration and only the passage of time is required before payment of that consideration is due.

Trade receivables that do not contain a significant financing component are initially measured at their transaction price. Trade receivables that contain a significant financing component and other receivables are initially measured at fair value plus transaction costs. All receivables are subsequently stated at amortised cost (see Note 2(i)(i)).

(m) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

(n) Trade and other payables

Trade and other payables are initially recognised at fair value. Subsequent to initial recognition, trade and other payables are stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(o) Financial instruments issued to investors

(i) Redemption liabilities

A contract that contains an obligation for the Company to purchase its own equity instruments for cash or another financial asset gives rise to a financial liability even if the Company's obligation to purchase is conditional on the counterparty exercising its right to redeem. The redemption liabilities are initially measured at the present value of the redemption amount and subsequently measured at amortised cost with interest expense being included in change in the carrying amounts of financial instruments issued to investors.

The then carrying amount of the redemption liabilities is reclassified to equity upon a termination of the counterparty's redemption right.

(ii) Derivative financial instruments

Certain investors were granted with preferred rights, such as an "anti-dilution right" (see Note 25) and the anti-dilution right is out of the control of the Company.

Any anti-dilution right granted is recognised as a derivative financial instrument and accounted for within financial liabilities at FVPL. It is initially recognised at fair value and subsequently carried at fair value with fair value changes recognised in "changes in the fair value of financial liabilities at FVPL". The financial liabilities are classified as current liabilities unless the Company has an obligation to settle the liabilities over 12 months after the end of the reporting period.

The Company derecognises such financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The carrying amount of the financial liabilities derecognised is then credited into equity.

(p) Employee benefits

(i) Short-term employee benefits and contributions to defined contribution retirement plans

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Obligations for contributions to defined contribution retirement plans are expensed as the related service is provided.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(p) Employee benefits (Continued)

(ii) Share-based payments

The Group operates share-based payment plans, under which the Group receives services from employees as consideration for equity instruments of the Group. The fair value of the employee services received in exchange for the grant of equity instruments is recognised as an expense on the consolidated financial statements. The total amount to be expensed is determined by reference to the fair value of the equity instruments granted.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the Group revises its estimates of the number of equity instruments that are expected to vest based on the non-marketing performance and service conditions. It recognises the impact of the revision to original estimates, if any, in the consolidated statement of profit or loss and other comprehensive income, with a corresponding adjustment to equity.

Where there is any modification of terms and conditions which increases the fair value of the equity instruments granted, the Group includes the incremental fair value granted in the measurement of the amount recognised for the services received over the remainder of the vesting period. The incremental fair value is the difference between the fair value of the modified equity instrument and that of the original equity instrument, both estimated as at the date of the modification. An expense based on the incremental fair value is recognised over the period from the modification date to the date when the modified equity instruments vest in addition to any amount in respect of the original instrument, which should continue to be recognised over the remainder of the original vesting period.

(iii) Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(q) Income tax

Income tax expense comprises current tax and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

Current tax comprises the estimated tax payable or receivable on the taxable income or loss for the year and any adjustments to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects any uncertainty related to income taxes. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;
- temporary differences related to investment in subsidiaries, associates and joint venture to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future;
- taxable temporary differences arising on the initial recognition of goodwill; and
- those related to the income taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(q) Income tax (Continued)

The Group recognised deferred tax assets and deferred tax liabilities separately in relation to its lease liabilities and right-of-use assets.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax assets and liabilities are offset only if certain criteria are met.

(r) Provisions and contingent liabilities

Generally, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the liability.

A provision for warranties is recognised when the underlying products or services are sold, based on historical warranty data and a weighting of possible outcomes against their associated probabilities.

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on the incremental costs of fulfilling the obligation under that contract and an allocation of other costs directly related to fulfilling that contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract (see Note 2(i)(ii)).

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, a separate asset is recognised for any expected reimbursement that would be virtually certain. The amount recognised for the reimbursement is limited to the carrying amount of the provision.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(s) Revenue and other income

Income is classified by the Group as revenue when it arises from the sale of goods or the provision of services in the ordinary course of the Group's business.

(i) Revenue from contracts with customers

Revenue is recognised when control over a product or service is transferred to the customer at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties such as value added tax or other sales taxes.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct goods or services.

Where the contract contains a financing component which provides a significant financing benefit to the customer for more than 12 months, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction with the customer, and interest income is accrued separately under the effective interest method. Where the contract contains a financing component which provides a significant financing benefit to the Group, revenue recognised under that contract includes the interest expense accreted on the contract liability under the effective interest method. The Group takes advantage of the practical expedient in paragraph 63 of IFRS 15 and does not adjust the consideration for any effects of a significant financing component if the period of financing is 12 months or less.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(s) Revenue and other income (Continued)

(i) Revenue from contracts with customers (Continued)

Further details of the Group's revenue recognition policies are as follows:

(a) *Atlas graph solutions and Atlas AI agent*

Atlas graph solutions are built on the Group's graph computing and data analysis capabilities, consisting of DMC intelligent data platform, Atlas knowledge graph platform and Atlas graph database. Atlas AI Agent solutions are built on the Group's graph-LLM integration technology.

The Group's Atlas graph solutions and Atlas AI agent are primarily consisting of i) the integrated service (the **"Integrated Service"**) which the Group customised to meet their customers' specific needs and application scenarios. The Integrated Service may include software, hardware, services and warranty service which leverages AI technologies to solve specific problems, automate tasks or enhance decision-making across various domains. Revenue is recognised at a point in time when the Integrated Service are delivered to the customer's designated place, inspected and accepted by the customer; and ii) other solutions, which represent other subscription-based or time-based ancillary services provided to customers. Revenue is recognised on a straight-line basis over the stated contract period since the customer simultaneously receives and consumes the benefits provided by the Group.

Revenue from warranty services for the Group's solutions is recognised in accordance with Note 2(r).

(b) *Gross vs net determination in revenue recognition*

The determination of whether revenue should be reported on a gross or net basis is based on an assessment of whether the Group is acting as the principal or an agent in the transactions. If the Group provides significant integration service to the hardware and is responsible for the overall management of the contract, the Group is the principal in the transaction and recognises revenue in the gross amount of consideration to which it is entitled from the customer.

The Group follows the accounting guidance for principal-agent considerations to assess whether the Group controls the specified hardware or services before it is transferred to the customer, the indicators of which including but not limited to (a) whether the entity is primarily responsible for fulfilling the promise to provide the specified hardware or services; (b) whether the entity has inventory risk before the specified hardware or services has been transferred to a customer; and (c) whether the entity has latitude in establishing the prices for the specified hardware or services. The management considers the above factors in totality, as none of the factors individually are considered presumptive or determinative and applies judgment when assessing the indicators depending on each different circumstance.

The Group reports the amount received from the customers and the amounts paid to the suppliers related to these transactions on a net basis if the Group is not primarily obligated in a transaction, does not generally bear the inventory risk and does not have the ability to establish the price.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(s) Revenue and other income (Continued)

(ii) Revenue from other sources and other income

(a) *Dividends*

Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established.

(b) *Interest income*

Interest income is recognised using the effective interest method. The "effective interest rate" is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired). However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

(c) *Government grants*

Government grants are recognised in the statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them.

Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred.

(t) Translation of foreign currencies

Transactions in foreign currencies are translated into the respective functional currencies of group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into RMB at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into RMB at the exchange rates at the dates of the transactions.

Foreign currency differences are recognised in OCI and accumulated in the exchange reserve, except to the extent that the translation difference is allocated to non-controlling interests ("NCI").

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(t) Translation of foreign currencies (Continued)

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the exchange reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. On disposal of a subsidiary that includes a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation that have been attributed to the NCI shall be derecognised, but shall not be reclassified to profit or loss. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI.

(u) Related parties

- (a) A person, or a close member of that person's family, is related to the Group if 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 the Group's parent.
- (b) An entity is related to the Group if any of the following conditions applies:
- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities 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).
 - (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 Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(v) Segment reporting

Operating segments and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

3 ACCOUNTING JUDGEMENTS AND ESTIMATES

In the process of applying the Group's accounting policies, management has made the following accounting judgements:

(a) Fair value of share-based payments

As mentioned in Note 27, the Group has granted share options/restricted share units ("RSUs") to its employees. The Group has used Binomial Model to determine the total fair value of the options/RSUs granted to employees, which is to be expensed over the vesting period. Significant estimate on assumptions, such as the underlying equity value, risk-free interest rate, expected volatility and dividend yield, is required to be made by the Group in applying the Binomial Model.

