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If you are in any doubt as to any aspect of this circular or as to the action you should take, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Renrui Human Resources Technology Holdings Limited**, you should at once hand this circular together with the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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Renrui Human Resources Technology Holdings Limited

人瑞人才科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6919)

MAJOR TRANSACTION IN RELATION TO THE DISPOSAL OF ENTIRE EQUITY INTERESTS IN A NON-WHOLLY OWNED SUBSIDIARY OF THE COMPANY AND NOTICE OF EGM

Financial Adviser to the Company



A notice convening an EGM to be held at 10:00 a.m. on Thursday, 17 April 2025 at 12/F, Block B, Jingan International Center, No. 88 Puji Road, Jingan District, Shanghai, the PRC, is set out on pages EGM-1 to EGM-2 of this circular. A form of proxy for use at the EGM is also enclosed. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.renruihtr.com). Whether you intend to attend the EGM or not, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible but in any event not less than 48 hours (i.e. not later than 10:00 a.m. on Tuesday, 15 April 2025) before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the EGM if they so wish and in such event the form of proxy shall be deemed to be revoked.

A letter from the Board is set out on pages 5 to 17 of this circular.

Capitalised terms used in this cover shall have the same meanings as defined in this circular.

* *References to dates and time in this circular are to Hong Kong dates and time.*

28 March 2025

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DEFINITIONS

In this circular, the following expressions have the following meanings unless the context requires otherwise:

“Asset Purchase Agreement”	the asset purchase by cash consideration agreement dated 30 December 2024 entered into by the Seller and the Buyer in relation to the Disposal, as detailed in the announcement of the Company dated 30 December 2024
“Board”	the board of directors of the Company
“Buyer”	Neusoft Group Co., Ltd.* (東軟集團股份有限公司), a company established under laws of the PRC on 17 June 1991 and listed on the Shanghai Stock Exchange (stock code: 600718)
“Company”	Renrui Human Resources Technology Holdings Limited (人瑞人才科技控股有限公司), an exempted company incorporated in the Cayman Islands on 14 October 2011 with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 6919)
“Completion”	completion of the Disposal in accordance with the terms and conditions of the Formal Agreement
“Completion Date”	the date upon which the Buyer has settled the Consideration in full in accordance with the Supplemental Agreement
“Consideration”	the total consideration payable by the Buyer to the Seller for the Target Interest in accordance with the Formal Agreement
“Director(s)”	the director(s) of the Company
“Disposal”	the sale of the Target Interest by the Seller to the Buyer in accordance with the Formal Agreement
“EGM”	an extraordinary general meeting of the Company to be convened for the Shareholders to consider and, if thought fit, approve the Formal Agreement and the transactions contemplated thereunder
“Financial Adviser”	Optima Capital Limited, financial adviser to the Company in relation to the Disposal
“Formal Agreement”	the Asset Purchase Agreement as supplemented and amended by the Supplemental Agreement
“Group”	the Company together with its subsidiaries

DEFINITIONS

“HKFRS”	the Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
“Independent Third Party(ies)”	third party(ies) independent of, and not connected with, the Company and its connected persons
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Latest Practicable Date”	24 March 2025, being the latest practicable date prior to the publication of this circular for ascertaining certain information contained herein
“Model Code”	Model Code for Securities Transactions by Directors of Listed Companies set out in Appendix C3 to the Listing Rules
“Neusoft Holdings”	Dalian Neusoft Holdings Co., Ltd.* (大連東軟控股有限公司), a company established under laws of the PRC on 15 November 2011
“Parties”	parties to the Formal Agreement, i.e. the Buyer and the Seller; and a “Party” refers to either of the Parties
“Payment Date”	the date upon which the Buyer pays any instalment of the Consideration in accordance with the Supplemental Agreement
“Payment Notice”	the payment notice to be issued by the Seller to the Buyer confirming all Payment Conditions Precedent have been fulfilled or waived by the Buyer and setting out the bank account details of the Seller for receipt of the Consideration
“percentage ratio”	shall have the meaning under Rule 14.04(9) of the Listing Rules
“Post-IPO Share Award Scheme”	the post-IPO share award scheme of the Company adopted on 26 November 2019, further amended on 26 June 2020 and terminated on 9 December 2024
“Post-IPO Share Option Scheme”	the post-IPO share option scheme of the Company adopted on 26 November 2019 and terminated on 9 December 2024
“PRC”	the People’s Republic of China and for the purpose of this circular only, excludes the Hong Kong Special Administrative Region, Macau Special Administrative Region of the People’s Republic of China and Taiwan

DEFINITIONS

“Registration”	registration and/or filing at the competent local branch of the SAMR as required under applicable laws and regulations relating to the Disposal
“Registration Date”	the date upon which the Registration is completed
“Reporting Accountant”	PricewaterhouseCoopers, Certified Public Accountants in Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“SAMR”	the State Administration for Market Regulation of the PRC (中國國家市場監督管理總局)
“Seller”	Shanghai Ruiying Human Resources Technology Group Co., Ltd.* (上海瑞應人才科技集團有限公司), a company established under the laws of the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended from time to time
“Share(s)”	ordinary share(s) in the share capital of the Company with nominal value of US\$0.00005 each
“Shareholder(s)”	the holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplemental Agreement”	a supplemental agreement setting out the finalized Consideration and other terms and conditions supplementing and amending the Asset Purchase Agreement entered into by the Parties on 10 March 2025
“Target Company”	Shanghai Sirui Information Technology Co., Ltd.* (上海思芮信息科技有限公司), a company established under laws of the PRC on 7 November 2013, including its subsidiaries as the context requires
“Target Interest”	46.0% of the equity interests in the Target Company held by the Seller
“Tianjin Ruiyi”	Tianjin Ruiyi Enterprise Management Consulting Center (Limited Partnership)* (天津芮屹企業管理諮詢中心(有限合夥)), a limited partnership established under laws of the PRC on 27 August 2020

DEFINITIONS

“Valuation Date”	the benchmark date for determining the appraised value of the entire equity interests in the Target Company as adopted by the Valuer, being 31 October 2024
“Valuation”	valuation of the entire equity interests in the Target Company as set out in the Valuation Report
“Valuation Report”	the asset valuation report dated 7 March 2025 prepared by the Valuer in respect of the entire equity interests in the Target Company, a summary of which is set out in Appendix II to this circular
“Valuer”	Beijing Zhongtianhe Assets Appraisal Co., Ltd.* (北京中天和資產評估有限公司), a professional asset valuer and an Independent Third Party
“%”	per cent

If there is any inconsistency between the Chinese names of the PRC entities, enterprises or nationals and their English translations, the Chinese names shall prevail. The English translation of the PRC entities, enterprises or nationals marked with “” are for identification purpose only.*

LETTER FROM THE BOARD



Renrui Human Resources Technology Holdings Limited

人瑞人才科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6919)

Executive Directors

Mr. Zhang Jianguo

(Chairman and Chief Executive Officer)

Mr. Zhang Feng

Ms. Zhang Jianmei

Non-executive Director

Mr. Chen Rui

Independent Non-executive Directors

Ms. Chan Mei Bo Mabel

Mr. Shen Hao

Mr. Leung Ming Shu

Registered office

P.O. Box 309

Ugland House

Grand Cayman

KY1-1104

Cayman Islands

Corporate headquarters:

No. 601, 602, 603, 6/F, Block 3

No. 688 Mid-Section Tianfu Avenue

Chengdu High-tech Zone

Free Trade Pilot Zone

Sichuan, China

Principal place of business in Hong Kong:

19/F., Golden Centre

188 Des Voeux Road Central

Hong Kong

28 March 2025

To the Shareholders

Dear Sir/Madam

**MAJOR TRANSACTION
IN RELATION TO THE DISPOSAL OF ENTIRE EQUITY INTERESTS IN
A NON-WHOLLY OWNED SUBSIDIARY OF THE COMPANY
AND
NOTICE OF EGM**

INTRODUCTION

Reference is made to the announcements of the Company dated 16 December 2024, 30 December 2024 and 10 March 2025 in relation to the Disposal.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with, amongst other things, (i) further details of the Disposal, the Formal Agreement and the transactions contemplated thereunder; (ii) other information as required to be disclosed under the Listing Rules; and (iii) a notice of the EGM to approve the Formal Agreement and the transactions contemplated thereunder.

THE DISPOSAL

On 30 December 2024, the Seller and the Buyer entered into the Asset Purchase Agreement, pursuant to which the Seller conditionally agreed to sell, and the Buyer conditionally agreed to buy, the Target Interest. On 10 March 2025, the Seller and the Buyer entered into the Supplemental Agreement, which sets out the finalized Consideration and other terms and conditions supplementing the Asset Purchase Agreement. The Asset Purchase Agreement as supplemented and amended by the Supplemental Agreement constitutes the Formal Agreement setting out terms and conditions of the Disposal. Pursuant to the Formal Agreement, the Seller agreed to sell, and the Buyer agreed to buy, the Target Interest for a total Consideration of RMB320,698,200.0.

Principal terms of the Formal Agreement

Date

Asset Purchase Agreement: 30 December 2024

Supplemental Agreement: 10 March 2025

Parties

- (1) the Buyer (as buyer)
- (2) the Seller (as seller)

Subject matter

Subject to the terms and conditions of the Formal Agreement, the Seller agreed to sell, and the Buyer agreed to buy, the Target Interest, being the entire equity interests held by the Seller (i.e. 46.0%) in the Target Company.

Consideration

Subject to the fulfilment (or waiver by the Buyer) of the Payment Conditions Precedent (as defined below), the Consideration of RMB320,698,200.0 will be settled by the Buyer in two instalments in the following manner:

- (i) the Buyer shall pay the first instalment (the “**First Instalment**”) of RMB128,279,280.0, being 40.0% of the Consideration, as pre-payment to the bank account of the Seller

LETTER FROM THE BOARD

specified in the Payment Notice, within five business days upon the clause stipulating the payment of the First Instalment becoming effective and receipt of the Payment Notice. Such pre-payment shall be treated as part of the Consideration upon the entire Supplemental Agreement becoming effective; and

- (ii) the Buyer shall pay the second instalment (the “**Second Instalment**”) of RMB192,418,920.0, being 60.0% of the Consideration, to the bank account of the Seller specified in the Payment Notice within five business days upon completion of the Registration.

The Consideration was agreed upon on normal commercial terms and after arm’s length negotiations between the Seller and the Buyer after taking into account, among others:

- (i) the appraised value of the entire equity interests in the Target Company as at the Valuation Date arrived at using income approach, being RMB697,170,000.0, as set out in the Valuation Report; and
- (ii) the strategic implication of the Disposal to the Company as mentioned in the section headed “Reasons for and Benefits of the Disposal” below.

Conditions precedent

Pursuant to the Supplemental Agreement, payment of the Consideration is subject to the fulfillment or waiver by the Buyer of the following conditions precedent (the “**Payment Conditions Precedent**”):

- (i) Tianjin Ruiyi and Neusoft Holdings have waived their right of first refusal and any other priority rights in respect of the Disposal;
- (ii) the representations and warranties given by the Seller under the Asset Purchase Agreement and the Supplemental Agreement remain true, accurate, complete and not misleading in all aspects as at the date of the respective agreement and on each Payment Date; and the covenants and undertakings to be performed by the Seller on or before the Payment Date have been performed;
- (iii) from the date of the Asset Purchase Agreement to the Payment Date, there have been no events, changes or other circumstances that have had or could reasonably be expected to have a material adverse effect on the Target Company; and
- (iv) the Seller has issued the Payment Notice to the Buyer.

LETTER FROM THE BOARD

Pursuant to the Supplemental Agreement, the Completion is subject to the fulfillment or waiver by the Seller of the following conditions precedent (the “**Completion Conditions Precedent**”):

- (i) Tianjin Ruiyi and Neusoft Holdings have waived their right of first refusal and any other priority rights in respect of the Disposal;
- (ii) the representations and warranties given by the Buyer under the Asset Purchase Agreement and the Supplemental Agreement remain true, accurate, complete and not misleading in all aspects as at the date of the respective agreement and on the Registration Date; and the covenants and undertakings to be performed by the Buyer on or before the Registration Date have been performed; and
- (iii) the Buyer has paid the First Instalment as pre-payment in accordance with the terms and conditions of the Supplemental Agreement.

The Payment Conditions Precedent in relation to the First Instalment were fulfilled on 11 March 2025 and the Buyer paid the First Instalment to the Seller as pre-payment pursuant to the Supplemental Agreement on 17 March 2025.

As at the Latest Practicable Date, clauses stipulating the Payment Conditions Precedent in relation to the Second Instalment and the Completion Conditions Precedent have not become effective. Please refer to the paragraph headed “Effectiveness” below for more details.

Completion

Subject to the fulfilment or waiver by the Seller of the Completion Conditions Precedent, the Seller shall complete the Registration and register the Buyer (or a designated wholly-owned subsidiary of the Buyer) as the registered shareholder of the Target Interest within 10 business days upon the entire Supplemental Agreement taking effect. The Buyer shall enjoy all rights and obligations as a shareholder of the Target Interest since the Completion Date.

Transitional arrangement

During the period from the date of the Asset Purchase Agreement to the Completion Date, unless provided otherwise, the Seller shall procure the Target Company to maintain its ordinary course of business, and shall maintain and protect the Target Company’s assets, rights, goodwill, and relationships with third parties (including but not limited to suppliers and customers). The Seller shall not procure the Target Company to perform certain corporate actions outside ordinary course of business, including but not limited to change in shareholding structure, distribution of dividends, creation of encumbrance on assets, provision of financial assistance, commencement or withdrawal of major litigations or arbitrations which may lead to actual loss or liability of the Target Company, investment in third parties and disposal of asset with a value of RMB500,000 or above, or any other action that will have or may potentially have adverse effect on the Disposal or on the operation and business of the Target Company.

LETTER FROM THE BOARD

Profit and loss during the period

The profit and loss of the Target Company during the period from the Valuation Date (excluding such date) to the Completion Date (including such date) shall be enjoyed or borne by the Buyer in proportion to its equity interests in the Target Company upon Completion of the Disposal. After the Completion Date, the Seller may engage auditors to review and/or audit the profit and loss of the Target Company during the period from the 1 January 2025 (including such date) to the Completion Date (including such date) for the purpose of compiling financial statements of the Company, in which case the Target Company shall provide necessary assistance.

Default liability and indemnity

The Party who has breached any obligation, representation, warranty and undertaking relating to it under the Formal Agreement which has already become effective shall rectify such breach within the time limit as stipulated by the non-defaulting Party. The defaulting Party undertakes to indemnify and compensate the non-defaulting Party for any and all losses, damages or liabilities suffered and costs or expenses reasonably incurred as a result of such breach. Failing which, the defaulting Party shall pay the non-defaulting Party liquidated damages at the rate of 0.03% of the actual amount of losses suffered for each day of delay.

In the event that the defaulting Party fails to rectify the breach at the request of the non-defaulting Party within the stipulated time limit with a delay of over 30 days or as otherwise provided under the Formal Agreement, such breach shall constitute willful breach by the defaulting Party, entitling the non-defaulting Party to rescind the Formal Agreement and request for a payment of 30% of the Consideration from the defaulting Party in addition to other remedies available to it under the Formal Agreement.

In addition, the Seller undertakes to indemnify and compensate the Target Company or its subsidiaries (as applicable) in proportion to the equity interests in the Target Company held by the Seller for any and all losses, damages and fines as a result of any breach or non-compliance with applicable laws and regulations by the Target Company or its subsidiaries during the period when the Target Interest was held by the Seller, in relation to contributions to social insurance and housing provident fund for employees, taxes, land, labor, litigations and other matters as provided under the Formal Agreement.

Effectiveness

Clauses in relation to transitional arrangement, tax liability, effectiveness, default liability, force majeure, severability, dispute resolution, notice, confidentiality and other boilerplate clauses in the Asset Purchase Agreement have become effective upon signing of the Asset Purchase Agreement. Clauses in relation to payment of the First Instalment, effectiveness, default liability, termination and other boilerplate clauses in the Supplemental Agreement have become effective upon signing of the Supplemental Agreement. The remaining clauses of the Formal Agreement shall take effect upon satisfaction of the following conditions:

- (i) approval and consent from the board of directors and shareholders of the Buyer in relation to the Disposal has been obtained;

LETTER FROM THE BOARD

- (ii) approval and consent from the Board and the Shareholders in relation to the Disposal has been obtained; and
- (iii) the antitrust approval in relation to the Disposal has been granted by the SAMR (if applicable).

The Directors confirm that as at the Latest Practicable Date, approval from the board of directors of the Buyer and the Board in relation to the Disposal have been obtained. Save as disclosed, the other conditions set out above have not been satisfied.

If any of the aforementioned conditions is not satisfied within 270 days from the date of the Asset Purchase Agreement, all provisions of the Asset Purchase Agreement and the Supplemental Agreement which have already come into effect shall become invalid and cease to have effect on both Parties, unless otherwise agreed or postponed by the Parties.