(b) Expected credit loss for trade receivables and contract assets

The credit losses for trade receivables and contract assets are based on assumptions about the expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Changes in these assumptions and estimates could materially affect the result of the assessment and the Group may make additional loss allowances in future periods.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

4 REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group are providing Atlas graph solutions and Atlas AI agent. Further details regarding the Group's principal activities are disclosed in Note 4(b).

(i) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service lines is as follows:

	2025 RMB'000	2024 RMB'000
Revenue from contracts with customers within the scope of IFRS 15		
Disaggregated by major products or service lines		
– Atlas graph solutions	475,334	416,576
– Atlas AI agent	145,747	86,553
	621,081	503,129

Disaggregation of revenue from contracts with customers by the timing of revenue recognition and by geographic markets is disclosed in Notes 4(b)(i) and 4(b)(ii), respectively.

The Group's customers base is diversified. There is no individual customer contributing over 10% of the total revenue of the Group for the year ended 31 December 2025. There was only one customer, of which the revenue from it accounted for 10% or more of the Group's revenue for the year ended 31 December 2024, and the revenue from this customer amounted to approximately RMB53,319,000.

(ii) Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date

As at 31 December 2025, the aggregated amount of the transaction price allocated to the remaining performance obligations under the Group's existing contracts is RMB3,859,000 (2024: RMB2,883,000). This amount represents revenue expected to be recognised in the future from sales contracts entered into by the customers with the Group. The Group will recognise the expected revenue in future when performance obligations are satisfied which is expected to occur over the next 12 to 24 months.

The Group has also applied the practical expedient in paragraph 121(a) of IFRS 15 to its sales contracts such that the above information does not include information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the contracts for sales that had an original expected duration of one year or less.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

4 REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting

The Group manages its businesses by business lines (products and services). In a manner consistent with the way in which information is reported internally to the Group's chief operating decision maker ("CODM") for the purposes of resource allocation and performance assessment, the Group has presented the following two reportable segments. No operating segments have been aggregated to form the following reportable segments.

- Atlas graph solutions: this segment includes providing data intelligence solutions, which are built on the Group's robust graph computing and data analysis capabilities and platforms, for customers to transform their diverse enterprise data into structured knowledge, enhance reasoning-based analytics and enable intelligent automation.
- Atlas AI agent: this segment includes providing agentic solutions, which are built on the Group's graph-large language models integration technologies and platforms, for customers to apply in various application scenarios, such as risk identification, marketing analysis, regulatory auditing, equipment management and fault detection.

(i) Segment results

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results attributable to each reportable segment on the following bases:

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those. The measure used for reporting segment result is gross profit.

The Group's senior executive management monitors the Group's assets and liabilities as a whole, accordingly, no segment assets and liabilities information is presented.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

4 REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting (Continued)

(i) Segment results (Continued)

Disaggregation of the Group's revenue from contracts with customers by the timing of revenue recognition, as well as information regarding the Group's reportable segments as provided to the Group's senior executive management for the purposes of resource allocation and assessment of segment performance for the reporting period is set out below:

	Year ended 31 December 2025		
	Atlas graph solutions RMB'000	Atlas AI agent RMB'000	Total RMB'000
Disaggregated by timing of revenue recognition			
Point in time	456,204	145,747	601,951
Over time	19,130	–	19,130
Revenue from external customers and reportable segment revenue	475,334	145,747	621,081
Reportable segment gross profit	191,478	77,516	268,994

	Year ended 31 December 2024		
	Atlas graph solutions RMB'000	Atlas AI agent RMB'000	Total RMB'000
Disaggregated by timing of revenue recognition			
Point in time	398,922	86,553	485,475
Over time	17,654	–	17,654
Revenue from external customers and reportable segment revenue	416,576	86,553	503,129
Reportable segment gross profit	142,848	39,545	182,393

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

4 REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting (Continued)

(ii) Geographic information

The following table sets out information about the geographical location of the Group's revenue from external customers. The geographical location of customers is based on the location at which the services were rendered or the goods was delivered. All of the Group's non-current assets are located or allocated to operations located in the PRC.

	2025 RMB'000	2024 RMB'000
Chinese Mainland (place of domicile)	614,008	501,322
Hong Kong	7,073	1,807
	621,081	503,129

5 OTHER INCOME AND LOSS, NET

	2025 RMB'000	2024 RMB'000
Interest income	1,333	380
Government grants	350	7,218
Value added tax and other tax refund	1,951	1,912
Exchange loss	(2)	(831)
Loss on disposals of property and equipment	(54)	–
Others	46	110
	3,624	8,789

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

6 LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging/(crediting):

(a) Finance costs

	2025 RMB'000	2024 RMB'000
Interest on lease liabilities	385	405
Other finance cost	230	–
	615	405

(b) Staff costs

	2025 RMB'000	2024 RMB'000
Salaries, wages and other benefits	184,054	206,182
Contributions to defined contribution retirement plan (i)	42,138	45,254
Termination benefits	9,175	7,630
Equity-settled share-based payment expenses (Note 27)	57,045	13,140
Less: capitalised in contract fulfilment cost (ii)	(32,087)	(47,235)
	260,325	224,971

Notes:

- (i) Employees of the Group in the PRC are required to participate in a defined contribution retirement scheme administered and operated by the local municipal government. The Company and its subsidiaries in the PRC contribute funds which are calculated on certain percentages of the average employee salary as agreed by the local municipal government to the scheme to fund the retirement benefits of the employees.
- (ii) Staff costs to fulfil a contract are capitalised as the inventories and contract costs when the costs relate directly to an existing contract or to a specifically identifiable anticipated contract; generate or enhance resources that will be used to provide goods or services in the future; and are expected to be recovered.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

6 LOSS BEFORE TAXATION (CONTINUED)

(c) Other items

	Note	2025 RMB'000	2024 RMB'000
Accrual for warranty provisions	26	20,331	17,533
Depreciation of property and equipment	11	891	1,267
Depreciation of right-of-use assets	12	3,965	4,058
Amortisation of intangible assets	13	100	62
Impairment loss on financial assets and contract assets:			
– Contract assets		894	17
– Trade and bills receivables		18,417	3,202
– Other receivables	18	10	174
Impairment provision for inventories and contract costs	15	2,499	1,460
Auditors' remuneration			
– audit services		2,800	450
– other services (i)		5,726	–
Listing expenses		25,398	–

Note:

- (i) Other services include RMB5,726,000 (2024: Nil) which is also included in the listing expenses disclosed separately above.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

7 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(a) Income tax in the consolidated statement of profit or loss represents:

	2025 RMB'000	2024 RMB'000
Deferred tax		
Origination and reversal of temporary differences	(2,255)	861

Notes:

- (i) According to the PRC Corporate Income Tax Law, entities that qualify as High and New Technology Enterprises (“**HNTE**”) are entitled to a preferential income tax rate of 15%. During the reporting period, the Company and three subsidiaries (Beijing Haizhi Xingtu Technology Co., Ltd. (北京海致星圖科技有限公司), Haizhi Network Technology (Beijing) Co., Ltd. (海致網絡技術(北京)有限公司) and Shanghai Haizhi Yunxin Artificial Intelligence Technology Co., Ltd. (上海海致雲新人工智能技術有限公司)) are qualified as HNTE.

All other PRC subsidiaries of the Group are subject to the statutory enterprise income tax rate of 25%, according to the Income Tax Law of the PRC in the years ended 31 December 2024 and 2025.