Termination

In the event that the Supplemental Agreement and/or the Asset Purchase Agreement becomes invalid or is terminated or rescinded, unless the Parties agree otherwise, the Parties shall act in accordance with the principles of fairness, reasonableness and good faith to restore each other to its position before signing the Asset Purchase Agreement and/or the Supplemental Agreement. In particular, the Seller shall return to the Buyer any pre-payment and/or Consideration it has already paid (with interest calculated at the prevailing bank deposit interest rate), and the Buyer shall conduct the necessary registration/filing to re-register the Seller as the registered shareholder of the Target Interest upon receipt of the refund by the Seller in accordance with the Supplemental Agreement (if applicable).

VALUATION REPORT OF THE TARGET COMPANY AND PROFIT FORECAST REQUIREMENTS UNDER THE LISTING RULES

In assessing the fairness and reasonableness of the Consideration, the Buyer and the Seller have jointly engaged the Valuer to carry out a valuation of the entire equity interests in the Target Company as at 31 October 2024. The Valuer has confirmed that it is independent from the Company, the Target Company and the Seller. The Valuer is certified with the relevant professional qualifications required to perform the valuation and the principal valuer involved has more than 10 years of experience in conducting valuation services.

Given that the Valuation adopted, among other things, the income approach through the use of the discounted cash flow method, the Valuation constitutes a profit forecast under Rule 14.61 of the Listing Rules.

For the purpose of complying with Rules 14.60A of the Listing Rules, the details of the principal assumptions, including commercial assumptions, upon which the Valuation was based are as follows, details of which are set out in the summary of the Valuation Report contained in Appendix II to this circular:

LETTER FROM THE BOARD

(I) General assumptions

1. Transaction assumption

The transaction assumption assumes that the asset under valuation is already in the process of being traded, and the valuer carries out the valuation on the basis of a simulated market based on the trading conditions of the asset to be valued. The transaction assumption is one of the most basic prerequisites for asset valuation.

2. Open market assumption

The open market assumption assumes that the parties to the asset being traded, or to be traded, in a market are on an equal footing with each other and have access to sufficient market information and time to make reasoned judgements about the function and use of the asset and the price at which it will be traded. The open market assumption is based on the assumption that the asset can be bought and sold openly in the market.

3. Asset going-concern assumption

The asset going-concern assumption refers to the need to determine the valuation approach, parameters and basis for the valuation based on the continued use of the asset under valuation in accordance with their current use and the manner, frequency and environment in which they are used.

(II) Specific assumptions

1. There are no significant changes in the relevant laws, regulations and policies in force in the country and in the macroeconomic situation of the country, and there are no significant changes in the political, economic and social environment of the region in which the enterprise is located.
2. It is assumed that the proprietor of the enterprise is responsible and that the management of the enterprise is capable of assuming its duties.
3. Unless otherwise stated, it is assumed that the enterprise complies with relevant laws and regulations.
4. It is assumed that the accounting policies to be adopted by the enterprise in the future are substantially the same in material respects as those adopted in the preparation of the Valuation Report.
5. It is assumed that the scope and manner of operation of the enterprise will be consistent with the current direction based on the current management approach and level.
6. There are no significant changes in interest rates, exchange rates, tax benchmarks and rates, and policy levies.

LETTER FROM THE BOARD

7. There are no other force majeure factors and unforeseeable factors that have a significant adverse impact on the enterprise.
8. The core management personnel, technical personnel, sales force is stable, and the enterprise can maintain the existing management level, research and development level, and sales channels in the future operation.
9. The acquisition and utilisation of the production and business premises of the enterprise are consistent with that as at the Valuation Date without change.
10. The Valuation is only based on the existing operating capacity as at the Valuation Date and does not take into account the possible expansion of the operating capacity in the future due to the management, business strategy and additional investment.
11. The asset under valuation has been valued on the basis of the actual inventory as at the Valuation Date, and the current market value of the relevant asset is based on the effective domestic prices as at the Valuation Date.
12. The Valuation assumes that the ownership certificates, financial and accounting information and other information provided by the client and the enterprise under valuation in connection with the Valuation are true, complete and lawful; the scope of the Valuation is based solely on the valuation declaration form provided by the client and the enterprise under valuation and does not take into account contingent asset and contingent liabilities that may exist in addition to the list provided by the client and the enterprise under valuation.
13. It is assumed that the enterprise under valuation maintains its current capital structure as a going concern and that there will be no material changes in the future.
14. It is assumed that the input of funds, resources or data remains even and continuous throughout the valuation cycle without significant fluctuations or interruptions.
15. It is assumed that the cash flow measurements during the forecast period do not include the influence of the inflation rate, and no consideration has been given to the inflation premium in the discount rate parameter system, both of which are treated in a consistent manner in order to avoid double-counting.
16. The impact of other contingencies such as mortgages and guarantees on the valuation conclusion has not been considered in the Valuation.

The Reporting Accountant has been engaged to report on the calculations of the discounted future estimated cash flows used in the Valuation Report. The Reporting Accountant has reported that the discounted future estimated cash flows, so far as the calculations are concerned, have been properly compiled, in all material respects, in accordance with the bases and assumptions adopted by the Directors as set out in this circular. The text of the assurance report issued by the Reporting Accountant in relation to the calculations of the discounted future estimated cash flows is set out in Appendix III to this circular.

LETTER FROM THE BOARD

The Financial Adviser has (i) discussed with the management of the Company and the Valuer regarding the bases and assumptions of the cash flow forecast of the Target Company underlying the Valuation; and (ii) reviewed the report from the Reporting Accountant regarding the calculations of discounted future estimated cash flows in connection with the Valuation. On the basis of the foregoing and the arithmetical calculations reviewed by the Reporting Accountant, the Financial Adviser is of the opinion that the cash flow forecast underlying the Valuation, for which the Directors are solely responsible, has been made after due and careful enquiry. The text of the letter from the Financial Adviser is set out in Appendix IV to this circular.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The reasons for and benefits of the Disposal are as follows:

- (i) the original acquisition of 46.0% equity interests in the Target Company in 2022 was conducted with a view to accelerating the Group's expansion in the information technology and software outsourcing services industry and facilitating the Group's strategic upgrade. By absorbing and integrating the Target Company's technical expertise, successful bidding cases and service experience in the past two years, the Group has quickly established its own service capabilities in the provision of information technology and software outsourcing services. By leveraging the Target Company's expertise in sales and customer service in the finance, advanced manufacturing and high-tech industries, the Group has also expanded its customer base of information technology and software outsourcing services to include customers in various industries, such as new energy, telecommunication and automobile sectors. As a result, the revenue generated from the organic growth of the digital technology and cloud services business of the Group increased from approximately RMB288.1 million in 2022 to approximately RMB810.9 million in 2023, representing an increase of approximately 181.5%. In the first half of 2024, the revenue generated from the organic growth of the digital technology and cloud services business of the Group amounted to approximately RMB522.8 million, increasing by approximately 82.4% compared to the first half of 2023, which surpassed the revenue contributed by the Target Company to the digital technology and cloud services business in the first half of 2024, being RMB425.4 million. Therefore, the Board believes the Company has already developed its own service capabilities and customer coverage in the information technology and software outsourcing services industry, and the Disposal would not have a significant adverse impact on the Group's future development in the information technology and software outsourcing services industry;
- (ii) based on the Target Company's recent operating results and cash flow with reference to the Group's financial budget, its financial performance and business growth could not meet the Group's expectation, and the revenue growth rate of the Target Company was also lower than the Group's expectation; and

LETTER FROM THE BOARD

- (iii) taking into account the Group's current working capital and gearing ratio, the Disposal is able to enhance the Group's cash reserve, improve the gearing ratio, and provide funds to continue the Group's rapid organic growth in digital technology and cloud services business and to implement the Group's future global expansion strategies.

In light of the above, the Directors are of the view that the Formal Agreement was entered into on normal commercial terms, and the terms and conditions of the Formal Agreement (including the Consideration) and the transactions contemplated thereunder are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

As none of the Directors has a material interest in the Formal Agreement and the transactions contemplated thereunder, no Director is required to abstain from voting on the relevant Board resolutions for approving the Formal Agreement and the transactions contemplated thereunder.

INFORMATION OF THE PARTIES

Information of the Seller and the Group

The Group is a fast-growing pioneer in the human resources solutions sector of the PRC, primarily engages in the provision of comprehensive flexible staffing services, professional recruitment, and other human resources solutions. The Group has reinvented traditional human resources services with comprehensive digital and cutting-edge technology. Its one-stop ecological system not only allows the Group to serve its customers across the PRC and around the world, but also effectively solves the challenges of fast recruitment in mass quantities at home and abroad. Relying on the professional staff management, project management and extensive recruitment capabilities of the Group, the professional services of the Group can be quickly expanded to more industries. Currently, the Group operates more than 100 subsidiaries and branch offices across the PRC with business coverage in over 300 cities, and provides localised human resources services through subsidiaries in over 15 countries around the world.

The Seller is an indirect wholly-owned subsidiary of the Company and the principal activity of the Seller is investment holding.

Information of the Buyer

The Buyer is a company established under laws of the PRC on 17 June 1991 and listed on the Shanghai Stock Exchange (stock code: 600718). The Buyer primarily engages in the provision of information technology services.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this circular, except that (i) the Buyer is held by Neusoft Holdings, which holds 43.0% of the equity interests in the Target Company and therefore a connected person of the Company at the subsidiary level, as to approximately 14.5% of its equity interests; (ii) one director of Neusoft Holdings acts as director of the Buyer, one director of Neusoft Holdings acts as supervisor of the Buyer and one supervisor of Neusoft Holdings acts as supervisor of the Buyer; and (iii) one director of the Buyer indirectly holds less than 6.0% interest in Tianjin Ruiyi, which holds 11.0% of the equity interests in the Target Company and therefore a connected person of the Company at the subsidiary level, the Buyer is independent from the Company and its connected persons.

LETTER FROM THE BOARD

Information of the Target Company

The Target Company is a company established under laws of the PRC on 7 November 2013. The Target Company is an information technology and software service provider committed to providing digital transformation and information technology services to customers.

As at the date of this circular, the Target Company was held as to 46.0% by the Seller, 43.0% by Neusoft Holdings and 11.0% by Tianjin Ruiyi. The Group was entitled to appoint majority of the board of directors of the Target Company. As a result, the Group possessed the power over the Target Company to direct its relevant activities and the Target Company was a non-wholly owned subsidiary of the Group. Upon Completion of the Disposal, the Seller would have no interest in the Target Company, which would cease to be a subsidiary of the Company and the financial results of the Target Company would cease to be consolidated into the Group's financial statements.

Financial information of the Target Company

Set out below is the unaudited consolidated financial information for the two years ended 31 December 2022 and 31 December 2023 of the Target Company prepared in accordance with the HKFRS:

	Year ended 31 December 2023 <i>RMB (million)</i>	Year ended 31 December 2022 <i>RMB (million)</i>
Revenue	941.6	904.7
Profit (before taxation)	60.8	42.6
Profit (after taxation)	60.1	38.9

The unaudited consolidated net asset value of the Target Company as at 30 June 2024 prepared in accordance with the HKFRS amounted to RMB322,451,079.

FINANCIAL EFFECT OF THE DISPOSAL

Upon Completion of the Disposal, the Group would have no interest in the Target Company, which would cease to be a subsidiary of the Company and the financial results of the Target Company would cease to be consolidated into the Group's financial statements.

The Group expects that the Disposal would not have a material financial impact on the Group's profit for the year ending 31 December 2025. Such estimate is based on, among other things, that (i) the Consideration for the Disposal amounts to approximately RMB320.7 million, and (ii) as disclosed in the profit warning announcement of the Company dated 10 March 2025, since an impairment provision of approximately RMB130.9 million is expected to be recorded against the goodwill arising from the acquisition of the Target Company in the Company's financial statements for the year ended 31 December 2024, the unaudited remaining book value of the Target Company held by the Seller would be approximately RMB320.7 million.

LETTER FROM THE BOARD

After taking into account of the Consideration (i.e. RMB320,698,200.0), the unaudited net assets of the Target Company as at 31 January 2025 (being the latest practicable date for ascertaining the financial effect of the Disposal prior to the printing of this circular), and the goodwill associated with the Target Company, it is estimated that upon Completion, the total assets of the Group will decrease by approximately RMB487.7 million and the total liabilities of Group will decrease by approximately RMB278.2 million.

The above calculations are estimates for illustrative purpose only and do not represent the financial position of the Group upon Completion of the Disposal. The actual gain/loss on the Disposal will be determined based on the financial position of the Group upon Completion of the Disposal and may differ from the above estimation.

USE OF PROCEEDS

It is intended that (i) approximately 50% of the net cash proceeds from the Disposal (the “**Net Proceeds**”) will be used to develop and expand the Group’s digital technology and cloud services up to the end of 2029; (ii) approximately 40% of the Net Proceeds will be used to implement the Group’s future global expansion strategies up to the end of 2030; and (iii) approximately 10% of the Net Proceeds will be used for repayment of debts and daily operation of the Group up to the end of 2025.

LISTING RULES IMPLICATIONS

The Company has applied to the Stock Exchange for the adoption of an alternative size test for the profits ratio in relation to the Disposal pursuant to Rule 14.20 of the Listing Rules and the Stock Exchange agreed with the Company’s view that the original profits ratio of the Disposal would produce an anomalous result and accepted the alternative profits ratio proposed by the Company. Based on the alternative profits ratio and other applicable percentage ratios, the highest percentage ratio in respect of the Disposal exceeds 25% but is less than 75%. As a result, the Disposal will constitute a major transaction of the Company under Chapter 14 of the Listing Rules and is subject to the notification, announcement and shareholders’ approval requirements under Chapter 14 of the Listing Rules.

To the best of the knowledge, information and belief of the Board, having made all reasonable enquiries, none of the Shareholders has a material interest in the Formal Agreement and the transactions contemplated thereunder and therefore, no Shareholder will be required to abstain from voting on the resolution(s) to be proposed at the EGM to approve the Formal Agreement and the transactions contemplated thereunder under Chapter 14 of the Listing Rules.

EGM

A notice of the EGM is set out on pages EGM-1 to EGM-2 of this circular and a form of proxy is also enclosed. Whether or not you are able to attend and vote at the EGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same as soon as possible and in any event not less than 48 hours before the

LETTER FROM THE BOARD

time of the meeting or any adjournment thereof to the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong. Completion and return of the form of proxy will not preclude you from subsequently attending and voting at the meeting or any adjournment thereof should you so wish.

For the purpose of determining the Shareholder's eligibility to attend and vote at the EGM, the register of members of the Company will be closed from Monday, 14 April 2025 to Thursday, 17 April 2025, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the EGM, all duly completed share transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Friday, 11 April 2025 for registration.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, all resolutions to be proposed at the EGM will be voted by poll.

As at Latest Practicable Date, there were 156,699,879 Shares in issue, among which, 6,696,300 Shares were held in trust by Trident Trust Company (HK) Limited appointed by the Company for the purpose to service the Post-IPO Share Award Scheme. Pursuant to Rules 17.05A and 17.12(2) of the Listing Rules and the rules of the Post-IPO Share Award Scheme, Trident Trust Company (HK) Limited shall not exercise voting rights in respect of any Shares held by it in trust, being 6,696,300 Shares, representing approximately 4.27% of the total Shares in issue as at the Latest Practicable Date. Save as above, no other Shareholder is required under the Listing Rules to abstain from voting at the EGM.

An announcement will be made by the Company following the conclusion of the EGM to inform you of the results of the EGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

RECOMMENDATIONS

The Directors (including the independent non-executive Directors) consider that the Disposal, the Formal Agreement and the transactions contemplated thereunder is beneficial to and in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of each of the relevant proposed resolutions at the EGM.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular.

Yours faithfully

For and on behalf of the Board

Renrui Human Resources Technology Holdings Limited

Zhang Jianguo

Chairman and Chief Executive Officer

1. FINANCIAL INFORMATION

The audited consolidated financial statements, together with the accompanying notes to the financial statements, of the Group for the years ended 31 December 2021, 2022 and 2023, and the unaudited consolidated financial statements, together with the accompanying notes to the financial statements of the Group for the six months ended 30 June 2024, are disclosed in the following documents which are published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.renruih.com>):

- (i) Annual report of the Company for the year ended 31 December 2021 (pages 128 to 212)

<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0428/2022042800586.pdf>

- (ii) Annual report of the Company for the year ended 31 December 2022 (pages 136 to 228)

<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0426/2023042600677.pdf>

- (iii) Annual report of the Company for the year ended 31 December 2023 (pages 129 to 224)

<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0426/2024042602062.pdf>

- (iv) Interim report of the Company for the six months ended 30 June 2024 (pages 41 to 80)

<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0920/2024092000463.pdf>

2. STATEMENT OF INDEBTEDNESS

As at 28 February 2025, being the latest practicable date for the purpose of ascertaining the indebtedness of the Group prior to the printing of this circular, the Group had outstanding bank borrowings of approximately RMB514.8 million, comprising unguaranteed bank borrowings of approximately RMB80.0 million secured by bank deposits and/or receivables and unguaranteed and unsecured bank borrowings of approximately RMB434.8 million. As at 28 February 2025, the Group had lease liabilities in respect of its leased properties of approximately RMB29.1 million.