- (ii) The Group’s Hong Kong SAR subsidiary is subject to a profits tax rate of 8.25% for the first HK\$2,000,000 of assessable profit and 16.5% for profit exceeding HK\$2,000,000. No provision for Hong Kong SAR profits tax was made as the Group had no estimated assessable profit that was subject to Hong Kong profits tax.
- (iii) The Group’s Singapore subsidiary is subject to Singapore corporate income tax on its taxable income at a rate of 17%. No provision for Singapore corporation profits tax was made as the Group had no estimated assessable profit that was subject to Singapore corporation profits tax.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

7 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS (CONTINUED)

(b) Reconciliation between income tax credit and accounting loss at applicable tax rates:

	2025 RMB'000	2024 RMB'000
Loss before taxation	(203,067)	(94,594)
Notional tax on loss before taxation, calculated at the rates applicable in the jurisdictions concerned	(49,977)	(26,764)
Tax effect of non-deductible expenses	29,307	23,116
Effect of differential tax rates of certain subsidiaries of the Group	18,409	11,083
Super-deduction of research and development expenses	(10,893)	(6,252)
Tax effect of unused tax losses not recognised and deductible temporary differences not recognised	15,410	10,984
Tax effect of utilising unrecognised unused tax losses carried forward	(1)	(13,028)
Actual tax expense/(credit)	2,255	(861)

(c) Pillar Two income taxes

In 2021, the Organisation for Economic Co-operation and Development published the Global Anti-Base Erosion Model Rules (“**Pillar Two model rules**”) for a new global minimum tax reform applicable to large multinational enterprises. The Group’s operations are mainly located in the PRC where Pillar Two income tax legislation is not implemented. From 1 January 2025, the Group is also liable to Pillar Two income taxes under the Hong Kong Inland Revenue (Amendment) (Minimum Tax for Multinational Enterprise Groups) Ordinance 2025 for its earnings in the Hong Kong SAR and certain other jurisdictions where a domestic minimum top-up tax has not been implemented, including the Chinese Mainland. The Directors are of the opinion that the enacted to be implemented will not have a material impact on the Group’s consolidated financial statements.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

8 DIRECTORS' AND SUPERVISORS' EMOLUMENTS

Directors' and supervisors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

	2025					
	Salaries, allowances and other benefits RMB'000	Discretionary bonuses RMB'000	Retirement scheme contributions RMB'000	Sub-total RMB'000	Share-based payments(i) RMB'000	Total RMB'000
Executive directors						
Mr. Ren Xuyang	463	-	60	523	-	523
Mr. Yang Zaifei	2,959	-	41	3,000	-	3,000
Ms. Yang Juan	2,010	-	57	2,067	-	2,067
Mr. Wan Pengjiang	913	-	68	981	-	981
Non-executive directors						
Ms. Long Yu	-	-	-	-	-	-
Mr. Li Jiaqing	-	-	-	-	-	-
Mr. Li Hongtao	-	-	-	-	-	-
Independent non-executive directors						
Mr. Zhang Yifan (appointed on 14 June 2025)	-	-	-	-	-	-
Mr. Jiang Tian (appointed on 14 June 2025)	-	-	-	-	-	-
Mr. Li Shu Pai (appointed on 14 June 2025)	-	-	-	-	-	-
Mr. Ma Yeming (appointed on 14 June 2025)	-	-	-	-	-	-
Supervisors						
Mr. Xu Yan	-	-	-	-	-	-
Mr. Deng Hualiang (appointed on 9 January 2025)	629	-	68	697	-	697
Mr. Li Yue (appointed on 9 January 2025)	1,358	-	68	1,426	3,774	5,200
	8,332	-	362	8,694	3,774	12,468

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

8 DIRECTORS' AND SUPERVISORS' EMOLUMENTS (CONTINUED)

	2024					
	Salaries, allowances and other benefits RMB'000	Discretionary bonuses RMB'000	Retirement scheme contributions RMB'000	Sub-total RMB'000	Share-based payments(i) RMB'000	Total RMB'000
Executive directors						
Mr. Ren Xuyang	463	–	60	523	–	523
Mr. Yang Zaifei	2,396	–	83	2,479	–	2,479
Ms. Yang Juan	2,011	–	83	2,094	452	2,546
Mr. Wan Pengjiang	1,073	–	66	1,139	–	1,139
Non-executive directors						
Ms. Long Yu	–	–	–	–	–	–
Mr. Li Jiaqing	–	–	–	–	–	–
Mr. Li Hongtao	–	–	–	–	–	–
Supervisor						
Mr. Xu Yan	–	–	–	–	–	–
	5,943	–	292	6,235	452	6,687

Note:

- (i) These represent the estimated value of share options or RSUs granted to the directors under the Group's share incentive plans. The value of these share options or RSUs is measured according to the Group's accounting policies for share-based payment transactions as set out in Note 2(p)(ii) and, in accordance with that policy, includes adjustments to reverse amounts accrued in previous years where grants of equity instruments are forfeited prior to vesting. The details of these benefits in kind, including the principal terms and number of share options or RSUs granted, are disclosed in Note 27.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

9 INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, nil (2024: three) are directors whose emoluments are disclosed in note 8. The aggregate of the emoluments in respect of the other five (2024: two) individuals are as follows:

	2025 RMB'000	2024 RMB'000
Salaries, wages and other benefits	5,404	1,875
Contributions to defined contribution retirement plan	275	104
Equity-settled share-based payment expenses	35,506	984
Total	41,185	2,963

The emoluments of the five (2024: two) individuals with the highest emoluments are within the following bands:

	2025 Number of individuals	2024 Number of individuals
HK\$1,000,001 – HK\$1,500,000	–	1
HK\$2,000,001 – HK\$2,500,000	–	1
HK\$5,500,001 – HK\$6,000,000	2	–
HK\$6,000,001 – HK\$6,500,000	1	–
HK\$6,500,001 – HK\$7,000,000	1	–
HK\$21,500,001 – HK\$22,000,000	1	–

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

10 LOSS PER SHARE

(a) Basic loss per share

The calculation of basic loss per share is based on the loss attributable to ordinary equity shareholders of the Company of RMB77,500,000 (2024: RMB39,342,000) and the weighted average of 134,296,000 ordinary shares (2024: 134,296,000 ordinary shares) in issue or deemed to be in issue during the year.

As disclosed in Note 29(c), the Company was converted into a joint stock limited liability company and issued 33,050,644 shares with a par value of RMB1.00 each on 9 January 2025. For the purpose of computing basic and diluted earnings per share, the weighted average number of ordinary shares deemed to be in issue before the Company's conversion into a joint stock limited liability company was determined assuming the conversion into joint stock limited liability company had occurred since 1 January 2024, at the exchange rate established in the conversion in January 2025.

In addition, as disclosed in Note 34, the Group conducted the share subdivision immediately prior to the Listing, pursuant to which each of share with a par value of RMB1.00 subdivided into 10 Shares with a par value of RMB0.1 each. Accordingly, the weighted average number of shares throughout the periods presented has also been adjusted retrospectively for the impact of such share subdivision.

Loss attributable to ordinary equity shareholders of the Company

	2025 RMB'000	2024 RMB'000
Loss attributable to all equity shareholders of the Company	(205,322)	(93,733)
Allocation of loss attributable to ordinary shares with redemption rights (Note 25)	127,822	54,391
Loss attributable to ordinary equity shareholders of the Company	(77,500)	(39,342)

Weighted average number of ordinary shares:

	2025 '000	2024 '000
Ordinary shares at 1 January deemed to be in issue	33,051	31,976
Effect of ordinary shares issued or deemed to be issued (Note 29(c))	2,528	21
Effect of ordinary shares with redemption rights (Note 25)	(22,149)	(18,567)
Effect of shares subdivision (Note 34)	120,866	120,866
Weighted average number of ordinary shares at 31 December deemed to be in issue	134,296	134,296

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

10 LOSS PER SHARE (CONTINUED)

(b) Diluted loss per share

Ordinary shares with redemption rights and anti-dilution rights (Note 25) were not included in the calculation of diluted loss per share as their inclusion would have been anti-dilutive. Accordingly, the amounts of diluted loss per share were the same as basic loss per share.

11 PROPERTY AND EQUIPMENT

	Server and electronic equipment RMB'000	Office and other equipment RMB'000	Leasehold improvements RMB'000	Total RMB'000
Cost:				
At 1 January 2024	19,335	582	–	19,917
Additions	991	17	–	1,008
Disposals	–	(7)	–	(7)
At 31 December 2024 and 1 January 2025	20,326	592	–	20,918
Additions	1,368	243	3,994	5,605
Disposals	(1,135)	(154)	–	(1,289)
At 31 December 2025	20,559	681	3,994	25,234
Accumulated depreciation:				
At 1 January 2024	(16,950)	(445)	–	(17,395)
Charge for the year	(1,176)	(91)	–	(1,267)
Written back on disposals	–	4	–	4
At 31 December 2024 and 1 January 2025	(18,126)	(532)	–	(18,658)
Charge for the year	(867)	(24)	–	(891)
Written back on disposals	1,077	146	–	1,223
At 31 December 2025	(17,916)	(410)	–	(18,326)
Net book value:				
At 31 December 2025	2,643	271	3,994	6,908
At 31 December 2024	2,200	60	–	2,260

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

12 RIGHT-OF-USE ASSETS

	2025 RMB'000	2024 RMB'000
Cost:		
At 1 January	13,057	20,650
Additions	12,824	385
Expiration of lease term	(2,508)	–
Early termination of lease contracts	(10,121)	(7,978)
At 31 December	13,252	13,057
Accumulated depreciation:		
At 1 January	(5,828)	(3,613)
Charge for the year	(3,965)	(4,058)
Expiration of lease term	2,508	–
Early termination of lease contracts	5,346	1,843
At 31 December	(1,939)	(5,828)
Net book value:		
At 31 December	11,313	7,229

The right-of-use assets represented the leased office premises. During the year ended 31 December 2025, the additions to right-of-use assets primarily related to capitalised lease payments payable under new tenancy agreements. None of the leases include variable lease payments.

The analysis of expense items in relation to leases recognised in profit or loss is as follows:

	2025 RMB'000	2024 RMB'000
Depreciation charge of right-of-use assets of buildings	3,965	4,058
Expenses relating to short-term leases	1,110	1,566
Interest on lease liabilities	385	405
Net gains from early termination of lease contracts	(34)	(240)
	5,426	5,789

Total cash outflow for leases and the maturity analysis of lease liabilities are set out in Notes 20(d) and 24, respectively.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

13 INTANGIBLE ASSETS

	Patent
	RMB'000
Cost:	
At 1 January 2024	500
Additions	500
At 31 December 2024, 1 January 2025 and 31 December 2025	1,000
Accumulated amortisation:	
At 1 January 2024	(67)
Charge for the year	(62)
At 31 December 2024 and 1 January 2025	(129)
Charge for the year	(100)
At 31 December 2025	(229)
Net book value:	
At 31 December 2025	771
At 31 December 2024	871

The amortisation charge for the year is included in “Administrative expenses” and “Research and development expenses” in the consolidated statement of profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

14 INTERESTS IN SUBSIDIARIES

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group.

Name of company	Place of incorporation and business	Particulars of issued and paid-up capital/ registered capital	Proportion of ownership interest directly held by the Company		Principal activities
			2025	2024	
Held through Contractual Arrangement					
Beijing Haizhi Xingtu Technology Co., Ltd. (北京海致星圖科技有限公司) (i)	Chinese Mainland	RMB150,000,000	100%	100%	Atlas graph solutions and Atlas AI agent
Haizhi Network Technology (Beijing) Co., Ltd. (海致網絡技術(北京)有限公司) (i)	Chinese Mainland	RMB500,245,016	100%	100%	Atlas graph solutions and Atlas AI agent

Note:

- (i) These companies are limited liability companies established in the Chinese Mainland. The English translation of the names is for reference only and the official names of these entities are in Chinese.

15 INVENTORIES AND CONTRACT COSTS

	2025 RMB'000	2024 RMB'000
Contract fulfilment costs	84,610	79,172
Less: provision for impairment	(6,378)	(4,444)
	78,232	74,728

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

15 INVENTORIES AND CONTRACT COSTS (CONTINUED)

The movement in contract fulfilment costs provision during the reporting period is as follows:

	2025 RMB'000	2024 RMB'000
At the beginning of the year	4,444	11,043
Provision for impairment	2,499	1,460
Written-off	(565)	(8,059)
At the end of the year	6,378	4,444

Contract fulfilment costs are recognised from the costs incurred to fulfil contracts of providing Atlas graph solutions and Atlas AI agent, which will be recognised to 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.

16 CONTRACT ASSETS

	2025 RMB'000	2024 RMB'000
Contract assets, current	26,445	22,351
Less: credit loss allowance	(1,179)	(887)
	25,266	21,464
Contract assets, non-current	16,095	9,325
Less: credit loss allowance	(944)	(342)
	15,151	8,983
	40,417	30,447

Contract assets are generally the final payments of revenue contracts which are due at the end of the warranty period (typically 1 – 3 years). Contract assets are recorded as the Group has no unconditional right on these amounts of consideration when the revenue is recognised.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

17 TRADE AND BILLS RECEIVABLES

	2025 RMB'000	2024 RMB'000
Bills receivables	4,011	1,314
Trade receivables	327,161	220,777
Gross amount of trade and bills receivables	331,172	222,091
Less: credit loss allowance	(39,127)	(20,710)
	292,045	201,381

Aging analysis

As of the end of the reporting period, the aging analysis of trade and bills receivables of the Group, based on the date of revenue recognition and net of loss allowance, is as follows:

	2025 RMB'000	2024 RMB'000
Within 1 year	204,183	159,010
1 – 2 years	68,207	29,905
2 – 3 years	15,986	6,179
3 – 4 years	2,434	5,213
4 – 5 years	1,235	1,074
	292,045	201,381

Trade receivables are generally due within 30-90 days from the invoice date. All of the trade and bills receivables are expected to be recovered within one year. Further details on the Group's credit policy and credit risk arising from trade and bills receivables are set out in Note 30(a).

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

18 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2025 RMB'000	2024 RMB'000
Prepaid expenses	4,995	4,119
Deposits	10,966	9,355
Deductible input VAT	7,921	4,154
Listing expenses to be deducted from equity	1,581	–
Others	2,173	2,037
Gross amount of prepayments, deposits and other receivables	27,636	19,665
Less: credit loss allowance	(1,388)	(1,378)
	26,248	18,287

The movement in the allowance for other receivables of the Group during the reporting period is as follows:

	2025 RMB'000	2024 RMB'000
As at 1 January	1,378	1,204
Impairment losses recognised for the year	10	174
As at 31 December	1,388	1,378

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

19 RESTRICTED CASH

	2025 RMB'000	2024 RMB'000
Restricted cash		
– Current portion	22,223	105,125
– Non-current portion	1,909	1,487
	24,132	106,612

As at 31 December 2025, the Company held restricted cash of RMB20,000,000 related to the purchase of wealth management product under a regulated bank account. After the wealth management product was purchased on 1 January 2026, this cash has been no longer subject to restrictions.

As at 31 December 2024, the Company held restricted cash of RMB100,000,000 under a regulated bank account service agreement with E-2 Series Investor (see Note 25) and a PRC bank, and this proceed is regarded as a non-cash transaction. This cash remains restricted until the Company facilitates certain investors' exercising of their anti-dilution rights (see Note 25). In June 2025, this cash has been no longer subject to restrictions following the completion of the required arrangements.

The remaining restricted cash balances as at 31 December 2024 and 2025 were maintained at banks primarily as security deposits for bidding activities and the issuance of letters of guarantee. Additionally, certain funds remained under legal restrictions due to ongoing litigation matters.