As at 28 February 2025, save as disclosed above, and apart from the normal trade payables, the Directors were not aware of the Group having any other debt securities issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptance credits, debentures, mortgages, charges, hire purchase commitments, guarantees or other contingent liabilities.

3. WORKING CAPITAL STATEMENT

The Directors, after due and careful enquiries and in the absence of unforeseeable circumstances, are of the opinion that, after taking into account the estimated net proceeds from and the effect of the

Disposal and the financial resources available to the Group, including the available credit facilities, the internally generated funds from operations, and cash and bank balances of the Group, the Group has sufficient working capital to satisfy its requirements for at least the next 12 months from the date of this circular.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, save as disclosed in the paragraph headed “Financial Effect of the Disposal” in the “Letter from the Board” in this circular and in the profit warning announcement of the Company dated 10 March 2025 relating to expected loss for the year and expected loss attributable to the equity holders of the Company for the year ended 31 December 2024 attributable to an expected impairment provision of approximately RMB130.9 million against the goodwill arising from the acquisition of the Target Company in light of the recent operating results and cash flows of the Target Company, the Directors were not aware of any material adverse change in the financial or trading position or outlook of the Group since 31 December 2023, being the date to which the latest published audited accounts of the Group have been made up.

5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

The Group is a fast-growing pioneer in the human resources solutions sector of the PRC, primarily engages in the provision of comprehensive flexible staffing services, professional recruitment, and other human resources solutions. The Group has reinvented traditional human resources services with comprehensive digital and cutting-edge technology.

The Group is committed to its development plan and places strong emphasis on key strategic areas, particularly the information technology and digital talent services market. By capitalizing on its scale, efficiency, and capabilities, the Group aims to achieve sustainable long-term growth. As stated in the paragraph headed “Reasons for and benefits of the Disposal” in the Letter from the Board, taking into account the Group’s current working capital and gearing ratio, the Disposal is able to enhance the Group’s cash reserve, improve the gearing ratio, and provide funds to continue the Group’s rapid organic growth in digital technology and cloud services business and to implement the Group’s future global expansion strategies.

Leveraging on the service capabilities and customer base the Group has already established in the information technology and software outsourcing services industry, the Group plans to shift its focus to organic growth in the next few years, in order to seize the opportunity of digital transformation of PRC enterprises, and vigorously develop its digital technology and cloud services. The joint venture entity recently established together with Beyondsoft Corporation also represents a good opportunity for the Group to gain access to reputable clientele leveraging on the existing resources and technical capabilities of Beyondsoft Corporation, so as to bring new momentum to the organic growth of the Group’s digital technology and cloud services. In addition, the cash reserves generated from the Disposal can provide start-up funds for the Group to establish localized recruitment teams and develop service capabilities in various countries, facilitating the Group in accelerating the establishment of subsidiaries in various countries around the world, with a view to seizing market opportunities in the wave of PRC enterprises going global in recent years. The Board is positive in the long-term growth potential of the Group.

The following contents are extracted from the Valuation Report dated 7 March 2025, prepared for the purpose of incorporation in this circular by Beijing Zhongtianhe Assets Appraisal Co., Ltd. (北京中天和資產評估有限公司), an independent valuer, in connection with the value of the entire equity interests in the Target Company as at 31 October 2024.*

The Valuation Report is prepared in Chinese, and the English version is translated from the Chinese version. In the event of any inconsistency between the Chinese and English versions, the Chinese version shall prevail.

Valuation Project on the Value of the Entire Interests of Shareholders of Shanghai Sirui Information Technology Co., Ltd.* (上海思芮信息科技有限公司) Based on the Proposed Equity Transaction Between Neusoft Group Co., Ltd.* (東軟集團股份有限公司) and Shanghai Ruiying Human Resources Technology Group Co., Ltd.* (上海瑞應人才科技集團有限公司)

**資產評估報告(摘要)
Asset Valuation Report (summary)**

Zhong Tian He [2025] Ping Zi No. 90007

Beijing Zhongtianhe Assets Appraisal Co., Ltd. accepted the entrustment of Neusoft Group Co., Ltd.* (東軟集團股份有限公司) and Shanghai Ruiying Human Resources Technology Group Co., Ltd.* (上海瑞應人才科技集團有限公司), and, in accordance with relevant laws, regulations, asset valuation standards and asset valuation principles, adopted the income approach and the market approach, followed the necessary valuation procedures, to carry out an valuation of the market value of the entire interests of shareholders of Shanghai Sirui Information Technology Co., Ltd.* (上海思芮信息科技有限公司) as at 31 October 2024, the valuation reference date, based on the proposed equity transaction between Neusoft Group Co., Ltd. and Shanghai Ruiying Human Resources Technology Group Co., Ltd.. A brief description of the asset valuation and the results of the valuation is set out below:

I. Valuation Purpose:

The purpose of this valuation is to provide a value reference basis for the entire interests of shareholders of Shanghai Sirui Information Technology Co., Ltd. based on the proposed equity transaction between Neusoft Group Co., Ltd. and Shanghai Ruiying Human Resources Technology Group Co., Ltd..

II. Target and Scope of the Valuation:

Based on the economic behaviour of this valuation and the purpose of this valuation, the entrustor has determined that the target of the valuation is the entire equity interests of the shareholders of Shanghai Sirui Information Technology Co., Ltd., of which: total carrying value of assets of RMB662,851,500, total carrying value of liabilities of RMB354,732,900 and carrying value of net assets of RMB308,118,600; the total carrying value of assets of the consolidated calibre of RMB657,302,000, the total carrying value of liabilities of RMB319,802,600, the carrying value of net assets of RMB337,499,300, and the net assets attributable to the parent company of RMB337,499,300.

III. Value Types:

Based on the specific purpose of this valuation, the market conditions on which the valuation is based and the actual situation of the valued enterprise, market value has been selected as the type of valued value for this valuation.

IV. Valuation Reference Date: 31 October 2024.**V. Valuation Approach:** income approach, market approach.**VI. Valuation Conclusion:**

The carrying value of the entire equity interests of shareholders of the valued entity was RMB308,118,600 and the valued value was RMB697,170,000. Compared with the carrying value, the valued value represents an absolute appreciation of RMB389,051,400, with a relative appreciation rate of 126.27%.

VII. Validity period of the valuation: The validity period for the use of these valuation conclusions is one year, i.e. if the purpose of the valuation is achieved within one year after the valuation reference date (i.e. effective from 31 October 2024 to 30 October 2025) and there are no material post-periodic events, the valuation conclusions may be used. Beyond one year, a new asset valuation is required.

VIII. Special Matters:

- (i) The future annual earnings forecast data on which this valuation is based was made by the management of the valued entity on the basis of a full analysis of the industry, the current and future market development of the enterprise and taking into account various assumptions and premises. The management of the valued entity is responsible for the authenticity, scientificity and completeness of the relevant data and information relating to the future profit forecasts of the enterprise provided by the management of the valued entity, as well as the reasonableness and realisability of the future profit forecasts of the enterprise, and we have carried out the necessary analyses and audits in respect of the aforesaid profit forecast data. The valuation assumptions adopted in this income approach valuation are reasonable forecasts of the future operations of the target of the valuation under the current conditions, and the realization of the profit forecasts will be affected by the emergence in the future of various unpredictable factors that may affect the realization of the assumed premises. We would like to remind the entruster and relevant parties that we do not guarantee that the relevant assumptions can be realized, nor do we undertake any obligation to realize or assist in the realization of the relevant assumptions.
- (ii) As of the valuation reference date, the valued entity had a total of 7 patented technologies, of which 4 were at the stage of substantive examination and had not yet been granted patent certificates, and this valuation has not taken into account the impact of this matter on the valuation conclusion.

- (iii) This valuation has not taken into account premiums or discounts arising from factors such as controlling interests and minority interests.

IX. Date of the valuation report: 07 March 2025.

The above is extracted from the main text of the Asset Valuation Report, which should be read in order to understand the details of the valuation engagement and to properly understand the valuation conclusion.

Valuation Project on the Value of the Entire Interests of Shareholders of Shanghai Sirui Information Technology Co., Ltd.* (上海思芮信息科技有限公司) Based on the Proposed Equity Transaction Between Neusoft Group Co., Ltd.* (東軟集團股份有限公司) and Shanghai Ruiying Human Resources Technology Group Co., Ltd.* (上海瑞應人才科技集團有限公司)

資產評估報告
Asset Valuation Report

Zhong Tian He [2025] Ping Zi No. 90007

Neusoft Group Co., Ltd.* (東軟集團股份有限公司) and Shanghai Ruiying Human Resources Technology Group Co., Ltd.* (上海瑞應人才科技集團有限公司),

Beijing Zhongtianhe Assets Appraisal Co., Ltd. accepted the entrustment of Neusoft Group Co., Ltd. and Shanghai Ruiying Human Resources Technology Group Co., Ltd., and, in accordance with relevant laws, regulations, asset valuation standards and asset valuation principles, adopted the income approach and the market approach, followed the necessary valuation procedures, to carry out an valuation of the market value of the entire interests of shareholders of Shanghai Sirui Information Technology Co., Ltd.* (上海思芮信息科技有限公司) as at 31 October 2024, the valuation reference date, based on the proposed equity transaction between Neusoft Group Co., Ltd. and Shanghai Ruiying Human Resources Technology Group Co., Ltd.. The valuation of assets is reported below:

I. Overview of the entrustor, valued entity and other users of the asset valuation report agreed in the asset valuation entrustment contract

(i) Overview of Entrustor I

Name of Entrustor: Neusoft Group Co., Ltd.* (東軟集團股份有限公司)

Residence: No.2 Xinxiu Street, Hunnan New District, Shenyang

Legal representative: Liu Jiren

Registered capital: RMB1,203,703,468

Company type: joint-stock limited company (sino-foreign joint venture, listed)

Establishment date: 17 June 1991

Unified Social Credit Code: 91210100604608172K

Business scope: computer, software, hardware, mechatronics product development, sales, installation, computer software technology development, technology transfer, technical consulting services, site leasing, computer software, hardware leasing, CT machine production, property management, traffic and communications, monitoring, electronic engineering installation, security facilities design and construction, construction of building intelligent engineering, medical electronic

instrumentation and equipment wholesale, clinical Wholesale of medical electronic instruments and equipment, clinical testing and analysing instruments, wholesale and retail of automobile parts and accessories, communication system equipment, design, technical development, technical consulting, technical service, testing and after-sales service of communication terminal equipment, research and development, design, production, sales and after-sales service of multimedia intelligent payment terminal equipment, integrated circuit cards and integrated circuit card readers and writers, R&D, sale and after-sales service of automobile exhaust gas remote sensing monitoring system and environmental monitoring instruments, research and development, sale and technical service of health information management and health information management. and technical services, health information management and consulting services (the above business items do not include diagnosis and treatment), the enterprise's self-produced products and technology import and export business and the enterprise's needs of mechanical equipment, spare parts, raw and auxiliary materials and technology of the import business, but the state limits or prohibits the import and export of goods and technology. (Items subject to approval in accordance with the law may be carried out only after approval by the relevant departments.)

(ii) Overview of Entrustor II

Name of Entrustor: Shanghai Ruiying Human Resources Technology Group Co., Ltd.* (上海瑞應人才科技集團有限公司)

Residence: Room 10, 3F, No. 76-82 Huasheng Road, Jing'an District, Shanghai

Legal representative: Zhang Jianguo

Registered capital: USD66,500,000

Company type: limited liability company (wholly owned by hong kong, macao and taiwan corporations)

Establishment date: 18 February 2022

Unified Social Credit Code: 91310000MA7HG8WG97

Business scope: licensed items: employment intermediary activities. (Items subject to approval by law, only after the approval of the relevant departments can carry out business activities, the specific business items are subject to the approval of the relevant departmental approval documents or permits) General items: software outsourcing services; network technology services; computer system services; information system integration services; information technology consulting services; labour services (excluding labour dispatch); file sorting services; data processing services (except for value-added telecommunication) ; business management consulting; technical services, technology development, technology consulting, technology exchange, technology transfer, technology promotion (except for human stem cells, gene diagnosis and treatment technology development and application); software development (except for audio-visual products and electronic publications). (Except for items subject to approval in accordance with the law, carry out business activities independently in accordance with the law with a business licence)

(iii) Overview of the assessed entity

1. Basic information

Name of valued entity: Shanghai Sirui Information Technology Co., Ltd.* (上海思芮信息科技有限公司) (hereinafter referred to as “Sirui Technology”)

Residence: 1/F, Building 104, No. 1-30, Lane 88, Minbei Road, Minhang District, Shanghai

Legal representative: Meng Hao

Registered capital: RMB55,000,000

Company type: other limited liability company

Establishment date: 7 November 2013

Unified Social Credit Code: 91310230082049421D

Business scope: information technology, computer software and hardware technology in the field of technical services, technical consulting, technology transfer, technology development, computer software and auxiliary equipment, cultural and office supplies, sporting goods, sales of electronic products, publications business. [Items subject to approval in accordance with the law, approved by the relevant departments before carrying out business activities]

Sirui Technology is a high-tech enterprise that provides customers with digital technology services, software solutions and digital operation services based on its leading comprehensive software innovation and R&D capabilities and rich experience in digital service projects. Sirui Technology grasps the opportunities of digital economy development, focuses on customers, accurately understands customers’ needs, provides customers with customised digital technology solutions and end-to-end integrated process services, and actively provides assistance for customers’ digital and intelligent development, and is committed to becoming a professional and innovative digital technology service provider. Sirui Technology has a profound industry and customer accumulation, and has set up 13 support platforms in Beijing, Shanghai, Nanjing, Guangzhou, Shenzhen, Qingdao, Hangzhou, Wuhan, Chengdu, Xi’an, Shenyang, Dalian, Zhengzhou and other cities. The target company has more than 5,000 employees, distributed in more than 70 cities across China, serving more than 200 high-quality customers in high-tech, Internet, advanced manufacturing and other fields. The target company has been awarded “Shanghai Top 100 Enterprises in Software and Information Technology Service Industry” and “Enterprises with Specialized, Refined, Characteristic and Innovative Features” by Shanghai Municipal Commission of Economy and Information Technology, “Shenyang Digital Business Industry Ecological Alliance” by Shenyang Digital Economy Enterprises Association, “Tianjin Gazelle Enterprise” and “High and New Technology Enterprise” by Tianjin Science and Technology Bureau, “Supply and Demand Docking Employment Nurturing Project List” by Department of Higher Education Students of Ministry of Education, and other honours and certifications.

2. Establishment and history of the company

(1) Shareholders of the company and shareholding ratio

Shanghai Sirui Information Technology Co., Ltd. is a limited liability company established by Dalian Neusoft Siwei Technology Development Co., Ltd. (大連東軟思維科技發展有限公司) in November 2013 with a registered capital of RMB5,000,000 and a capital verification report (Jun He Kuai Shi Bao Zi (2013) No. NY024) issued by Shanghai Junhe Accounting Firm Co., Ltd. (上海君禾會計師事務所有限公司).

In November 2016, according to the resolution of the shareholders of Shanghai Sirui Information Technology Co., Ltd., Dalian Neusoft Siwei Technology Development Co., Ltd. transferred its entire 100% equity interests in the company to Dalian Neusoft Holdings Co., Ltd.* (大連東軟控股有限公司), with no change in the registered capital.

In March 2017, Sirui Technology increased its registered capital by RMB45,000,000, which was funded by Dalian Neusoft Holdings Co., Ltd.. The registered capital was changed from RMB5,000,000 to RMB50,000,000.