20 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION

(a) Cash and cash equivalents comprise:

	2025 RMB'000	2024 RMB'000
Cash at bank	441,958	175,620
Cash equivalents (i)	683	424
Cash and cash equivalents	442,641	176,044

Note:

- (i) Cash equivalents represent cash balances kept in third party payment platform, which can be withdrawn by the Group at any time.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

20 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION (CONTINUED)

(b) Reconciliation of loss before taxation to cash used in operations:

	Note	2025 RMB'000	2024 RMB'000
Loss before taxation		(203,067)	(94,594)
Adjustments for:			
Depreciation of property and equipment and right-of-use assets	6(c)	4,856	5,325
Amortisation of intangible assets	6(c)	100	62
Impairment loss on financial assets and contract assets	6(c)	19,321	3,393
Impairment provision for inventories and contract costs	6(c)	2,499	1,460
Changes in the carrying amount of redemption liabilities	25	141,282	76,092
Changes in the fair value of financial assets at FVPL		(1,857)	–
Changes in the fair value of financial liabilities at FVPL	25	5,744	21,433
Share-based payment expenses	27	57,045	13,140
Finance costs	6(a)	385	405
Net gains from early termination of lease contracts		(34)	(240)
Loss on disposals of property and equipment	5	54	–
Exchange loss	5	2	831
Changes in working capital:			
Decrease/(increase) in restricted cash		2,480	(775)
Increase in trade and bills receivables		(109,081)	(91,655)
(Increase)/decrease in prepayments, deposits and other receivables		(7,971)	3,595
(Increase)/decrease in inventories and contract costs		(6,003)	50,849
Increase in contract assets		(10,864)	(4,474)
Increase in trade payables		24,018	45,702
Increase/(decrease) in contract liabilities		3,424	(69,496)
Increase in provisions		4,087	1,007
Increase/(decrease) in deferred income		6,819	(3,669)
Increase in other payables and accruals		11,490	3,694
Cash used in operations		(55,271)	(37,915)

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

20 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION (CONTINUED)

(c) Reconciliation of liabilities arising from financing activities:

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Lease liabilities	Redemption liabilities	Total
	RMB'000	RMB'000	RMB'000
	(Note 24)	(Note 25)	
At 1 January 2024	16,564	1,459,468	1,476,032
Changes from financing cash flows:			
Capital element of finance lease rentals paid	(2,415)	–	(2,415)
Interest element of finance lease rentals paid	(405)	–	(405)
Other changes:			
Increase in lease liabilities from entering into new leases during the year	385	–	385
Early termination of lease contracts	(6,375)	–	(6,375)
Interest expenses (Note 6(a))	405	–	405
Increase in redemption liabilities	–	100,000	100,000
Effect of the modification of the preferred rights	–	36,579	36,579
Changes in the carrying amount of redemption liabilities	–	76,092	76,092
At 31 December 2024 and 1 January 2025	8,159	1,672,139	1,680,298
Changes from financing cash flows:			
Capital element of finance lease rentals paid	(3,889)	–	(3,889)
Interest element of finance lease rentals paid	(385)	–	(385)
Other changes:			
Increase in lease liabilities from entering into new leases during the year	12,824	–	12,824
Early termination of lease contracts	(5,274)	–	(5,274)
Interest expenses (Note 6(a))	385	–	385
Increase in redemption liabilities	–	250,000	250,000
Changes in the carrying amount of redemption liabilities	–	141,282	141,282
At 31 December 2025	11,820	2,063,421	2,075,241

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

20 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION (CONTINUED)

(d) Total cash outflow for leases

Amounts included in the cash flow statement for leases comprise the following:

	2025 RMB'000	2024 RMB'000
Within operating cash flows	1,201	1,566
Within financing cash flows	4,274	2,820
	5,475	4,386

21 TRADE PAYABLES

	2025 RMB'000	2024 RMB'000
Trade payables	142,827	118,809

As at the end of the reporting period, the aging analysis of trade payables of the Group, based on the invoice date, is as follows:

	2025 RMB'000	2024 RMB'000
Within 1 year or on demand	70,893	88,796
Between 1 year and 2 years	53,217	13,130
Over 2 years	18,717	16,883
	142,827	118,809

All of the trade payables are expected to be settled within one year or are repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

22 OTHER PAYABLES AND ACCRUALS

	2025 RMB'000	2024 RMB'000
Guarantee deposits	1,732	1,750
Payroll and staff related costs payable	26,506	29,884
Other taxes payables	15,816	4,584
Accrued expenses	2,248	2,043
Payables for costs incurred in connection with the Listing	2,804	–
Others	847	419
	49,953	38,680

23 CONTRACT LIABILITIES

	2025 RMB'000	2024 RMB'000
Billings in advance of performance	92,128	88,704

Movements in contract liabilities of the Group:

	2025 RMB'000	2024 RMB'000
Balance at 1 January	88,704	158,200
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year	(58,070)	(123,535)
Increase in contract liabilities as a result of receipts in advance	61,494	54,039
Balance at 31 December	92,128	88,704

All of the contract liabilities are expected to be recognised as income within one year.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

24 LEASE LIABILITIES

At 31 December 2025, the lease liabilities were repayable as follows:

	2025 RMB'000	2024 RMB'000
Within 1 year	3,255	2,785
After 1 year but within 2 years	3,050	2,249
After 2 years but within 5 years	5,515	3,125
	8,565	5,374
	11,820	8,159

25 FINANCIAL INSTRUMENTS ISSUED TO INVESTORS

(a) Financial instruments issued to investors by the Company

The Company, certain members of the Group and the pre-IPO investors (the “**Pre-Series E-2 Investors**”) have entered into series of shareholders’ agreement. Pursuant to these shareholders’ agreement, certain investors were granted certain special rights, among which include redemption rights and anti-dilution rights.

The details of financing undertaken during the reporting period are as follows.

Series E-2 financing

In December 2024, the Group and then existing shareholders entered into an investment agreement (the “**Initial Series E-2 Investment Agreement**”) with one investor (the “**Initial Series E-2 Investor**”). Pursuant to the Initial Series E-2 Investment Agreement, the Initial Series E-2 Investor injected total capital of RMB100 million into the Company, and the Company then issued paid-in capital of approximately RMB1,075 thousand to the Initial Series E-2 Investor and granted the Initial Series E-2 Investor with certain preferred rights.

In May 2025, the Group and then existing shareholders entered into an investment agreement (the “**Second Series E-2 Investment Agreement**”, collectively with the Initial Series E-2 Investment Agreement referred to as the “**Series E-2 Investment Agreements**”) with two investors (collectively with the Initial E-2 Investor referred to as the “**Series E-2 Investors**”). Pursuant to the Second Series E-2 Investment Agreement, the Second Series E-2 Investors injected total capital of RMB250 million into the Company, and the Company issued 2,821,000 shares to the Second Series E-2 Investors and granted the Second Series E-2 Investors with certain preferred rights.

The key terms of the aforesaid investment agreements are summarised in (i) below.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

25 FINANCIAL INSTRUMENTS ISSUED TO INVESTORS (CONTINUED)

(a) Financial instruments issued to investors by the Company (Continued)

(i) Key terms of preferred rights granted

Redemption rights

The aforesaid agreements entitled Pre-Series E-2 Investors and Series E-2 Investors (the “**Pre-IPO Investors**”) (1) redemption rights in case of occurrence of triggering events; and (2) preferential rights over all other shareholders in the case of liquidation of the Company.

In the case of occurrence of triggering events, which are beyond control of the Company, the Pre-IPO Investors could require the Company to redeem ordinary shares held by these investors at a price based on the principals paid by respective investors plus a pre-determined annual return, adjusted for dividends, if any.

In the case of liquidation of the Company, the Pre-IPO Investors have preferential rights over all other shareholders to the equities of the Company, after satisfaction of obligations to all creditors. Subject to laws and available funds, these investors would be entitled the principals paid by respective investors plus a pre-determined annual return, adjusted for dividends, if any.

Anti-dilution rights

If the Company increases its share at a price lower than the price paid by the Pre-IPO Investors on a per share basis prior to a qualified IPO, these investors have a right to require: (1) the controlling shareholders to transfer the equity interests of the Company they directly or indirectly held to the Pre-IPO Investors at the lowest price allowed by the law; or (2) the Company to issue new shares for nominal consideration to these investors.

These preferred rights granted would be terminated upon the Listing.

(b) Presentation and classification

(i) Redemption liabilities

The Company recognised the financial liabilities arising from its obligation to redeem these investors' investments upon the occurrence of any specified contingent redemption events, as not all redemption events are within the Company or the Group's control. The financial liabilities were measured at the present value of the redemption amounts upon such contingent events.

Any changes in the carrying amounts of the financial liabilities were recorded in “changes in the carrying amount of redemption liabilities” in the consolidated statement of profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

25 FINANCIAL INSTRUMENTS ISSUED TO INVESTORS (CONTINUED)

(b) Presentation and classification (Continued)

(i) Redemption liabilities (Continued)

The movements of the redemption liabilities are set out below:

	2025 RMB'000	2024 RMB'000
At 1 January	1,672,139	1,459,468
Recognition	250,000	100,000
Effect of the modification of the preferred rights (i)	–	36,579
Changes in the carrying amount	141,282	76,092
	2,063,421	1,672,139

Note:

- (i) The modification of the redemption liabilities is in relation to the conversion of the Company from a limited liability company into a joint-stock limited liability company.