In October 2020, Sirui Technology had a new shareholder, Tianjin Ruiyi Enterprise Management Consulting Center (Limited Partnership)* (天津芮屹企業管理諮詢中心 (有限合夥)), with a additional registered capital of RMB RMB1,500,000, which was funded by Tianjin Ruiyi Enterprise Management Consulting Center. The registered capital was changed from RMB50,000,000 to RMB51,500,000. After the completion of the change, the shareholding structure of Sirui Technology was changed to:

No.	Name of Shareholders	Amount of Contribution (RMB'0,000)	Percentage of Contribution
1	Dalian Neusoft Holdings Co., Ltd.* (大連東軟控股有限公司)	5,000.00	97.09%
2	Tianjin Ruiyi Enterprise Management Consulting Center (Limited Partnership)* (天津芮屹企業管理諮詢中心 (有限合夥))	150.00	2.91%
	Total	5,150.00	100%

APPENDIX II SUMMARY OF VALUATION REPORT OF THE TARGET COMPANY

In October 2020, Sirui Technology increased its registered capital by RMB2,000,000, which was funded by Tianjin Ruiyi Enterprise Management Consulting Center. The registered capital was changed from RMB51,500,000 to RMB53,500,000. After the completion of the change, the shareholding structure of Sirui Technology was changed to:

No.	Name of Shareholders	Amount of Contribution (RMB'0,000)	Percentage of Contribution
1	Dalian Neusoft Holdings Co., Ltd.* (大連東軟控股有限公司)	5,000.00	93.46%
2	Tianjin Ruiyi Enterprise Management Consulting Center (Limited Partnership)* (天津芮屹企業管理諮詢中心(有限合夥))	350.00	6.54%
	Total	5,350.00	100%

In August 2021, Sirui Technology increased its registered capital by RMB1,500,000, which was funded by Tianjin Ruiyi Enterprise Management Consulting Center. The registered capital was changed from RMB53,500,000 to RMB55,000,000. After the completion of the change, the shareholding structure of Sirui Technology was changed to:

No.	Name of Shareholders	Amount of Contribution (RMB'0,000)	Percentage of Contribution
1	Dalian Neusoft Holdings Co., Ltd.* (大連東軟控股有限公司)	5,000.00	90.91%
2	Tianjin Ruiyi Enterprise Management Consulting Center (Limited Partnership)* (天津芮屹企業管理諮詢中心(有限合夥))	500.00	9.09%
	Total	5,500.00	100%

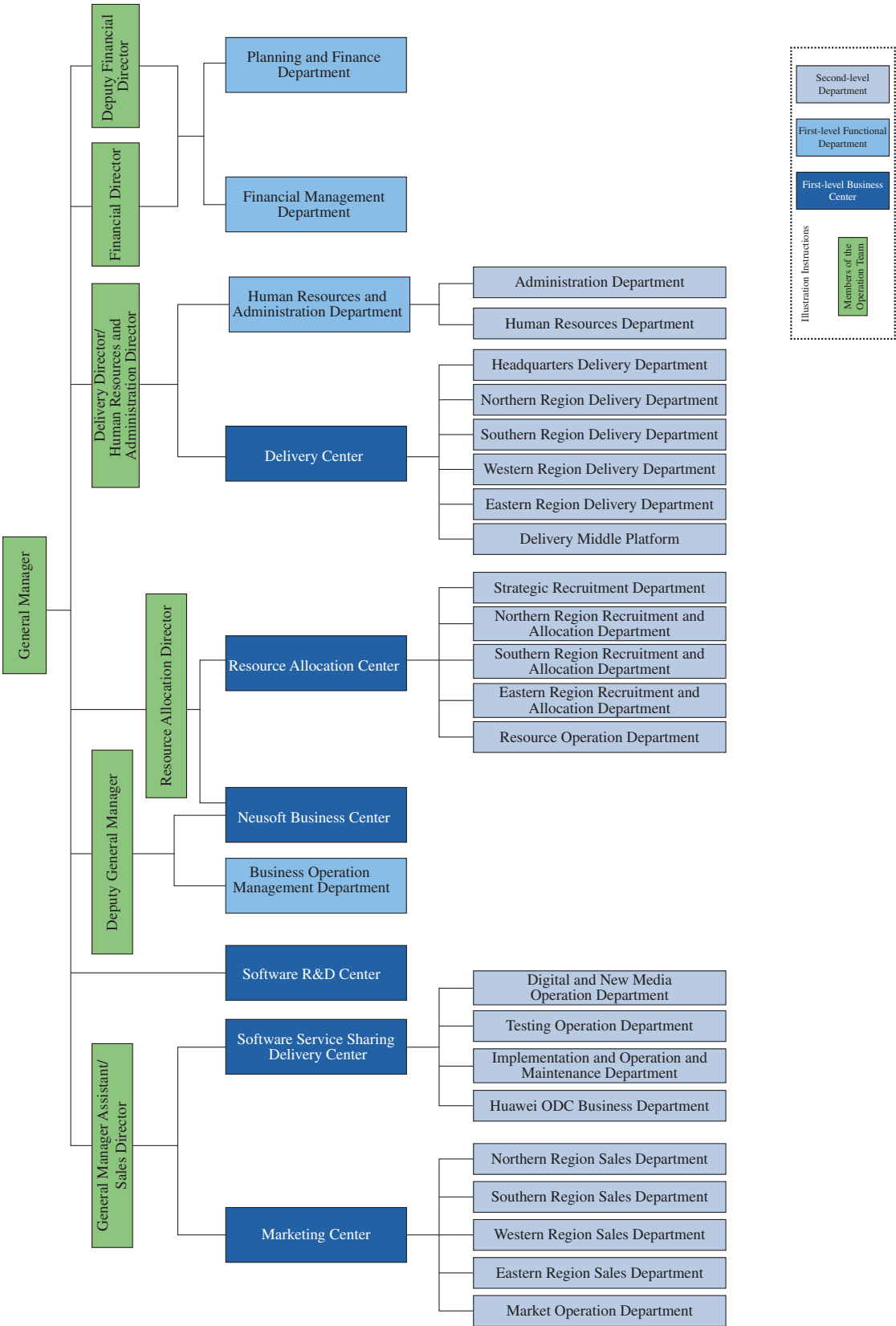
APPENDIX II SUMMARY OF VALUATION REPORT OF THE TARGET COMPANY

In September 2022, Sirui Technology had a new shareholder, Shanghai Ruiying Human Resources Technology Group Co., Ltd. and Dalian Neusoft Holdings Co., Ltd. transferred 46% of the equity interest in Sirui Technology to Shanghai Ruiying Human Resources Technology Group Co., Ltd. and 1.91% of the equity interest to Tianjin Ruiyi Enterprise Management Consulting Center (Limited Partnership), with no change in the registered capital. After the completion of the change, the shareholding structure of Sirui Technology was changed to:

No.	Name of Shareholders	Amount of Contribution (RMB'0,000)	Percentage of Contribution
1	Shanghai Ruiying Human Resources Technology Group Co., Ltd.	2,530.00	46%
2	Dalian Neusoft Holdings Co., Ltd.	2,365.00	43%
3	Tianjin Ruiyi Enterprise Management Consulting Center (Limited Partnership)	605.00	11%
	Total	5,500.00	100%

(2) Company property rights and operating management structure

See the following page for a chart of shareholding of Sirui Technology and operating management structure:



APPENDIX II SUMMARY OF VALUATION REPORT OF THE TARGET COMPANY

(3) Situation of subsidiaries

There are 5 wholly-owned subsidiaries under Shanghai Sirui Information Technology Co., Ltd., which are as follows:

No.	Name of Equity Investment Entity	Contributed Capital (RMB'0,000)	Shareholding
1	Shenyang Sirui Information Technology Co., Ltd. (瀋陽斯銳信息科技有限公司)	100.00	100%
2	Dalian Sirui Information Technology Co., Ltd. (大連斯銳信息技術有限公司)	500.00	100%
3	Tianjin Sirui Information Technology Co., Ltd. (天津思芮信息科技有限公司)	1,000.00	100%
4	Guangzhou Sirui Information Technology Co., Ltd. (廣州思芮信息科技有限公司)	210.00	100%
5	Zhengzhou Sirui Information Technology Co., Ltd. (鄭州思芮信息科技有限公司)	1,000.00	100%

3. Assets, financial and operational position in the last three years

**Statement of assets, financial and operating position of
the valued entity for the past three years
(RMB'0,000)**

Items	2021	2022	2023	January to October 2024
Total assets	42,526.46	48,604.70	57,513.68	65,730.20
Net assets	30,022.00	25,830.21	31,684.21	33,749.93
Operating income	86,431.77	90,365.79	94,096.79	75,520.03
Total profit for the year	5,150.19	4,257.68	5,829.29	1,504.22
Net profit for the year	4,499.78	3,977.37	5,776.12	1,610.92

The above figures are quoted from the audited consolidated statements provided by the valued entity.

The accounting statements of the valued enterprise for the years 2021 and 2022 were audited by Liaoning Yixin Certified Public Accountants Co., Ltd. (遼寧益信德會計師事務所有限公司) and an unqualified audit report was issued, and the accounting statements of the valued entity for the year 2023 and the reference date were audited by RSM China CPA LLP (容誠會計師事務所 (特殊普通合夥)) and an audit report (Rong Cheng Shen Zi [2025] No. 110Z0023) was issued. The carrying values quoted in this valuation are the audited carrying values.

4. Relationship between the entrustor and the valued entity

The entrustor is a potential acquirer and related party of the valued entity.

(ii) Matters not included in the scope of the valuation

There are no matters not included in the scope of the valuation.

(iii) Other users of the valuation report

According to the agreement between the entrustor and the valuation institution in the asset valuation business entrustment contract, the users of this valuation report other than the entrustor are the users of the valuation report as specified by the State-owned Assets Management Department and other national laws and regulations.

II. Valuation Purpose

The purpose of this valuation as determined by the entrustor is to provide a value reference basis for the entire interests of shareholders of Shanghai Sirui Information Technology Co., Ltd. based on the proposed equity transaction between Neusoft Group Co., Ltd. and Shanghai Ruiying Human Resources Technology Group Co., Ltd..

III. Target and scope of the valuation

(i) Target of the valuation:

Based on the economic behaviour of this valuation and the purpose of this valuation, the entrustor has determined that the target of the valuation is the entire equity interests of the shareholders of Shanghai Sirui Information Technology Co., Ltd..

(ii) Scope of the the valuation:

The assets and liabilities included in this valuation are all the assets and liabilities of the valued entity. The carrying values quoted in this valuation have been declared by the valued entity and audited by RSM China CPA LLP. The carrying values quoted in this valuation are determined based on the audited carrying values.

APPENDIX II SUMMARY OF VALUATION REPORT OF THE TARGET COMPANY

The specific carrying values included in the scope of valuation (consolidated calibre) are set out in the table below:

(Amount in RMB'0,000)

Items	No.	Carrying Value	Items	No.	Carrying Value
Current assets	1.	64,363.86	Long-term amortized		
Non-current assets	2.	1,366.33	expenses	11.	121.75
Long-term receivables	3.		Deferred income tax		
Long-term equity			assets	12.	203.80
investments	4.		Other non-current assets	13.	
Investments in other			Total assets	14.	65,730.20
equity instruments	5.		Current liability	15.	31,921.86
Fixed assets	6.	157.97	Non-current liability	16.	58.40
Construction in progress	7.		Total liabilities	17.	31,980.26
Right-of-use assets	8.	119.56	Net assets attributable to		
Intangible assets	9.	763.25	mother company	18.	33,749.93
Goodwill	10.		Net assets	19.	33,749.93

The specific carrying values included in the scope of valuation (parent company calibre) are set out in the table below:

Items	No.	Carrying Value	Items	No.	Carrying Value
Current assets	1.	62,922.57	Long-term amortized		
Non-current assets	2.	3,362.58	expenses	11.	85.22
Long-term receivables	3.		Deferred income tax		
Long-term equity			assets	12.	202.22
investments	4.	2,083.06	Other non-current assets	13.	
Investments in other			Total assets	14.	66,285.15
equity instruments	5.		Current liability	15.	35,473.29
Fixed assets	6.	157.91	Non-current liability	16.	
Construction in progress	7.		Total liabilities	17.	35,473.29
Right-of-use assets	8.	7.94	Net assets	18.	30,811.86
Intangible assets	9.	826.22			
Goodwill	10.				

The specific targets and scope of valuation are detailed in the valuation schedule completed by the valued entity.

Upon verification by the valuers, the contents of the valuation schedule completed by the valued entity were consistent with the contents of the balance sheet provided by the audit entity, the entrustor had undertaken that there were no assets and liabilities that should have been included but were not included in the scope of the current valuation, and the assets included in the scope of the valuation were in line with the scope determined at the time of the entrusting of the valuation.

(iii) Type and quantity of off-balance sheet assets declared by the enterprise

As of the valuation reference date, the valued entity has declared a total of 7 patents for inventions and designs; 129 self-developed software copyrights; 12 trademarks applied for; and 2 website domain names; except for 6 software copyrights which have been capitalised, the rest of the research and development costs incurred are fully expensed and are not reflected in the accounts, and the major invention patent information is as follows:

Patent Number	Patent Name	Rights Holder	Patent Type	Authorization Issue Date
CN202430080138.1	Graphical user interface for the teaching assets management of electronic devices	Shanghai Sirui Information Technology Co., Ltd.	Appearance Design	2024-10-29
CN202410252738.0	A teaching resource management method, device, equipment and storage medium	Shanghai Sirui Information Technology Co., Ltd.	Granted Patent (Invention)	2024-09-24
CN202330426002.7	Graphical user interface for face recognition in meeting management on the display screen panel	Shanghai Sirui Information Technology Co., Ltd.	Appearance Design	2024-03-15
CN202311069216.9	A message communication method, device, electronic equipment and storage medium	Shanghai Sirui Information Technology Co., Ltd.	Invention Publication	Substantive Examination Stage
CN202310822832.0	A negative first screen display method, device, electronic equipment and storage medium	Shanghai Sirui Information Technology Co., Ltd.	Invention Publication	Substantive Examination Stage

APPENDIX II SUMMARY OF VALUATION REPORT OF THE TARGET COMPANY

Patent Number	Patent Name	Rights Holder	Patent Type	Authorization Issue Date
CN202310847793.X	A meeting reservation method, device, electronic equipment and medium	Shanghai Sirui Information Technology Co., Ltd.	Invention Publication	Substantive Examination Stage
CN202310828299.9	A gesture control method, system, device, medium for the in-vehicle central control screen and the vehicle	Shanghai Sirui Information Technology Co., Ltd.	Invention Publication	Substantive Examination Stage

The main copyright information is as follows:

Registration Number	Software Copyright Name	Rights Holder	Acquisition Method	First Issue Date
2024SR2236745	Sirui Hongmeng-side Intelligent Asset Management and Control Platform Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2024-06-30
2024SR1912342	Intelligent Project Progress Tracking Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2024-01-15
2024SR1392894	Master Data System Data Synchronization Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2024-01-18
2024SR1078553	Integrated Business Operation and Marketing Management System	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2023-08-29
2024SR1077810	One-stop Human Resources Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2023-12-20
2024SR0378186	Sirui Human Resources Management Software 2024SR0378186	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2023-08-01

APPENDIX II SUMMARY OF VALUATION REPORT OF THE TARGET COMPANY

Registration Number	Software Copyright Name	Rights Holder	Acquisition Method	First Issue Date
2024SR0339318	Sirui PC-side Intelligent Training Room Management and Control Platform Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2023-11-28
2024SR0338030	Sirui Electronic Class Signboard-side Intelligent Training Room Management and Control Platform Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2023-11-28
2024SR0338310	Sirui Intelligent Training Room Management and Control Underlying Data Docking and Integration Platform Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2023-11-28
2024SR0338636	Sirui Mobile-side Intelligent Training Room Management and Control Platform Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2023-11-28
2024SR0209267	Niu Ren Job Hunting APP Application Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2023-12-18
2024SR0209803	Human Resources Big Data Platform Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2023-12-18
2023SR1650726	Shipin Operation Platform Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2023-09-30
2023SR1276550	Sirui Brand Authorization Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2023-08-01
2023SR1268228	Sirui Domestic Digital Supplier Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2023-08-01

APPENDIX II SUMMARY OF VALUATION REPORT OF THE TARGET COMPANY

Registration Number	Software Copyright Name	Rights Holder	Acquisition Method	First Issue Date
2023SR1268285	Sirui Online Review Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2023-08-01
2023SR1268360	Sirui Business Accounting Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2023-08-01
2023SR1268392	Sirui Application Performance Management and Monitoring Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2023-08-01
2023SR1264208	Sirui Financial Online Reporting Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2023-08-01
2023SR1265254	Sirui Bid Evaluation Expert Database Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2023-08-01
2023SR1263564	Sirui Customer Relationship Management Software 2023SR1263564	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2023-08-01
2023SR1263858	Sirui Smart Industrial Park Property Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2023-08-01
2023SR0554037	Sirui Automated Testing Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2023-02-01
2022SR1520918	Sirui Medical Supply Chain Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2022-09-06

APPENDIX II SUMMARY OF VALUATION REPORT OF THE TARGET COMPANY

Registration Number	Software Copyright Name	Rights Holder	Acquisition Method	First Issue Date
2022SR1497214	Sirui Smart Sewage Monitoring Platform Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2022-09-05
2022SR1497523	Sirui Computer Room Monitoring Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2022-09-06
2022SR1497453	Sirui Enterprise Digital and Intelligent Working Hours Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2022-03-31
2022SR1497452	Sirui “Rui” Office Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2022-09-06
2022SR1497507	Sirui Wind Farm Performance Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2022-09-06
2022SR1497216	Sirui Smart Classroom Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2022-09-05
2022SR1497212	Sirui Smart Agricultural Breeding Platform Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2022-09-06
2022SR1497217	Sirui Campus Security Monitoring Platform Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2022-07-30
2022SR1497213	Sirui Quality System Internal and External Audit Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2022-09-06