(ii) Financial liabilities at FVPL

The financial liabilities at FVPL represent derivative financial liabilities arising from anti-dilution rights (Note 25(a)(i)) granted to the Pre-IPO Investors.

	2025 RMB'000	2024 RMB'000
Derivative liabilities	–	41,249

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

25 FINANCIAL INSTRUMENTS ISSUED TO INVESTORS (CONTINUED)

(b) Presentation and classification (Continued)

(ii) Financial liabilities at FVPL (Continued)

The movements of the financial liabilities at FVPL represent derivative financial liabilities arising from anti-dilution rights are set out below:

	2025 RMB'000	2024 RMB'000
At 1 January	41,249	19,816
Changes in the fair value of financial liabilities at FVPL	5,744	21,433
Exercise of anti-dilution rights (i)	(46,993)	–
At 31 December	–	41,249

Note:

- (i) In May 2025, the Company derecognises the financial liabilities as a result of some of the Pre-IPO Investors' exercising their anti-dilution rights and the carrying amount of the financial liabilities derecognised was then credited into equity. Accordingly, the Company issued 1,368,000 shares at nil consideration to those shareholders proportionally.

The Company has adopted the discounted cash flow method and equity allocation model to determine 100% of its equity value. Based on the fair value of 100% equity value, the Company has used “with and without” model based on Binominal Model to determine the fair value of anti-dilution rights.

As described in Note 2(o)(ii), the financial liabilities are measured at fair value and any changes in the fair value of the financial liabilities were recorded in “changes in the fair value of financial liabilities at FVPL” in the consolidated statement of profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

26 PROVISIONS

	2025 RMB'000	2024 RMB'000
Warranty provisions (i)	16,026	11,751
Provisions for unresolved litigations	181	369
	16,207	12,120

The movements of warranty provisions of the Group during the reporting period are as follows:

	2025 RMB'000	2024 RMB'000
Balance at 1 January	11,751	9,834
Provisions for warranty provisions	20,331	17,533
Settlement for warranty provisions	(16,056)	(15,616)
Balance at 31 December	16,026	11,751

Note:

- (i) Under the terms of the Group's sales agreements, the Group offers warranties for its Atlas graph solutions and Atlas AI agent (see Note 2(s)(i)). Provision is therefore made for the best estimate of the expected settlement under these agreements in respect of sales made within the warranty periods prior to the end of the reporting period. The amount of provision takes into account the Group's recent claim experience and is only made where a warranty claim is probable.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

27 SHARE-BASED PAYMENTS

(a) 2023 RSU Scheme

In 2023, the Company adopted a Restricted Share Unit Scheme (the “**2023 RSU Scheme**”) approved by the board of directors of the Company on 20 June 2023 to incentivise employees and management of the Group. The Group’s employees or management are generally subject to a four-year service schedule from the date of grant. The Group’s employees or management are typically entitled to: (i) vesting of 25% of the options upon completion of the first year of service, followed by monthly vesting of 1/48th of the options for each full month of service thereafter; or (ii) vesting of 25% of the options annually upon completion of each year of service.

Movements in the number of RSUs granted are as follows:

	Number of RSUs '000	Weighted-average subscription price each RSU RMB	Weighted-average grant date fair value each RSU RMB
Outstanding – 1 January 2025	848	2.39	43.77
Granted during the year	1,206	1.00	45.51
Forfeited during the year	(117)	1.06	45.65
Vested during the year	(378)	3.18	41.65
Outstanding – 31 December 2025	1,559	1.22	45.49
Outstanding – 1 January 2024	601	5.90	37.63
Granted during the year	642	1.00	45.62
Forfeited during the year	(107)	5.46	40.61
Vested during the year	(288)	5.48	36.24
Outstanding – 31 December 2024	848	2.39	43.77

(b) 2025 Plan

To incentivise employees and management of the Group, the board of directors of the Company approved the 2025 share incentive plan (the “**2025 Plan**”) on 15 June 2025. The 2025 Plan implemented equity incentives for employees and management of the Group through the grant of share options, which refers to the direct issuance of H shares by the Company after the Listing, taking into account the share subdivision immediately prior to the Listing, pursuant to which each of the share with nominal value of RMB1.00 will be subdivided into 10 shares with nominal value of RMB0.1 each.

Pursuant to the 2025 Plan, the share options granted to employees and management of the Group become exercisable upon the completion of the Listing and during the designated service period after the Listing.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

27 SHARE-BASED PAYMENTS (CONTINUED)

(b) 2025 Plan (Continued)

The terms and conditions of the share option grants of the 2025 Plan are as follows:

Year of options granted	Number of share options	Vesting Periods	Contractual life of options
- In 2025	10,532,200	0.46 – 3.46 years	5 years

Movements in the number of share options granted of the 2025 Plan are as follows:

	2025 Plan	
	Weighted average exercise price RMB	Number of options '000
Outstanding as at 1 January 2025	-	-
Granted during the year	0.10	10,532
Outstanding as at 31 December 2025	0.10	10,532
Exercisable as at 31 December 2025	-	-

The Group has applied Binomial Model to determine the fair value of the share options granted of the 2025 Plan. Best estimates of key assumptions are required to be determined by management. Key assumptions used in determining the fair value of the share options granted are as follows:

	2025 Plan
Fair value of the underlying shares on the date of grants	RMB4.57-4.58
Exercise price	RMB0.10
Expected volatility	56.04%
Expected dividends	-
Risk-free interest rate	1.64%

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

27 SHARE-BASED PAYMENTS (CONTINUED)

(c) Equity-settled share-based payment expenses

The equity-settled share-based payment expenses recognised in the consolidated statement of profit or loss and other comprehensive income during the reporting period are as follows:

	2025 RMB'000	2024 RMB'000
Cost of sales	3,259	2,564
Research and development expenses	2,569	1,796
Administrative expenses	38,664	4,027
Selling and marketing expenses	12,553	4,753
	57,045	13,140

28 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(a) Current taxation in the consolidated statement of financial position

There was no current taxation under the Group during the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

28 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

(b) Deferred tax assets/(liabilities) recognised Movement of each component of deferred tax assets/(liabilities)

The components of deferred tax assets/(liabilities) recognised in the consolidated statement of financial position and the movements during the reporting period are as follows:

	Right-of-use assets RMB'000	Lease liabilities RMB'000	Provisions RMB'000	Credit loss allowance RMB'000	Impairment provision for inventories and contract costs RMB'000	Tax losses carried forward RMB'000	Total RMB'000
Deferred tax arising from:							
At 1 January 2024	(2,288)	2,218	1,297	1,957	417	11,184	14,785
Credited/(charged) to profit or loss (Note 7(a))	1,257	(1,049)	306	428	(213)	132	861
At 31 December 2024 and 1 January 2025	(1,031)	1,169	1,603	2,385	204	11,316	15,646
(Charged)/credited to profit or loss (Note 7(a))	(470)	414	462	2,300	255	(5,216)	(2,255)
At 31 December 2025	(1,501)	1,583	2,065	4,685	459	6,100	13,391

(c) Deferred tax assets not recognised

In accordance with the accounting policy set out in Note 2(q), the Group has not recognised deferred tax assets in respect of cumulative tax losses and deductible temporary differences of RMB807,147,000 and RMB893,257,000 as at 31 December 2024 and 2025 respectively, as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdiction and entity.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