APPENDIX II SUMMARY OF VALUATION REPORT OF THE TARGET COMPANY

Registration Number	Software Copyright Name	Rights Holder	Acquisition Method	First Issue Date
2022SR1497218	Sirui General Business Middleware Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2022-09-06
2022SR1497215	Sirui Intelligent Training Room Monitoring Platform Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2022-09-06
2022SR0983211	Sirui Equipment Management System	Shanghai Sirui Information Technology Co., Ltd.	self-developed	unissued
2022SR0936473	Sirui Master Data Management System	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2022-04-30
2022SR0250965	Sirui Resource Platform Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2021-12-20
2022SR0250962	Sirui Salary Management Platform	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2021-12-20
2022SR0240121	Sirui Brand Official Website Project Management Platform	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2021-12-20
2021SR2166225	Sirui Asphalt Smart Factory Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2021-11-04
2021SR2165206	Sirui AHR Course Training Management Platform	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2021-11-08

APPENDIX II SUMMARY OF VALUATION REPORT OF THE TARGET COMPANY

Registration Number	Software Copyright Name	Rights Holder	Acquisition Method	First Issue Date
2021SR2156777	Sirui Blockchain Training Management Platform	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2021-11-03
2021SR2156195	Sirui AIoT Experimental Training Management Platform	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2021-11-08
2021SR2156862	Sirui AHR Recruitment Management Platform	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2021-11-08
2021SR2156194	Sirui Smart Classroom Contactless Attendance Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2021-11-08
2021SR2158010	Sirui Information System Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2021-11-08
2021SR2156197	Sirui Health Big Data Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2021-11-08
2021SR2156119	Sirui Internet of Things Management Platform Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2021-11-04
2021SR2156683	Sirui Intelligent Vehicle Connectivity Platform Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2021-11-04
2021SR2158009	Sirui Reimbursement System Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2021-11-08

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Registration Number	Software Copyright Name	Rights Holder	Acquisition Method	First Issue Date
2021SR2124241	Sirui Smart Self-study Room Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2021-11-08
2021SR2101009	Sirui Health Interconnection Platform Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2021-11-08
2020SR1868896	Sirui Vehicle Replacement Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2020-11-02
2020SR1760017	Sirui Smart Body Temperature Monitoring Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2020-11-01
2020SR1760235	Sirui Human Resources Service Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2020-11-01
2020SR1760018	Sirui Smart Energy Mobile Platform Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2020-11-01
2020SR1760222	Sirui Smart Dormitory Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2020-11-03
2020SR1760345	Sirui Online Education Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2020-11-02
2020SR1760242	Sirui Epidemic Prevention and Control Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2020-11-03

APPENDIX II SUMMARY OF VALUATION REPORT OF THE TARGET COMPANY

Registration Number	Software Copyright Name	Rights Holder	Acquisition Method	First Issue Date
2020SR1760232	Sirui Smart Environmental Protection Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2020-11-03
2020SR1760015	Sirui Epidemic Transfer Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2020-11-02
2020SR1760338	Sirui Smart Access Control Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2020-11-03
2020SR1660047	Sirui AI Experiment Platform Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2020-10-10
2020SR1660046	Sirui Warehouse Informatization Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2020-10-03
2020SR1657667	Sirui Working Hours Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2020-10-03
2020SR1653449	Sirui Logistics Kanban Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2020-10-09
2020SR1657664	Sirui Smart Big Data Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2020-10-09
2020SR1603898	Sirui Business Intelligence Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	unissued

APPENDIX II SUMMARY OF VALUATION REPORT OF THE TARGET COMPANY

Registration Number	Software Copyright Name	Rights Holder	Acquisition Method	First Issue Date
2020SR0275560	Sirui Welfare Service Application Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2019-09-30
2020SR0277725	Sirui Requirement Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2019-03-30
2020SR0277758	Sirui Official Website Back-end Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2019-10-28
2020SR0277731	Sirui Teaching Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2019-10-08
2020SR0275584	Sirui Energy Comprehensive Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2019-10-04
2020SR0277756	Sirui Comprehensive Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2019-08-12
2020SR0275572	Sirui Library Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2019-09-26
2020SR0277789	Sirui Customer Relationship Management Software 2020SR0277789	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2019-12-22
2020SR0277717	Sirui Project Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2019-09-09

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Registration Number	Software Copyright Name	Rights Holder	Acquisition Method	First Issue Date
2020SR0277834	Sirui Equipment Management and Monitoring Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2019-11-29
2020SR0277734	Sirui Intelligent Community Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2019-11-29
2020SR0275578	Sirui Employee Points Mall Management Software 2020SR0275578	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2019-10-07
2020SR0277721	Sirui Recruitment Management Software 2020SR0277721	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2019-10-10
2019SR0027469	Sirui Academic Society Information Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2018-10-17
2019SR0027463	Sirui Trade Union Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2018-10-10
2019SR0026605	Sirui Intellectual Property Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2018-10-03
2019SR0027704	Sirui Logistics Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2018-09-16
2019SR0026347	Sirui Supplier Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2018-09-30

APPENDIX II SUMMARY OF VALUATION REPORT OF THE TARGET COMPANY

Registration Number	Software Copyright Name	Rights Holder	Acquisition Method	First Issue Date
2019SR0027479	Sirui Training Platform	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2018-10-13
2019SR0028133	Sirui Marketing Information Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2018-09-08
2019SR0024853	Sirui Third-Party Procurement Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2018-09-25
2019SR0023843	Sirui Human Resources Management Software 2019SR0023843	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2018-10-22
2019SR0023708	Sirui Charging Information Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2018-10-06
2019SR0024354	Sirui Smart Community Service Management Platform	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2018-09-10
2018SR860473	Sirui Precision Medicine Data Management System	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2018-07-06
2018SR860741	Sirui Network Equipment Management System	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2018-08-16
2017SR739980	Sirui Environment Management Information Software Based on Intelligent Support	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2017-10-31

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Registration Number	Software Copyright Name	Rights Holder	Acquisition Method	First Issue Date
2017SR739540	Sirui Xiangyang Business Entity Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2017-11-03
2017SR739527	Sirui Medical Insurance Connect Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2017-11-02
2017SR736359	Sirui House Expropriation Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2017-10-30
2017SR612772	Sirui Enterprise Number Management Platform	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2017-08-16
2017SR610817	Sirui Foreign Trade Comprehensive Service Management Platform Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2017-08-17
2017SR610919	Sirui Operation Management Platform Software 2017SR610919	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2017-07-20
2017SR612365	Sirui IT Informatization Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2017-07-24
2017SR612404	Sirui Recruitment Management Software 2017SR612404	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2017-08-27
2017SR612779	Sirui Yingkesong Logistics Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2017-07-15

APPENDIX II SUMMARY OF VALUATION REPORT OF THE TARGET COMPANY

Registration Number	Software Copyright Name	Rights Holder	Acquisition Method	First Issue Date
2017SR612396	Sirui Campus Information Self-service Management Platform Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2017-08-10
2017SR610909	Sirui Campus Points Application Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2017-09-01
2017SR612359	Sirui Party Building Platform Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2017-08-02
2017SR610739	Sirui Tumor Big Data Analysis Platform	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2017-08-22
2017SR612369	Sirui Employee Points Mall Management Software 2017SR612369	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2017-07-10
2017SR128107	Sirui Health Knowledge Base Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2016-12-30
2017SR129707	Sirui Hospital Safety Prevention Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2017-02-08
2017SR128095	Sirui E-commerce Platform Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2016-12-13
2017SR128088	Sirui Archives Management Platform Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2016-12-05

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Registration Number	Software Copyright Name	Rights Holder	Acquisition Method	First Issue Date
2017SR128100	Sirui Fixed Assets Management Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2016-12-30
2017SR124284	Sirui Recruitment Management Software 2017SR124284	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2016-12-21
2017SR126471	Sirui Operation Management Platform Software 2017SR126471	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2017-01-10
2015SR056946	Sirui Questionnaire Survey Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2014-11-25
2015SR053406	Sirui Online Examination Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2014-11-12
2015SR047059	Sirui FAQ Knowledge Base Software	Shanghai Sirui Information Technology Co., Ltd.	self-developed	2014-11-01
2023SR1268406	Sirui Seal Management Software	Tianjin Sirui Information Technology Co., Ltd.	self-developed	2023-08-01
2023SR1265586	Sirui Legal Affairs Management Software	Tianjin Sirui Information Technology Co., Ltd.	self-developed	2023-08-01
2022SR1521969	Sirui Internet of Things Monitoring Platform Software	Tianjin Sirui Information Technology Co., Ltd.	self-developed	2022-09-06

APPENDIX II SUMMARY OF VALUATION REPORT OF THE TARGET COMPANY

Registration Number	Software Copyright Name	Rights Holder	Acquisition Method	First Issue Date
2022SR1522922	Sirui Virtual Reality Simulation Platform Software	Tianjin Sirui Information Technology Co., Ltd.	self-developed	2022-09-06
2022SR1522329	Sirui Smart Medical Service Platform Software	Tianjin Sirui Information Technology Co., Ltd.	self-developed	2022-09-06
2022SR1514230	Sirui Real-time Epidemic Detection Software	Tianjin Sirui Information Technology Co., Ltd.	self-developed	2022-09-05
2022SR1504961	Sirui Project Schedule Management Software	Tianjin Sirui Information Technology Co., Ltd.	self-developed	2022-09-06
2022SR1497458	Sirui Intelligent Vehicle Networking Software	Tianjin Sirui Information Technology Co., Ltd.	self-developed	2022-08-30
2022SR1497457	Sirui Smart Environment Monitoring Platform Software	Tianjin Sirui Information Technology Co., Ltd.	self-developed	2022-09-06
2022SR1497648	Sirui Non-quoted Recruitment Platform Software	Tianjin Sirui Information Technology Co., Ltd.	self-developed	2022-09-06
2021SR2168438	Sirui Task Management System	Tianjin Sirui Information Technology Co., Ltd.	self-developed	2021-11-01
2021SR2175065	Sirui AI Attendance System Management Software	Tianjin Sirui Information Technology Co., Ltd.	self-developed	2021-11-03

APPENDIX II SUMMARY OF VALUATION REPORT OF THE TARGET COMPANY

Registration Number	Software Copyright Name	Rights Holder	Acquisition Method	First Issue Date
2021SR2168402	Sirui Illegally Parked Vehicle Inquiry System	Tianjin Sirui Information Technology Co., Ltd.	self-developed	2021-11-01
2021SR2175325	Sirui Media Resources Software	Tianjin Sirui Information Technology Co., Ltd.	self-developed	2021-11-01
2021SR2174188	Sirui Vehicle Management System	Tianjin Sirui Information Technology Co., Ltd.	self-developed	2021-11-01
2021SR2168462	Sirui Sales Management System	Tianjin Sirui Information Technology Co., Ltd.	self-developed	2021-11-03
2021SR2168401	Sirui Community Value-added Software	Tianjin Sirui Information Technology Co., Ltd.	self-developed	2021-11-01
2019SR1226307	Sirui Human Resources Management Software	Dalian Sirui Information Technology Co., Ltd.	self-developed	2019-05-23
2019SR0917044	Sirui Human Resources Attendance Management Software	Guangzhou Sirui Information Technology Co., Ltd.	self-developed	

APPENDIX II SUMMARY OF VALUATION REPORT OF THE TARGET COMPANY

The main trademark information is as follows:

No.	Right Holder/Applicant	Registration Certificate Number	Trademark Example Diagram	Trademark Class	Validity Period	Trademark Status
1	上海思芮信息科技有限公司	59492272		42	2022.03.21-2032.03.20	注册商標
2	上海思芮信息科技有限公司	59485705		41	2022.03.21-2032.03.20	注册商標
3	上海思芮信息科技有限公司	59479590		9	2022.03.21-2032.03.20	注册商標
4	上海思芮信息科技有限公司	59475587		41	2022.03.21-2032.03.20	注册商標
5	上海思芮信息科技有限公司	59474153		35	2022.03.14-2032.03.13	注册商標
6	上海思芮信息科技有限公司	59474144		35	2022.03.14-2032.03.13	注册商標
7	上海思芮信息科技有限公司	59474115		9	2022.03.21-2032.03.20	注册商標
8	上海思芮信息科技有限公司	59471275		42	2022.03.14-2032.03.13	注册商標
9	上海思芮信息科技有限公司	44069050		42	2020.10.07-2030.10.06	注册商標
10	上海思芮信息科技有限公司	44067637		9	2020.10.07-2030.10.06	注册商標
11	上海思芮信息科技有限公司	44067212		41	2020.10.07-2030.10.06	注册商標
12	上海思芮信息科技有限公司	44061787		35	2020.10.07-2030.10.06	注册商標

The copyright information of the major works is as follows:

Registration Number	Name of Work	Rights Holder	Type of Work	First Issue Date
Guo Zuo Deng Zi -2021-F-00264140	Sirui Enterprise LOGO	Shanghai Sirui Information Technology Co., Ltd.	Art Work	2021-08-24

(iv) Cite reports issued by other institutions

None.

IV. Value Types and their Definitions

In accordance with the specific purpose of this valuation, the market conditions on which the valuation was based and the actual situation of the valued entity, market value was selected as the type of valued value for this valuation.

The type of value of an asset valuation refers to the value attributes of the asset valuation result and the form in which they are expressed.

Market value refers to the estimated amount at which the target of valuation would be worth in a normal arm's length transaction on the valuation reference date between a willing buyer and a willing seller, each acting rationally and without any compulsion.

V. Valuation reference date

- (i) The valuation reference date of this project is 31 October 2024, which was determined by the Principal.
- (ii) The reference date is the end of the accounting period.
- (iii) The price standard used in the valuation is that of the purchasing power of the local currency on the valuation reference date.
- (iv) The exchange rate used in the valuation is the spot rate as at 31 October 2024, the valuation reference date.

VI. Valuation Basis***(i) Basis of economic behaviour***

“Announcement of Resolutions of the Seventeenth Meeting of the Board of Directors of Neusoft Group Co., Ltd.”.

(ii) Legal and regulatory basis

1. The “Securities Law of the People’s Republic of China” (as amended and adopted on 28 December 2019 by the 15th meeting of the Standing Committee of the 13th National People’s Congress of the People’s Republic of China);
2. The “Law of the People’s Republic of China on Asset Valuation (adopted on 2 July 2016 by the Standing Committee of the National People’s Congress);
3. Refer to the “Law of the People’s Republic of China on State-owned Assets of Enterprises” (adopted on 28 October 2008 by the Standing Committee of the National People’s Congress);
4. The “Notice of the Ministry of Finance on the Issuance of the Basic Standards for Asset Valuation” (Cai Zi [2017] No.43);
5. The “Company Law of the People’s Republic of China” (as amended for the second time at the Seventh Meeting of the Standing Committee of the Fourteenth National People’s Congress on 29 December 2023);
6. The “Civil Code of the People’s Republic of China” (as adopted on 28 May 2020 at the Third Session of the Thirteenth National People’s Congress);
7. The “Enterprise Income Tax Law of the People’s Republic of China” (as amended for the second time on 29 December 2018 at the Seventh Meeting of the Standing Committee of the Thirteenth National People’s Congress);
8. The “Patent Law of the People’s Republic of China” (Fourth Amendment to the Decision on Amending the “Patent Law of the People’s Republic of China” of the Twenty-second Session of the Standing Committee of the Eleventh National People’s Congress on 17 October 2020);
9. The “Copyright Law of the People’s Republic of China” (as amended for the second time by the Decision on Amending the “Copyright Law of the People’s Republic of China” of the Thirteenth Session of the Standing Committee of the Eleventh National People’s Congress on 26 February 2010);

10. The “Trademark Law of the People’s Republic of China” (as amended for the fourth time on 23 April 2019 at the Tenth Meeting of the Standing Committee of the Thirteenth National People’s Congress);
11. Reference to the “Interim Measures for the Administration of Enterprise State-owned Assets Valuation” (Guo Wu Yuan Guo Zi Wei Ling No.12 Ling);
12. Reference to the “Provisions on Several Issues Concerning the Administration of State-owned Asset Valuation” (Zhong Hua Ren Min Gong He Guo Cai Zheng Bu Ling No.14);
13. Reference to the “Interim Measures for the Administration of Transfer of State-owned Property Rights of Enterprises” (Guo Zi Wei, Cai Zheng Bu Ling No.3);
14. Reference to the “Notice on Relevant Issues Concerning the Strengthening of the Management of Enterprise State-owned Assets Valuation” (Guo Zi Wei Chan Quan [2006] No.274);
15. Reference to the “Rules for the Implementation of Administrative Measures for the Valuation of State-owned Assets” (Yuan Guo Jia Guo You Zi Chan Guan Li Ju Guo Zi Ban Fa [1992] No.36);
16. The “Regulations on the Implementation of the Copyright Law of the People’s Republic of China” (Guo Wu Yuan Ling No.633, 2013);
17. The “Regulations on the Protection of Computer Software” (Guo Wu Yuan Ling No.632, 2013);
18. The “Measures for the Registration of Computer Software Copyright” (Guo Jia Ban Quan Ju Ling No.1, 2002);
19. The “Regulations for the Implementation of the Trademark Law of the People’s Republic of China” (amended by Decree No. 651 of the State Council in 2014);
20. The “Measures for Financial Supervision and Administration of the Asset Valuation Industry (Zhong Hua Ren Min Gong He Guo Cai Zheng Bu Ling No.97);
21. The “Circular of the State Administration of Taxation on Comprehensively Pushing Forward the Pilot Project of Changing Business Tax to Value-added Tax” (Cai Shui [2016] No. 36);
22. The “Regulations of the People’s Republic of China on the Implementation of the Enterprise Income Tax Law (promulgated by Decree of the State Council No. 512 and amended by Decree of the State Council No. 714);
23. Other laws and regulations relating to asset valuation, etc.