29 CAPITAL, RESERVES AND DIVIDENDS

(a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

Company

		Paid-in capital	Share capital	Capital reserve	Other reserve	Share-based payments reserve	Accumulated losses	Total deficit
Note	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	(Note 29(c))	(Note 29(c))	(Note 29(d))	(Note 29(d))	(Note 29(d))	(Note 29(d))		
Balance at 1 January 2024		31,976	-	483,850	(1,410,499)	254,777	(426,816)	(1,066,712)
Change in equity for 2024:								
Loss for the year		-	-	-	-	-	(91,398)	(91,398)
Total comprehensive income		-	-	-	-	-	(91,398)	(91,398)
Modifications to granted preferred rights	25(a)	-	-	-	(36,579)	-	-	(36,579)
Capital contributions from Series E-2 Investor	25(a)	1,075	-	98,925	-	-	-	100,000
Recognition of redemption liabilities	25(b)	-	-	-	(100,000)	-	-	(100,000)
Equity settled share-based payments	27	-	-	-	-	13,140	-	13,140
Balance at 31 December 2024 and 1 January 2025		33,051	-	582,775	(1,547,078)	267,917	(518,214)	(1,181,549)
Change in equity for 2025:								
Loss for the year		-	-	-	-	-	(170,412)	(170,412)
Total comprehensive income		-	-	-	-	-	(170,412)	(170,412)
Conversion into a joint stock company with limited liability	1	(33,051)	33,051	(449,422)	-	-	449,422	-
Issuance of shares under exercise of anti-dilution rights	25(b)	-	1,368	(1,368)	46,993	-	-	46,993
Capital contributions from Series E-2 Investors	25(a)	-	2,821	247,179	-	-	-	250,000
Recognition of redemption liabilities	25(b)	-	-	-	(250,000)	-	-	(250,000)
Issuance of capital to other shareholders	29(c)	-	-	1,402	-	-	-	1,402
Equity settled share-based payments	27	-	-	-	-	57,045	-	57,045
Balance at 31 December 2025		-	37,240	380,566	(1,750,085)	324,962	(239,204)	(1,246,521)

(b) Dividends

No dividends have been declared or paid by the Company during the years ended 31 December 2024 and 2025.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

29 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(c) Paid-in capital/share capital

(i) Paid-in capital

For the purpose of these financial statements, the paid-in capital of the Group represents the paid-in capital of the Company before it was converted into a joint stock company with limited liability.

	Paid-in capital RMB'000
At 1 January 2024	31,976
Issuance of capital to the Series E-2 Investor	1,075
At 31 December 2024 and 1 January 2025	33,051
Issuance of capital to the Series E-2 Investor	(33,051)
At 31 December 2025	-

(ii) Share capital

	Number of original shares 000	Share capital RMB'000
Issued and fully paid		
At 1 January 2025	-	-
Issuance of shares upon conversion into a joint stock company	33,051	33,051
Issuance of shares under exercise of anti-dilution rights	1,368	1,368
Issuance of shares to the Series E-2 Investors (Note 25(a))	2,821	2,821
At 31 December 2025	37,240	37,240

On 9 January 2025, the Company was converted into a joint stock limited liability company and issued 33,050,644 shares with a par value of RMB1.00 each.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

29 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(d) Nature and purpose of reserves

(i) Capital reserve

The capital reserve comprises: (i) the differences between the net considerations received and the nominal amount of paid-in capital/share capital issued by the Company; and (ii) the differences between the net assets received and the total amount of the par value of shares issued in relation to the conversion into a joint stock company as disclosed in Note 29(c)(ii).

(ii) Other reserve

The other reserve is amounts in relation to the recognition and termination of redemption liabilities as set out in Note 25.

(iii) Share-based payments reserve

The share-based payments reserve comprises the Group's equity settled share-based payments (see Note 27).

(e) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

30 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business.

The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to trade receivables, bills receivables, contract assets and other receivables. The Group's exposure to credit risk arising from cash and cash equivalents and wealth management products are limited because the counterparties are banks and financial institutions with high credit standing, for which the Group considers to represent low credit risk.

The Group does not provide any guarantees which would expose the Group to credit risk.

Trade receivables and contract assets

The Group has established a credit risk management policy under which individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due within 30-90 days from the date of invoice.

The Group has no significant concentration of credit risk in industries in which the customers operate. Significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. As at 31 December 2025, 22.04% (2024: 27.00%) of the total trade receivables was due from the Group's five largest debtors, and 21.48% (2024: 24.57%) of the contract assets was due from the Group's five largest debtors.

The Group measures loss allowances for trade receivables and contract assets at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments and geographic regions, the loss allowance based on past due status is not further distinguished between the Group's different customer bases.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

30 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(a) Credit risk (Continued)

Trade receivables and contract assets (Continued)

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables, bills receivables and contract assets as at 31 December 2024 and 2025:

	2025		
	Expected loss rate	Gross carrying amount RMB'000	Loss allowance RMB'000
Within 1 year	4.52%	239,485	10,827
Between 1 year and 2 years	10.76%	75,406	8,113
Between 2 years and 3 years	23.39%	20,868	4,882
Between 3 years and 4 years	38.26%	3,717	1,422
Between 4 years and 5 years	76.57%	2,292	1,755
Over 5 years	100.00%	2,926	2,926
		344,694	29,925
Provision on individual basis for certain customers		29,018	11,325
		373,712	41,250
		2024	
	Expected loss rate	Gross carrying amount RMB'000	Loss allowance RMB'000
Within 1 year	3.67%	196,663	7,209
Between 1 year and 2 years	8.94%	32,842	2,937
Between 2 years and 3 years	21.06%	7,827	1,648
Between 3 years and 4 years	31.39%	4,361	1,369
Between 4 years and 5 years	81.44%	2,435	1,983
Over 5 years	100.00%	1,417	1,417
		245,545	16,563
Provision on individual basis for certain customers		8,222	5,376
		253,767	21,939

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

30 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(a) Credit risk (Continued)

Trade receivables and contract assets (Continued)

Movements in the loss allowance account in respect of trade receivables and contract assets during the year are as follows:

	2025 RMB'000	2024 RMB'000
Balance at 1 January	21,939	18,720
Impairment losses recognised during the year	19,311	3,219
Balance at 31 December	41,250	21,939

Other receivables

Other receivables include other receivables from certain shareholders of the Company, deposits and others. The identified impairment loss of deposits was immaterial.

(b) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The following tables show the remaining contractual maturities at the end of each reporting period of the Group's non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay:

	2025 Contractual undiscounted cash outflow				Carrying amounts at 31 December RMB'000
	Within 1 year or on demand RMB'000	More than 1 year but less than 2 years RMB'000	More than 2 years but less than 5 years RMB'000	Total RMB'000	
Trade payables	142,827	-	-	142,827	142,827
Lease liabilities	3,590	3,279	5,720	12,589	11,820
Other payables and accruals	34,137	-	-	34,137	34,137
	180,554	3,279	5,720	189,553	188,784

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

30 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(b) Liquidity risk (Continued)

	2024				Carrying amounts at 31 December RMB'000
	Contractual undiscounted cash outflow				
	Within 1 year or on demand RMB'000	More than 1 year but less than 2 years RMB'000	More than 2 years but less than 5 years RMB'000	Total RMB'000	
Trade payables	118,809	–	–	118,809	118,809
Lease liabilities	3,051	2,416	3,192	8,659	8,159
Other payables and accruals	34,096	–	–	34,096	34,096
	155,956	2,416	3,192	161,564	161,064

In addition to the above, the Group was also exposed to liquidity risk arising redemption liabilities at 31 December 2024 and 2025, the payment terms of which are further disclosed in Note 25.

(c) Interest risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest rate risk arising from lease liabilities and redemption liabilities is not significant as these financial instruments primarily are at fixed rate.

(d) Currency risk

The Group is exposed to currency risk primarily through financing which give rise to cash and cash equivalents that are denominated in a currency other than the functional currency of the Group's subsidiaries to which they relate. The Group's exposure to foreign currencies is immaterial and the Group's currency risk is not significant.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

30 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(e) Fair value measurement

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of each reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS13, *Fair Value Measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available
- Level 3 valuations: Fair value measured using significant unobservable inputs

The following table presents the Group's financial assets and financial liabilities that are measured at fair value at the end of each reporting date:

	2025 RMB'000	2024 RMB'000
Level 3		
Financial liabilities at FVPL		
– Anti-dilution rights	–	(41,249)

During the reporting period, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

30 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(e) Fair value measurement (Continued)

Fair value hierarchy (Continued)

Valuation techniques and inputs used in Level 3 fair value measurement:

2024

Description	Valuation techniques	Significant unobservable inputs	Input
Financial liabilities at FVPL – anti-dilution rights granted to the investors	With and without method	Expected volatility Risk-free interest rate	57% 1.05%

The carrying amount of financial liabilities at FVPL is measured at fair values in the consolidated statement of financial position as at 31 December 2024. The Group determines the fair value by using with and without method. A valuation report with analysis of changes in fair value measurement is prepared by the external valuer at the reporting date and is revised and approved by the chief financial officer.