(iii) Basis for valuation standards

1. The “Basic Standards for Asset Valuation” (Cai Zi [2017] No.43);
2. The “Standards on Professional Ethics in Asset Valuation” (Zhong Ping xie [2017] No.30);
3. The “Standards for Asset Valuation Practice - Asset Valuation Procedures” (Zhong Ping xie [2018] No.36);
4. The “Standards for the Practice of Asset Valuation-Asset Valuation Reports” (Zhong Ping xie [2018] No.35);
5. The “Standards for the Practice of Asset Valuation-Asset Valuation Methods” (Zhong Ping xie [2019] No.35);
6. The “Standards for the Practice of Asset Valuation-Enterprise Value” (Zhong Ping xie [2018] No.38);
7. The “Standards for the Practice of Asset Valuation-Asset Valuation Entrustment Contract” (Zhong Ping xie [2017] No.33);
8. The “Guidelines on Types of Asset Valuation Values” (Zhong Ping xie [2017] No.47);
9. The “Guidelines for Legal Ownership of Asset Valuation Targets” (Zhong Ping xie [2017] No.48);
10. The “Standards for the Practice of Asset Valuation - Machinery and Equipment” (Zhong Ping xie [2017] No.39);
11. The “Standards for the Practice of Asset Valuation-Intangible Assets” (Zhong Ping xie [2017] No.37);
12. The “Standards for the Practice of Asset Valuation - Intellectual Property” (Zhong Ping xie [2023] No.14);
13. The “Guidelines for Patent Asset Valuation” (Zhong Ping xie [2017] No.49);
14. The “Guidelines for Valuation of Copyright Assets” (Zhong Ping xie [2017] No.50);
15. The “Guidelines for Valuation of Trademark Assets” (Zhong Ping xie [2017] No.51);
16. The “Guidelines for Business Quality Control for Asset Valuation Institutions” (Zhong Ping xie [2017] No.46);
17. The “Standards for the Practice of Asset Valuation - Asset Valuation Files” (Zhong Ping xie [2018] No.37).

(iv) Basis of ownership

1. Copies of relevant asset titles provided by the valued entity;
2. Other explanations on ownership provided by the valued entity.

(v) The basis for price taking

1. “WIND Information” and “Flush iFinD Information”;
2. Yield to maturity of treasury bonds, financial indicators and risk indicators of similar listed companies on the reference date;
3. Current and future annual market forecast information of major products provided by the valued entity;
4. The interest rate on the valuation reference date issued by the People’s Bank of China;
5. Relevant industrial policies, industry information and parameter information collected by the valuation institution and valuer;
6. Information such as original accounting documents and texts of relevant contracts or agreements provided by the valued entity;
7. Information on relevant parameters collected by the valuation institution.

(vi) Other reference basis

1. The “Updated Handbook on Asset Valuation Data and Parameters”;
2. Other market research information available to the valuer.

VII. Valuation Approach

(i) Selection of valuation approach

There are three main valuation approaches for enterprise value valuation, namely the income approach, the market approach and the cost approach. The income approach in enterprise value valuation refers to the valuation approach of determining the value of the target of valuation by capitalising or discounting the expected income. The market approach in enterprise value valuation refers to the valuation approach of determining the value of the target of valuation by comparing the target of valuation with comparable listed companies or comparable transaction cases. The cost approach (asset-based approach) in enterprise value valuation refers to the valuation approach of determining the value of the valued entity by reasonably valuing the value of on-balance sheet and identifiable off-balance sheet assets and liabilities of the enterprise based on the balance sheet of the valued entity at the valuation reference date.

The valued entity belongs to the information technology services industry and there are a large number of listed companies in the relevant industry, which are comparable and eligible for valuation using the market approach; the benefits and risks associated with the valued entity can be reasonably quantified and eligible for valuation using the income approach. In summary, taking into account the purpose of the valuation and the characteristics of the target of the valuation, the valuation adopts the income approach and the market approach in valuing the value of the entire equity interest of the valued entity.

The valued entity of the target company belongs to the information technology and software service industry, and its specific businesses are the dispatch of digital technology service personnel and software solutions. The selection of the evaluation method for this time is determined according to the purpose of this evaluation, the valued entity, the value type and the situation of data collection. Based on the industry and operational characteristics of the target company, the cost approach is not applicable to this evaluation, and the main reasons are as follows:

1. The core assets of the target company include a large number of intangible assets, and the cost approach cannot objectively reflect their value. In the asset composition of the information technology and software service industry, intangible assets such as intellectual property rights and customer resources account for a significantly higher proportion than tangible assets. The cost approach can only reflect the historical input cost of the assets, and it is difficult to quantify the technological iteration ability, market competitiveness and future income potential, resulting in a large deviation between the evaluation result and the market value.
2. The cost approach cannot quantify the value of the core team due to high dependence on human resources. The core competitiveness of the enterprise highly depends on the professional capabilities of the R&D team, dispatched personnel, management team, etc. However, human capital cannot be included in the scope of the cost approach evaluation as identifiable assets. The lack of valuation for such resources directly affects the value of the enterprise, but the cost approach is unable to reasonably estimate and correct the value of such resources.

Based on the above reasons, the cost approach is not applicable to the valuation of the target company.

(ii) Specific valuation approach for the income approach

The valuation adopts the discounted cash flow approach in the income approach to appraise the overall value of the enterprise to indirectly obtain the value of the entire shareholders' equity. The overall value of the enterprise consists of the value of the operating assets generated from normal operating activities and the value of non-operating assets not related to normal operating activities. For the determination of the value of operating assets, the discounted free cash flow model is used, i.e., the free cash flow of the enterprise in the future years is used as the basis for calculating the value of operating assets, which is calculated by applying an appropriate discount rate to the cash flow of the enterprise and then summing up the cash flow. The calculation model is as follows:

$$WACC = \frac{E}{D+E} \times K_e + \frac{D}{D+E} \times (1-t) \times K_d$$

Value of entire shareholders' equity = value of the enterprise as a whole - value of interest-paying debt

1. Overall enterprise value valuation approach:

The overall enterprise value is valued using the entity discounted cash flow (entity DCF model) segmented valuation model, which is currently one of the mainstream enterprise value valuation approaches. The formula is as follows:

$$V = \sum_{t=1}^{t=n} \frac{FCFF_t}{(1+WACC)^t} + \sum_{t=n+1}^{t=\infty} \frac{FCFF_t}{(1+WACC)^t}$$

Where: V: overall valuation value of the enterprise;

t: forecast period;

FCFF_t: free cash flow to firm;

WACC: weighted average cost of capital of the enterprise

(1) Calculation of free cash flow (FCFF) of the enterprise:

FCFF = net profit after tax + depreciation and amortization + interest expense (net of tax effect)
- capital expenditure - increase in working capital

(2) Calculation of WACC

Where: E: market value of equity;

D: market value of interest-bearing debt;

K_e: cost of equity capital;

K_d: cost of debt capital;

t: the income tax rate of the enterprise.

1. Determination of the total equity value of the enterprise:

Total equity value of the enterprise = overall enterprise value - value of interest-bearing liabilities + value of surplus assets + value of non-operating assets - value of non-operating liabilities

(iii) Selection and basis of parameters for the income approach

According to the formula of the income approach, the selection and basis of the main parameters involved in this evaluation are as follows:

(1) Selection Process and Basis of FCFF (Free Cash Flow to the Firm)

① Forecast and Basis of Revenue and Cost

The historical revenue and cost data are obtained from the annual audit reports and financial data.

The revenue forecast for 2025 is a reasonable prediction made based on the budget of the valued entity and combined with the detailed expansion plan formulated by the sales management for key customers. For the years 2026 and subsequent years, through analysis such as by industry and incremental layout, a reasonable prediction is made for the personnel demand in future years.

The costs for 2025 and subsequent years are forecasted based on the recent gross profit margin level of the enterprise and combined with the current revenue.

② Forecast and Basis of Capital Expenditure

The current fixed assets of the valued entity can meet the current and future production and operation needs, and no additional investment is required. The capital expenditure mainly consists of the normal renewal expenditure of equipment assets. In combination with the existing accounting policies of the valued entity, the capital expenditure in this evaluation is consistent with the depreciation.

③ Forecast and Basis of Working Capital

The working capital of the valued entity is calculated based on the proportions of accounts receivable and advances received in advance in the audited financial statements of historical years respectively accounting for the main business revenue, and the proportions of accounts payable, inventories, etc. respectively accounting for the main business cost.

(2) Selection Process and Basis of K_e (Cost of Equity Capital)

The cost of equity capital is obtained by using the Capital Asset Pricing Model (CAPM) commonly used internationally, and the calculation method is as follows:

$$K_e = R_f + \beta \times ERP + R_s$$

ERP - The equity market risk premium is calculated based on the geometric mean of the returns of the constituent stocks of the CSI 300 Index.

R_f - The risk - free rate of return is the yield to maturity of the national debt with a remaining term of more than 10 years from the valuation reference date to the maturity date of the national debt selected from the Shanghai and Shenzhen stock markets.

β - The financial leverage risk - reward coefficient is calculated by eliminating the financial leverage β of the comparable listed companies and combining the actual financial leverage of the valued entity.

R_s - The company-specific risk excess return rate is determined using the risk aggregation method.

(iv) *Specific calculation process*

1. Forecast of Cash Flows

- (1) Basis for Cash Flow Forecast. The forecast of future cash flows in this evaluation is based on the forecast materials of the future business operations provided by the enterprise. The valuers have carried out necessary review of the provided forecast data and had necessary communications with the valued entity, and finally formed the forecast results of the future earnings of the valued entity.

The valuers only adjusted the non-principal business in the audited financial statements of the enterprise as of the valuation reference date, and excluded the redundant assets, non-operating assets and liabilities of the enterprise. Through the understanding, analysis and communication of the enterprise, the valuers have no objections to the profit forecast data. The data of the enterprise's future profit forecast were adopted for the main income indicators of the valued entity from November 2024 to 2030 under entrustment for evaluation.

- (2) Determination of the Forecast Period: There are no significant adverse factors affecting the continuous operation ability of the valued entity, and we assume that the enterprise will operate indefinitely.

According to the characteristics of the valued entity, the two-stage method is adopted in this evaluation to forecast the earnings of the enterprise. The forecast period is divided into a detailed forecast period and a stable period.

The determination of the detailed forecast period is judged according to the characteristics of the valued entity itself and the development situation of the industry and the region. The detailed forecast period in this case is from November 2024 to 2030.

- (3) Forecast of the Future Main Business Revenue, Cost and Main Business Taxes of the Valued Entity

- ① Forecast of Revenue and Cost: According to the understanding and analysis of the valuers, the main business revenue and cost of the valued entity are the sales revenue and sales cost of digital technology services and software solutions. The valued entity has forecasted its future revenue and cost based on the historical and future market development of the valued entity.

② Forecast of Main Business Taxes and Surcharges: Forecast the future annual business taxes and surcharges according to the proportion of business taxes and surcharges to revenue in historical years.

(4) Forecast of Various Expenses

① The administrative expenses mainly include the out-of-town travel expenses of management personnel, salaries, rent and property management fees, depreciation and amortization fees, etc. Among them, the labor cost accounts for more than 80%. From November to December 2024, due to the acceleration of informatization and the enterprise's internal policy of cost reduction and efficiency improvement, the operation team in the management department has been reduced from 8 people in history to 6 people, and there is little change in other departments. Other expenditures increase at a certain proportion every year based on the historical actual expenditures.

② The selling expenses mainly include the sales personnel's compensation, material consumption, travel expenses, etc. Among them, the labor cost accounts for more than 75%. In this forecast, according to the performance per capita and considering the reasonable growth of the performance per capita, the number of sales personnel required to achieve the output in the future is predicted, and thus the labor cost is predicted. Other expenditures increase at a certain proportion every year based on the historical actual expenditures.

③ The research and development expenses mainly include the labor cost, which increases at a certain proportion every year according to the cost of the personnel actually invested in research and development each year.

④ The financial expenses mainly include the interest expenses of the interest-bearing liabilities of the valued entity and the interest income. The borrowing interest is calculated according to the LPR on the base date combined with the floating interest rate of the valued entity.

(5) Forecast of Income Tax

The valued entity is a high-tech enterprise, and the income tax rate is 15%. In this evaluation, the calculation is carried out according to the weighted income tax rate.

APPENDIX II SUMMARY OF VALUATION REPORT OF THE TARGET COMPANY

(6) Forecast of the Cash Flow of the Valued Entity

① Forecast of the Net Profit of the Enterprise

After forecasting various possible revenues, expenditures and expenses of the valued entity in the future, the future net profit of the valued entity can be calculated. The calculation of the net profit in the detailed forecast period is shown in the following table (amount in RMB'0,000):

Item	November -December 2024	2025	2026	2027	2028	2029	2030	Stable Year
Principal business revenue	19,007.48	104,646.32	121,720.45	139,956.56	157,066.49	171,858.40	171,858.40	171,858.40
Principal business cost	16,019.81	89,482.15	103,567.60	119,205.59	133,854.07	146,542.08	146,542.08	146,542.08
Sales taxes and surcharges	150.17	547.04	636.29	731.62	821.06	898.39	898.39	898.39
Principal business profit	2,837.50	14,617.13	17,516.57	20,019.35	22,391.36	24,417.93	24,417.93	24,417.93
Other business profit	—	—	—	—	—	—	—	—
Management expenses	749.57	2,877.29	2,719.82	2,747.47	2,877.40	2,877.40	2,877.40	2,877.40
Business expenses	92.57	1,413.37	1,583.34	1,754.78	1,888.42	1,982.63	1,982.63	1,982.63
Research and development expenses	459.57	4,564.26	4,827.70	5,382.56	5,928.65	6,095.82	6,095.82	6,095.82
Financial expenses	222.19	509.68	504.76	499.20	493.97	489.59	489.59	489.59
Credit impairment loss	701.83	564.64	574.90	599.66	647.36	677.06	677.06	677.06
Asset impairment loss	-584.16	—	—	—	—	—	—	—
Operating profit	1,196	4,688	7,306	9,036	10,556	12,295	12,295	12,295
Investment income	43.95	—	—	—	—	—	—	—
Net amount of non-operating revenue and expenses	4.65	—	—	—	—	—	—	—
Other income	783.96	556.91	647.77	744.82	835.88	914.60	—	—
Total profit	2,028.48	5,244.80	7,953.83	9,780.50	11,391.44	13,210.03	12,295.43	12,295.43
Income tax	49.46	224.08	543.77	734.27	897.73	897.73	1,010.35	1,010.35
Net profit	1,979.02	5,020.71	7,410.06	9,046.23	10,493.71	12,312.30	11,285.08	11,285.08

② Forecast of the Capital Expenditure of the Valued Entity

The capital expenditure of the valued entity is the renewal capital expenditure of existing assets. The current fixed assets of the target company can meet the current and future production and operation needs, and no additional investment is required. The capital expenditure mainly consists of the normal renewal expenditure of equipment assets. In combination with the existing accounting policies of the valued entity, the capital expenditure in this evaluation is consistent with the depreciation.

③ Forecast of the Increase in Working Capital

Forecast of the Increase in Working Capital

Working capital = Current assets - Current liabilities

Increase in working capital = Increase in current assets - Increase in current liabilities

APPENDIX II SUMMARY OF VALUATION REPORT OF THE TARGET COMPANY

In this evaluation, according to the actual situation of the valued entity, the calculation is carried out based on the proportions of accounts receivable and advances received in advance respectively accounting for the main business revenue and the proportions of accounts payable, inventories, etc. respectively accounting for the main business cost after excluding redundant assets, non-operating assets and liabilities from the audited financial statements of the valued entity in historical years. For details, please refer to the working capital forecast table.