31 COMMITMENTS

The Group did not have any capital commitments as at 31 December 2024 and 2025.

32 MATERIAL RELATED PARTY TRANSACTIONS

Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in Note 8, is as follows:

	2025 RMB'000	2024 RMB'000
Short-term employee benefits	6,571	6,235
Equity-settled share-based payment expenses	–	452
	6,571	6,687

Total remuneration was included in “staff costs” (see Note 6(b)).

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

33 COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION

	Note	2025 RMB'000	2024 RMB'000
Non-current assets			
Property and equipment		5,773	916
Right-of-use assets		10,005	6,875
Interests in subsidiaries	14	493,000	424,899
Contract assets		14,765	8,543
Restricted cash		1,909	1,114
Deferred tax assets		13,391	15,646
		538,843	457,993
Current assets			
Inventories and contract costs		30,758	28,246
Contract assets		14,656	11,919
Trade and bills receivables		193,284	144,309
Prepayments, deposits and other receivables		14,682	9,991
Restricted cash		21,259	103,690
Cash and cash equivalents		274,903	122,664
		549,542	420,819
Current liabilities			
Trade payables		122,787	100,986
Other payables and accruals		54,560	172,540
Contract liabilities		63,815	54,968
Lease liabilities		2,646	2,417
Redemption liabilities		2,063,421	1,672,139
Financial liabilities at FVPL		–	41,249
Provisions		13,767	10,688
		2,320,996	2,054,987
Net current liabilities		(1,771,454)	(1,634,168)
Total assets less current liabilities		(1,232,611)	(1,176,175)

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

33 COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION (CONTINUED)

	Note	2025 RMB'000	2024 RMB'000
Non-current liabilities			
Lease liabilities		7,910	5,374
Deferred income		6,000	–
		13,910	5,374
NET LIABILITIES		(1,246,521)	(1,181,549)
CAPITAL AND RESERVES	29		
Paid-in capital/share capital		37,240	33,051
Reserves		(1,283,761)	(1,214,600)
TOTAL DEFICIT		(1,246,521)	(1,181,549)

34 SUBSEQUENT EVENTS AFTER THE REPORTING PERIOD

On 13 February 2026, the Group completed its initial public offering on the Stock Exchange. Immediately prior to the Listing, the Group conducted the share subdivision (the “**Share Subdivision**”), pursuant to which each of share with nominal value of RMB1.00 subdivided into 10 shares with nominal value of RMB0.1 each. Upon completion of such Share Subdivision, the registered share capital of the Company, which is RMB37,240,048, was divided into 372,400,480 shares with nominal value of RMB0.1 per share.

Upon the Listing, the Group issued 28,030,200 ordinary shares at a price of HK\$27.06 per share. The total gross proceeds from the global offering were amounted to approximately HK\$758.5 million. All the financial instruments issued to investors were automatically converted to 238,104,620 ordinary shares of the Company upon the Listing.

35 IMMEDIATE AND ULTIMATE CONTROLLING PARTY

The directors of the Company consider the immediate parent and the ultimate controlling party of the Company as at 31 December 2025 to be Mr. Yang Zaifei and Mr. Ren Xuyang.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

36 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2025

Up to the date of these financial statements, the IASB has issued a number of new or amended standards, which are not yet effective for the year ended 31 December 2025 and which have not been adopted in these financial statements. These developments include the following:

	Effective for accounting periods beginning on or after
<i>Amendments to IFRS 9, Financial instruments and IFRS 7, Financial instruments: disclosures – Contracts referencing nature-dependent electricity</i>	1 January 2026
<i>Amendments to IFRS 9, Financial instruments and IFRS 7, Financial instruments: disclosures – Amendments to the classification and measurement of financial instruments</i>	1 January 2026
Annual Improvements to IFRS Accounting Standards – Volume 11	1 January 2026
IFRS 18, <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
IFRS 19, <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to IAS 21, <i>Translation to a hyperinflationary presentation currency</i>	1 January 2027
Amendments to IFRS 10 and IAS 28, <i>Sale or contribution of assets between an investor and its associate or joint venture</i>	To be decided

The Group is in the process of making an assessment of what the impact of these developments are expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on these financial statements except for the following:

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in RMB)

36 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

IFRS 18, Presentation and Disclosure in Financial Statements

IFRS 18 will replace IAS 1, *Presentation of financial statements* and aims to improve the transparency and comparability of information about an entity's financial statements. IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027 and is to be applied retrospectively.

Among other changes, under IFRS 18, entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to provide specific disclosures about management-defined performance measures in a single note in the financial statements.

The Group does not plan to early adopt IFRS 18. IFRS 18 will impact the presentation of financial statements and is not expected to have significant impact on the financial performance and positions of the Group.

DEFINITIONS

“AI”	artificial intelligence, an area of computer science that focuses on machinery simulation of intelligence displayed by humans and other animals
“AI agent”	an autonomous intelligent entity leveraging LLM technology capable of executing tasks with consistency and reliability, dynamically adjusting decisions according to real-time scenarios and adopting optimal strategies suitable for the current context
“Articles of Association”	the articles of association of the Company as amended from time to time
“Audit Committee”	the audit committee of the Company
“Board”	the board of Directors
“CG Code”	Corporate Governance Code, as set out in Appendix C1 to the Listing Rule
“Director(s)”	the director(s) of our Company
“Global Offering”	the Hong Kong public offering and the international offering of the Company, the details of which are described in the Prospectus
“graph”	a structural network composed of nodes and edges, intertwined by various types of entities and relationships
“graph database”	a database system that stores graph-structured data (nodes, edges, properties) in order to queries and process analysis complex relationships
“Group”, “our Group” or “we” or “us”	our Company and its subsidiaries from time to time
“Haikuo Chengzhang”	Beijing Haikuo Chengzhang Business Consulting Partnership (Limited Partnership) (北京海闊成長商務諮詢合夥企業(有限合夥)), a limited partnership established in the PRC on November 7, 2022 and one of the equity incentive platforms of the Company
“Haikuo Fenxiang”	Beijing Haikuo Fenxiang Business Consulting Partnership (Limited Partnership) (北京海闊分享商務諮詢合夥企業(有限合夥)), a limited partnership established in the PRC on November 7, 2022 and one of the equity incentive platforms of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“H Share(s)”	ordinary share(s) in the share capital of the Company with nominal value of RMB0.1 each, which is/are listed on the Main Board of the Stock Exchange and subscribed for and traded in Hong Kong dollars
“IFRS Accounting Standards”	IFRS Accounting Standards as issued by the International Accounting Standards Board
“Listing”	the listing of the H Shares on the Main Board of the Stock Exchange on the Listing Date
“Listing Date”	February 13, 2026, the date on which our H Shares are listed on the Main Board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“LLM(s)”	large language model, computerized language model that utilizes artificial neural network with a multitude of parameters, trained on substantial amounts of unlabeled text through self-supervised or semi-supervised learning techniques
“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
“Model Code”	Model Code for Securities Transactions by Directors of Listed Issuers, as set out in Appendix C3 to the Listing Rules
“Nomination Committee”	the nomination committee of the Company
“our Company” or “the Company”	Beijing Haizhi Technology Group Co., Ltd. (北京海致科技集團股份有限公司), a joint stock limited company established in the PRC, whose H Shares are listed on the Main Board of the Stock Exchange (stock code: 02706)
“PRC” or “China”	the People’s Republic of China, excluding, for the purposes of this report only, Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Prospectus”	the prospectus of the Company dated February 5, 2026 in relation to the Global Offering and the Listing
“Remuneration and Appraisal Committee”	the remuneration and appraisal committee of the Company

DEFINITIONS

“Reporting Period”	the year ended December 31, 2025
“RMB”	Renminbi, the lawful currency of the PRC
“R&D”	research and development
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shares(s)”	ordinary share(s) of the Company with nominal value of RMB0.1 each
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	Percent

If there is any inconsistency between the Chinese names of the laws and regulations, governmental authorities, institutions, natural persons, entities or enterprises established in the PRC mentioned in this report and their English translations, the Chinese names shall prevail. The English translations of such Chinese names are provided for identification purposes only.