④ Forecast of Cash Flow

After forecasting the above future profit data of the enterprise, the FCFF (Free Cash Flow to the Firm) is forecasted according to the formula of FCFF. The FCFF forecast for the detailed forecast period of the enterprise is shown in the following table (amount in RMB'0,000):

	Item	November-December 2024	2025	2026	2027	2028	2029	2030	plateau
	Net profit after tax	1,979.02	5,020.71	7,410.06	9,046.23	10,493.71	12,312.30	11,285.08	11,285.08
	Interest expense	159.38	542.76	542.76	542.76	542.76	542.76	542.76	542.76
	income tax rate	14.69%	14.69%	14.69%	14.69%	14.69%	14.69%	14.69%	14.69%
Add.	Interest expense, net of tax effect	135.97	463.02	463.02	463.02	463.02	463.02	463.02	463.02
Add.	Depreciation and amortisation	61.20	367.18	367.18	367.18	367.18	367.18	367.18	367.18
	Increase in borrowings against current assets								
	Fixed asset borrowings								
Add.	Proceeds from incurring new debt or borrowing								
Add.	Proceeds from incurring new debt or borrowing	598.72	481.68	490.43	511.56	552.25	577.59	577.59	577.59
Add.	Impairment losses on assets	-498.33	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Add.	share-based payment	160.92	238.86	0.00					
Less.	capital expenditure	61.20	367.18	367.18	367.18	367.18	367.18	367.18	367.18
Less.	Increase in working capital	3,898.18	12,529.06	1,876.85	3,496.46	5,700.12	3,685.90	18.77	0.00
Less.	Repayment of the principal amount of the loan	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Repayment of the principal amount of the loan	-1,521.89	-6,324.79	6,486.66	6,524.34	5,808.86	9,667.00	12,306.92	12,325.69

2. Calculation of the Cost of Shareholders' Equity Capital (K_e)

The cost of equity capital is calculated according to the Capital Asset Pricing Model (CAPM) which is commonly used internationally. The calculation method is as follows:

$$K_e = R_f + \beta \times ERP + R_s$$

Where: K_e — Cost of owner's equity (shareholders' equity capital);

ERP — Excess return on equity market;

R_f — Risk-free rate of return;

β — Risk reward coefficient with financial leverage;

R_s — Company-specific risk excess return rate.

The process of measuring each parameter is described separately below

(1) Calculation of the risk - free rate of return (R_f)

The yield of national debt is usually regarded as risk - free because the risk of non - payment at maturity of the bond is very small and can be ignored.

We selected the national bonds in the Shanghai and Shenzhen stock markets with a remaining term of more than 10 years from the valuation reference date to the maturity date of the national debt, and calculated their yield to maturity. The average value of the yield to maturity of all national bonds was taken as the risk - free rate of this evaluation, which is 2.3397%.

(2) Calculation of the Equity Market Risk Premium (ERP)

The market risk premium refers to the rate of return that investors require higher than the risk-free rate for a fully risk-diversified market investment portfolio.

After calculating the arithmetic average or geometric average of the returns of the constituent stocks of the CSI 300 Index each year, it is necessary to calculate the average of the yields of the 300 stocks as the conclusion for calculating the ERP of the arithmetic or geometric average of that year. We use the weighted average method for this average value, and the weights are selected as the weights of each constituent stock in the calculation of the CSI 300 Index. The estimation of the ERP each year is carried out in the following ways respectively:

Arithmetic Average Method:

$$ERP_i = A_i - R_{fi} \quad (i=1,2,\dots,N)$$

Geometric Average Method:

$$ERP_i = C_i - R_{fi} \quad (i=1,2,\dots,N)$$

Since the geometric average can better describe the growth of the rate of return, and the lifespan of this evaluation is an infinite period, we believe that it is more appropriate to use an ERP of 5.84% for a period of more than 10 years. The market risk premium for this evaluation is taken as 5.84%.

(3) Calculation of the Risk Premium Coefficient β with Financial Leverage

① Calculation of the Risk Coefficient without Financial Leverage

According to the data of comparable listed companies extracted from WIND Information within 3 years from the valuation reference date, the financial leverage is excluded according to the market value proportion as the risk coefficient of the enterprise without financial leverage, and a T-test is carried out on the data of the selected comparable companies. After passing the test, the corresponding parameters are selected. As of the valuation reference date, the arithmetic average of the BETA values is 1.0930, so the risk coefficient β without financial leverage is 1.0930.

② β_U , being the β value for enterprise with financial leverage, is determined according to the following formula:

$$\beta_U = \beta_L \times [1 + (1-t) \times D/E]$$

β_U — β with financial leverage;

β_L — β without financial leverage;

D — The current market value of interest-bearing liabilities;

E — The current market value of owners' equity;

T — Income tax rate.

Since the D/E ratio of the valued entity as of the valuation reference date is 27.75%, therefore:

$$\beta_U = \beta_L \times [1 + (1 - t) \times D/E] = 1.3517$$

(4) Calculation of the Excess Return Rate R_s for Company - Specific Risk

The company-specific risk excess return rate is determined using the risk aggregation method. Based on the valuer's understanding of the enterprise, the favorable and unfavorable factors of the enterprise are comprehensively analyzed. By comparing each risk factor of the valued entity with the industry average level and corresponding to the valuer's analysis of the unfavorable factors of the enterprise, the valuer determines that the individual risk adjustment coefficient of the valued entity is 3.00%.

(5) Calculation of the Cost K_e of Owners' Equity (Equity Capital)

According to the Capital Asset Pricing Model (CAPM) formula:

$$K_e = R_f + \beta \times ERP + R_s$$

$$= 2.3397\% + 1.3517 \times 5.84\% + 3.00\%$$

$$= 13.23\%$$

(6) The determination of the Weighted Average Cost of Capital (WACC)

$$WACC = E/(D+E) \times K_e + D/(D+E) \times (1-t) \times K_d$$

$$= 1/(D/E+1) \times K_e + (D/E)/(D/E+1) \times (1-t) \times K_d$$

$$= 10.92\%$$

3. Overall Value of the Enterprise

The evaluation this time adopts the segmented discounted free cash flow evaluation model. The formula is as follows:

$$V = \sum_{t=1}^{t=n} \frac{FCFF_t}{(1+WACC)^t} + \sum_{t=n+1}^{t=\infty} \frac{FCFF_t}{(1+WACC)^t}$$

$$= \text{RMB}825,064,900$$

4. Determination of the Value of Non-operating Assets and Liabilities

(1) Other Non-operating Assets and Liabilities

Non-operating assets refer to assets that do not directly “contribute” to the main business of the enterprise. According to the audited financial statements of the valued entity as of the valuation reference date and the analysis of the situation known by the valuers, the other non-operating assets of the valued entity are determined as follows:

- ① As of the valuation reference date, the book value of the accounts receivable in the suspended payment stage was RMB53,084,800, including RMB20,520,000 with an aging of within one year and RMB32,564,800 with an aging of one to two years. A provision for bad debts and impairment of RMB2,495,900 was made, resulting in a net book value of RMB50,588,900. It is mainly the transaction amount with Glodon. In this evaluation, it is regarded as a non-operating asset, with the evaluation value of RMB49,384,800.
- ② As of the valuation reference date, the audited deferred income tax assets of the valued entity are RMB2,038,000. In this evaluation, the impact of temporary differences in income tax is not considered, and it is listed as a non-operating asset. The evaluated value of this non-operating asset is confirmed as RMB2,038,000 according to the audited book value.

After statistics, the net book value of non-operating assets is RMB52,626,900, and the evaluation value is RMB51,422,800.

5. Determination of the Value of Interest-bearing Liabilities

The interest-bearing liabilities of the enterprise as of the valuation reference date are RMB179,319,900.

APPENDIX II SUMMARY OF VALUATION REPORT OF THE TARGET COMPANY

6. Determination of the Total Equity Value of the Shareholders of the Valued Entity

	Item	Note	November- December 2024	2025	2026	2027	2028	2029	2030	Stabilisation year
1	Income period (years)	Calculated using the valuation reference date as year zero	0.08	0.67	1.67	2.67	3.67	4.67	5.67	
2	Enterprise net profit (RMB million)	Quoted from the corporate net profit forecast table	1,979.02	5,020.71	7,410.06	9,046.23	10,493.71	12,312.30	11,285.08	11,285.08
3	Free cash flow from enterprises (FCFF) (RMB million)	Quoted from FCFF measurement tables	— 1,521.89	— 6,324.79	6,486.66	6,524.34	5,808.86	9,667.00	12,306.92	12,325.69
4	Weighted average cost of capital (WACC)	Quoted from WACC measurement tables	10.92%							
5	Present value of FCFF by period (RMB million)	Based on second-order discounting	— 1,508.80	— 5,902.55	5,457.64	4,948.92	3,972.42	5,959.99	6,840.59	62,738.28
6	Value of operating assets (RMB million)	Based on second-order discounting	82,506.49	Assumptions: FCFF for each period occurs at the end of the income period						
7	Value of non-operating assets and liabilities (RMB million)	Quoted from the non-operating assets measurement table	5,142.28							
8	Value of surplus assets and liabilities (RMB million)	Quoted from the surplus asset value measurement table								
9	Final financial leverage ratio of the enterprise	9=11/(6-11)	0.28	Initial financial leverage ratio D/E					—	
10	Business enterprise value (BEV) (RMB million)	10=6+7+8	87,648.77							
11	Value of interest-bearing debt (RMB million)	Quoted from WACC measurement tables	17,931.99							
12	Enterprise equity ratio	Percentage of commissioned equity to total equity		1.00	100% of total shareholders' equity in percentage terms					
13	Controlling interest premium ratio	Quoted from the base draft of the controlling interest premium measurement		1.00	Controlling interest premium ratio calculated as a percentage, with no premium at 100%					
14	Appraised value of commissioned equity (RMB million)	14=(10-11)*12*13				69,717.00				

(v) Specific valuation approach for the market approach

The market approach is an valuation approach in which the value of the valuation target is determined by comparing the valuation target with comparable listed companies or comparable transaction cases. Two specific approaches commonly used in the market approach are the listed company comparison approach and the transaction case comparison approach. The listed company comparison approach refers to the specific approach of obtaining and analysing the operating and financial data of comparable listed companies, calculating appropriate value ratios and determining the value of the target of valuation on the basis of comparative analysis with the valued entity. The transaction case comparison approach refers to the specific approach of determining the value of the valued entity on the basis of obtaining and analysing information on cases of sale, acquisition and merger of comparable enterprises, calculating appropriate value ratios and making comparative analyses with the valued entity.

Considering that the transaction case comparison approach cannot fully consider the impact of the factors of differences between the valued entity and the transaction cases on the equity value due to the limitations of data and information collection, this market approach valuation has been carried out by adopting the comparative approach for listed companies, with the specific steps set out below:

1. Analyse the basic conditions of the valued entity.
2. Analyse and compare the indicators of the valued entity and comparable companies.
3. Determine the comparable listed companies.
4. Select appropriate value multipliers for comparable listed companies and adopt appropriate approaches to revise and adjust them so as to estimate the value multipliers of the valued entity.
5. According to the purpose of this valuation and the target of valuation, liquidity discount needs to be considered for this valuation.
6. Reasonably determine the overflow assets and non-operating assets and liabilities of the target company.
7. Determine the valued value of the entire shareholders' equity of the valued entity based on the adjusted value multiplier of the entire shareholders' equity of the valued entity.

The calculation formula is:

Value of the assessed entity's shareholders' equity = Ratio multiplier × Corresponding parameter × (1 - non-marketable discount rate) + Net value of non-operating assets

(vi) Selection of evaluation parameters for the market approach

1. Selection of the Capital Market

China's multi-level capital market is mainly divided into the main board, the small and medium-sized board, the growth enterprise market, the science and technology innovation board, the Beijing Stock Exchange, the New Third Board, etc. from high to low. In principle, the requirements or thresholds for listed trading enterprises also decrease accordingly from high to low. Generally, the higher the level of the capital market, the larger the required enterprise scale, the higher the requirements for standardization, and the higher the requirements for the stability of revenue, profit and development.

In terms of the comprehensiveness, reliability and integrity of information disclosure, the main board, the small and medium-sized board, the growth enterprise market and the science and technology innovation board are the most complete. Therefore, comparable companies can be selected from the above-mentioned markets.

Due to the short establishment time of the Beijing Stock Exchange, there are few listed companies and the trading is not active enough. The New Third Board and others are only for specific trading groups, so they are not suitable for selecting comparable companies.

Since the entity being valued is registered in the Chinese mainland, implements Chinese accounting standards, operates and pays taxes legally within the framework of Chinese laws, and its production and operation are all carried out in China, it is not advisable to choose the capital markets in Hong Kong or overseas.

2. Selection of Comparable Companies

The following principles are followed when selecting comparable listed companies:

Exclude listed companies with B shares and Hong Kong stocks, ST companies¹, and listed companies on the Beijing Stock Exchange;

Note 1: "ST" stands for "Special Treatment". This term is used to describe companies that are at risk of having their stocks delisted due to financial conditions or other abnormal situations. Mainland stock exchanges impose special regulatory measures on the trading of these companies' stocks to alert investors to investment risks thereof. The main characteristics of ST companies include:

1. Abnormal financial status: including two consecutive years of losses, shareholders' equity below registered capital, and audit report with a disclaimer of opinion or an adverse opinion.
2. Operational risks: the company may face risks such as poor operations and an uncertain market outlook.
3. Stock price fluctuations: the stock price of ST companies fluctuates considerably, and investors should be cautious.
4. Regulatory measures: the stock exchange will impose stricter regulatory measures on ST companies, including regular reporting and auditing.
5. Special treatment measures: the stock name is preceded by the "ST" mark, and the daily stock price limit is within 5%. If there is still no improvement in the third year, a "*" will be added to indicate the risk of delisting.

The listing time of comparable companies should be no less than three years;

Comparable companies should be profitable in each of the past three fiscal years;

The asset scale of comparable companies should be between 0.1 and 10 times that of the entity being valued;

The main business of comparable companies should all include software outsourcing services, and the business models should be similar.

Shanghai Sirui Information Technology Co., Ltd. is an information technology and software outsourcing service provider, committed to providing customers with digital transformation and information technology services. Relying on a customer-oriented service model and through innovation and technical service capabilities, the company provides solutions and end-to-end integrated process services for customers in various industries, responds quickly to customer needs, achieves efficient and high-quality delivery, helps customers solve business pain points and quickly achieve business goals and digital transformation.

According to the national economic industry classification standard, the entity being valued belongs to the software and information technology service industry (the list is attached later). After screening comparable companies, a total of 347 comparable listed companies were obtained. After excluding listed companies with B shares and Hong Kong stocks, ST companies, and listed companies on the Beijing Stock Exchange, 308 comparable listed companies were obtained. Through screening based on the conditions of listing time, profitability, asset scale and main business, a total of 7 comparable listed companies were obtained.

The valuers conducted a specific analysis of the comparable listed companies, and carried out a comparative analysis with the main business and relevant financial indicators of the entity being valued. Combining with the deviation of the value ratios of listed companies, etc., companies with significant differences from Shanghai Sirui Information Technology Co., Ltd. in terms of the main business were excluded (for Chuangshi Technology, the sales of merchant-side hardware accounted for 45.07% of the total revenue in 2023, and for Caitrend Information Technology Co., Ltd., the software sales accounted for 48.22% of the total revenue in 2023). Finally, 5 listed companies, namely Beyondsoft Corporation, NORTHKING TECH, SIE, Farben, LZRJ, which are more similar to the entity being valued, were selected. On this basis, a T-test was conducted. After passing the test, these 5 listed companies, namely Beyondsoft Corporation, NORTHKING TECH, SIE, Farben, LZRJ, were finally determined as the comparable companies of the entity being valued.

Comparable Company 1: Beyondsoft Corporation

Stock Code: 002649.SZ

Listing Date: 6 January 2012

Beyondsoft Corporation (博彦科技股份有限公司) was established in 1995. It is a global IT consulting, product, solution and service provider, and successfully listed on the Shenzhen Stock Exchange in 2012. Relying on its own strong R&D and innovation capabilities, the company widely adopts emerging technologies based on big data, artificial intelligence, cloud computing and the Internet of Things, etc., to provide rich IT services, solutions and products for customers in industries such as finance, high-tech, and the Internet.

The company's headquarters is located in Beijing, China. It has more than 70 branches, R&D bases or delivery centers in 12 countries including China, the United States, Japan, Singapore, Malaysia, India, Spain, Costa Rica, Indonesia, the Philippines, Brazil, and the United Kingdom, and has built a delivery network covering Asia, Europe, North and South America. The company follows strict quality and safety standards, implements strict security measures, has mature and reliable management and development processes, and has obtained a series of qualification certifications such as CMMI3, ISO20000, ISO9001, ISO27001, ISO14001, and OHSAS18001.

Business Scope: General Items: Technical services, technical development, technical consultation, technical exchanges, technology transfer, technology promotion; Wholesale of computer software, hardware and auxiliary equipment; Retail of computer software, hardware and auxiliary equipment; Information system integration services; Data processing services; Software outsourcing services; Business management consulting; Information technology consulting services; Import and export of goods; Import and export of technologies; Import and export agency services; Translation services; Software development; Software sales; Information system operation and maintenance services; Marketing planning; Digital content production services (excluding publishing and distribution); Enterprise membership point management services; Industrial Internet data services; Artificial intelligence application software development; Big data services; Internet of Things technical services; Conference and exhibition services; Business training (excluding education and training, vocational skill training and other training that requires permission); Internet of Things device sales; Cloud computing device sales; Network device sales; Terminal testing equipment sales; Security equipment sales; Intelligent power transmission, distribution and control equipment sales. (Except for projects subject to approval in accordance with the law, independent business activities are carried out in accordance with the law with a business license). Licensed Items: Construction project construction. (Projects that are subject to approval in accordance with the law can only be carried out after being approved by relevant departments. The specific business items shall be subject to the approval documents or licenses of relevant departments.) (It is not allowed to engage in the business activities of projects prohibited and restricted by national and local industrial policies.)

APPENDIX II SUMMARY OF VALUATION REPORT OF THE TARGET COMPANY

Statement of assets, financial and operating conditions for the last three years (RMB'0,000)

Item	2021	2022	2023
Total assets	502,828.83	523,847.66	540,281.78
Net assets	375,117.09	391,687.25	403,461.00
Net assets attributable to the parent company	368,202.17	387,226.85	402,983.28
Total revenue	553,244.88	647,906.30	660,120.13
Total profit for the year	47,967.20	34,603.80	25,843.77
Net profit for the year	41,728.71	29,965.38	21,367.03
Net profit attributable to the parent company	40,396.89	30,924.68	21,731.15

Note: The above figures are quoted from the consolidated statement of accounts disclosed by listed companies.

Comparable Company 2: NORTHKING TECH

Stock Code: 002987.SZ

Listing Date: 7 May 2020

Northking Information Technology Co., Ltd. (京北方信息技术股份有限公司) is a company committed to providing information technology services (ITO) and business process outsourcing services (BPO) to domestic and foreign financial institution customers. With information technology at its core, it mainly offers information technology services and business process outsourcing services to financial institutions, with banks being the major clients. As a leading comprehensive service provider for digital transformation in China, the company provides information technology services and business process outsourcing services to financial institutions mainly composed of banks and non-financial institutions mainly composed of central state-owned enterprises, gathering momentum and empowering enterprises in their digital construction. In the field of information technology services, the company offers software and digital transformation services, software products and solutions, and IT infrastructure services. In the field of business process outsourcing, it provides customer service and digital marketing, data processing and business processing services. The company has a large business scale, wide coverage, and a diverse range of service product types, and has formed strong competitive advantages in aspects such as customer resources, business collaboration, business models, lean operation, and R&D innovation.

Business Scope: General Items: Technical services, technical development, technical consultation, technical exchanges, technology transfer, technology promotion; Software development; Software sales; Information technology consulting services; Business management consulting; Big data services; Digital technology services; General artificial intelligence application systems; Public artificial intelligence data platforms; Internet data services; Software and services related to blockchain technology; Internet of Things application services; Internet of Things technical services; Internet of Things technology research and development; Data processing services; Data processing and storage support services; Business outsourcing services based on cloud platforms; Software outsourcing services; Computer system services; Maintenance of computers and office equipment; Undertaking archival service outsourcing; Human resources services (excluding employment intermediary activities and labor dispatch services); Import and export of goods; Import and export of technologies; Import and export agency services. (Except for projects subject to approval in accordance with the law, independent business activities are carried out in accordance with the law with a business license.)

Licensed Items: Call centers; Second-class value-added telecommunications services; Labor dispatch services. (Projects that are subject to approval in accordance with the law can only be carried out after being approved by relevant departments. The specific business items shall be subject to the approval documents or licenses of relevant departments.) (It is not allowed to engage in the business activities of projects prohibited and restricted by national and local industrial policies.)

Statement of assets, financial and operating conditions for the last three years (RMB'0,000)

Items	2021	2022	2023
Total assets	241,825.44	270,114.34	307,287.54
Net assets	197,314.49	222,306.42	254,611.10
Net assets attributable to the parent company	197,076.80	222,306.42	254,611.10
Total revenue	305,426.22	367,328.40	424,201.11
Total profit for the year	23,060.07	28,103.76	34,139.20
Net profit for the year	23,048.30	27,695.71	34,762.71
Net profit attributable to the parent company	23,060.61	27,703.82	34,762.71

Note: The above figures are quoted from the consolidated statement of accounts disclosed by listed companies.

Comparable Company 3: SIE

Stock Code: 300687.SZ

Listing Date: 3 August 2017

Guangzhou SiE Consulting Co., Ltd. (廣州賽意信息科技股份有限公司) was established in 2005. It is a professional provider of enterprise information management software solutions and services, focusing on providing complete information and intelligent manufacturing solution products and related implementation services for groups and large and medium-sized customers in industries such as manufacturing, retail, and services. The company's service areas have gradually extended horizontally from the initial large-scale core ERP solutions to the solutions in the fields of supplier relationship management and customer relationship management at the upstream and downstream ends of the enterprise supply chain. Through the dual paths of cooperation with foreign manufacturers and independent product research and development, the company has vertically developed from business operation layer solutions to production execution layer solutions, providing integrated intelligent manufacturing solutions covering research and development simulation design, workshop manufacturing execution, equipment interconnection, and logistics management. The company is a national high-tech enterprise, an integrity demonstration enterprise in Guangdong Province, a key software enterprise in Guangzhou, a small giant enterprise in science and technology in Guangzhou, and an enterprise with AAA-level credit in enterprise credit evaluation. The company's current main products and services are divided into three major sections: (1) Providing software sales, implementation and development services related to design planning, software delivery, system deployment, etc. in the fields of manufacturing digitization and operation digitization for enterprise-level customers in industries such as manufacturing, retail, and modern services, based on industrial management software, core ERP software, and digital middle platform applications; (2) Professional maintenance services for the above-mentioned related products after deployment; (3) Derivative businesses such as agency and distribution of basic software and hardware generated during the above-mentioned related business processes.

APPENDIX II SUMMARY OF VALUATION REPORT OF THE TARGET COMPANY

Business Scope: Engineering and technical research and experimental development; Software sales; Information technology consulting services; Technical services, technical development, technical consultation, technical exchanges, technology transfer, technology promotion; Software development; Retail of computer software, hardware and auxiliary equipment; Non-residential real estate leasing; Human resources services (excluding employment intermediary activities and labor dispatch services); Business training (excluding education and training, vocational skill training and other training that requires permission); Import and export of goods; Import and export of technologies; Employment intermediary activities; Labor dispatch services.

Statement of assets, financial and operating conditions for the last three years (RMB'0,000)

Items	2021	2022	2023
Total assets	300,601.48	344,850.63	374,708.37
Net assets	236,314.91	259,055.70	283,561.70
Net assets attributable to the parent company	218,148.26	241,369.71	265,534.40
Total revenue	193,493.25	227,111.51	225,402.32
Total profit for the year	23,963.93	25,286.29	24,559.68
Net profit for the year	22,805.93	25,456.18	25,781.66
Net profit attributable to the parent company	22,453.94	24,946.52	25,440.35

Note: The above figures are quoted from the consolidated statement of accounts disclosed by listed companies.

Comparable Company 4: Farben

Stock Code: 300925.SZ

Listing Date: 30 December 2020

Shenzhen Farben Information Technology Co.,Ltd. (深圳市法本信息技術股份有限公司) is a provider dedicated to offering professional information technology outsourcing (ITO) services to clients. Based on the research and development of information technology, the company combines clients' business scenarios to provide software technology outsourcing services for different needs in the process of clients' informatization and digitization. Since its establishment, the company's main business has not undergone major changes. Through years of R & D technical accumulation, industry experience precipitation, organizational management optimization, and business market development, combined with strong client management capabilities, the company has formed long - term and stable cooperative relationships with clients in many industries, including finance, the Internet, software, communications, real estate, aviation logistics, manufacturing, and wholesale and retail.

Business Scope: Development of computer software and hardware, programming; technical development, technical consultation, technical services, and technology transfer of Internet software; technical research and development, system integration, and technical consultation of hardware - embedded software and system peripherals; import and export of technical services; data processing services, enterprise management services; translation consultation and translation services. Enterprise management consultation; market research (excluding foreign - related investigations); information consultation services (excluding licensed information consultation services); engaging in information technology and process outsourcing services entrusted by financial institutions (excluding financial information services). Sales agency; software development; information system integration services; manufacturing of computer software, hardware, and peripheral equipment; information technology consultation services; technical services, technical development, technical consultation, technical exchanges, technology transfer, and technology promotion. (Except for projects subject to approval according to law, business activities are carried out independently according to the business license.) Value - added telecommunications services. Human resources services (excluding job - intermediary activities and labor dispatch services); labor dispatch services. (Projects subject to approval according to law can only be carried out after being approved by relevant departments. The specific business items are subject to the approval documents or licenses of relevant departments.)

Statement of assets, financial and operating conditions for the last three years (RMB'0,000)

Items	2021	2022	2023
Total assets	180,912.92	267,457.88	276,753.71
Net assets	125,098.05	149,711.84	205,129.04
Net assets attributable to the parent company	125,098.05	149,711.84	205,129.04
Total revenue	308,822.75	358,583.28	388,457.25
Total profit for the year	13,580.89	12,187.93	11,379.04
Net profit for the year	13,525.32	12,955.43	11,300.96
Net profit attributable to the parent company	13,525.32	12,955.43	11,300.96

Note: The above figures are quoted from the consolidated statement of accounts disclosed by listed companies.

Comparable Company 5: LZRJ

Stock Code: 688588.SH

Listing Date: May 11, 2020

APPENDIX II SUMMARY OF VALUATION REPORT OF THE TARGET COMPANY

Linkage Software Co., Ltd. (蘇州工業園區凌志軟件股份有限公司) is a financial software company, whose main business is to provide customized software development services and application software solutions for the financial industry. The company is committed to the application of emerging technologies in the financial industry, offering customers a full range of software development services including consultation, design, development, and maintenance. Its business scope covers financial fields such as securities, insurance, banking, trust, and asset management. During the implementation of projects, emerging technologies such as cloud computing, big data, and artificial intelligence are widely used. After years of steady development, the company has achieved a certain scale in the domestic and overseas financial software fields and established its own core competitive advantages. Based on its profound financial industry knowledge and technical R&D capabilities, while further consolidating and expanding the international software market, the company has strengthened the research and development of software products and comprehensive solutions for domestic financial institutions, and has achieved considerable results, occupying a certain market share. The company's sales model is based on the sales revenue generated by the software development services and application software solutions it provides.

Business Scope: Selling computers, computer software products, network products, communication products, and household appliances; researching, developing, and selling electronic products; undertaking computer network system engineering; providing consulting and design services for information systems. Engaging in the export business of the enterprise's self-produced products and the import business of mechanical equipment, spare parts, and raw and auxiliary materials required by the enterprise; property management; technical development in the fields of big data, cloud computing, artificial intelligence, and the Internet of Things. (Projects that are subject to approval in accordance with the law can only be carried out after being approved by relevant departments.)

Statement of assets, financial and operating conditions for the last three years (RMB'0,000)

Items	2021	2022	2023
Total assets	137,842.54	145,199.57	159,715.80
Net assets	127,426.07	134,260.58	120,660.56
Net assets attributable to the parent company	127,298.20	134,181.50	120,588.84
Total revenue	65,266.33	65,451.20	69,643.32
Total profit for the year	16,961.13	15,578.51	9,338.21
Net profit for the year	14,595.38	14,070.20	8,645.28
Net profit attributable to the parent company	14,599.31	14,118.99	8,652.65

Note: The above figures are quoted from the consolidated statement of accounts disclosed by listed companies.

3. Selection of the Value Ratio

The value ratio refers to a “ratio multiple” between the asset value and its operating income capacity indicators, asset values, or other specific non-financial indicators.

The Enterprise Value to Earnings Before Interest, Taxes, Depreciation and Amortization ratio (EV/EBITDA) reflects the relationship between EBITDA and the overall value of the enterprise. This indicator is not affected by the enterprise’s capital structure, tax policies, and depreciation and amortization policies. It can effectively eliminate the interference of these factors among different enterprises, making the valuations of different enterprises more comparable. In mergers and acquisitions and restructuring, the acquirer focuses on the overall value of the target enterprise, including the equity value and the debt value. EV/EBITDA takes into account the overall value (EV) of the enterprise, which can comprehensively reflect the operating performance and value of the target enterprise. It provides a reasonable valuation reference for merger and acquisition transactions, helping the acquirer to determine whether the acquisition is worthwhile and to set a reasonable acquisition price. Therefore, it is advisable to adopt the Enterprise Value to Earnings Before Interest, Taxes, Depreciation and Amortization ratio (EV/EBITDA) in this evaluation.

4. Comparison and Adjustment of Various Indicators

Since there are certain differences between the comparable companies and the entity being valued in terms of profitability, operating growth status, asset quality status, solvency status, scale, and the development stage of the enterprise, adjustments need to be made. By collecting various information of the comparable listed companies, determining the standard values of each grade according to the indicator data of the comparable companies and the entity being valued, comparing and adjusting the indicator values of the comparable companies and the entity being valued with the standard values, financial indicator scores can be obtained. By using the financial indicator scores of the entity being valued divided by the financial indicator scores of the comparable companies, the indicator adjustment coefficients can be calculated respectively.

APPENDIX II SUMMARY OF VALUATION REPORT OF THE TARGET COMPANY

By sorting out the public information of the comparable listed companies, the basic information of the comparable listed companies and the target company, as well as the data of the correction factors are shown in the following table:

Comparable company names		Beyondsoft Corporation	NORTHKING TECH	SIE	Farben	LZRJ	Target company
Stock code		002649.SZ	002987.SZ	300687.SZ	300925.SZ	688588.SH	
Basic information of the enterprise	Nature of enterprise	Joint-stock limited company	Joint-stock limited company	Joint-stock limited company	Joint-stock limited company	Joint-stock limited company	Limited liability company
	Corporate Social Impact	Listed company	Listed company	Listed company	Listed company	Listed company	Unlisted company
Enterprise size (average of last 3 years)	Total assets (RMB billion)	50.30	23.91	31.88	21.02	10.92	4.92
	Total income (RMB billion)	62.04	36.57	21.53	35.20	6.68	9.03
		36.78	19.07	22.14	12.86	8.90	2.88
	Earnings on net assets (%)	7.80	15.34	6.97	10.53	11.41	16.75
	Asset margin (%)	7.52	13.18	8.69	6.70	13.98	12.49
	Revenue margin (%)	5.21	7.02	9.57	2.75	16.89	4.72
	Surplus cash cover multiple (%)	145.98	23.24	129.95	18.12	131.39	-0.22
	Profit growth rate (%)	-10.27	7.07	9.92	-3.37	-24.04	2.90
	Total asset growth rate (%)	6.85	26.78	26.77	16.04	12.95	22.94
	Sales growth rate (%)	15.79	22.99	18.77	27.67	3.42	19.90
	Total asset turnover (%)	1.27	1.70	0.75	1.80	0.65	2.05
	Inventory turnover (%)	104.37	144.86	11.37	184.04	94.19	64.20
	Current asset turnover (%)	1.76	1.84	1.15	1.91	0.97	2.10
	Asset cash recovery rate (%)	7.31	2.84	5.96	0.40	12.10	-1.05
	Quick ratio (%)	287.25	469.61	330.98	302.41	558.71	247.73
	Gearing ratio (%)	26.11	20.47	24.77	38.18	17.13	40.76
Financial indicators (average of the last 3 years)	Interest-bearing liabilities ratio (%)	15.46	3.10	38.70	32.98	21.91	30.29

APPENDIX II SUMMARY OF VALUATION REPORT OF THE TARGET COMPANY

Based on the calculated financial indicator scores of the comparable companies and the valued entity, the financial indicator adjustment coefficients are calculated by dividing the financial indicator score of the valued entity by that of the comparable company. The specific details of the financial indicator adjustment are shown in the following table:

Items	Target company	002649.SZ Beyondsoft Corporation	002987.SZ NORTHKING TECH	300687.SZ SIE	300925.SZ Farben	688588.SH LZRJ
Profitability correction factor	1.00	1.10	0.99	1.06	1.13	0.90
Correction factor for operating growth capacity	1.00	1.23	0.93	0.93	1.07	1.25
Asset quality correction factor	1.00	1.04	1.00	1.18	0.98	1.11
Solvency correction factor	1.00	1.16	1.14	0.99	0.98	1.07
Scale correction factor	1.00	0.69	0.80	0.80	0.87	0.99
Correction factor for financial indicators	1.00	1.12	0.84	0.93	1.01	1.32

Since the entity being valued needs to expand its business and team in the future and continuously carry out service innovation to maintain its market competitiveness, it is currently in the growth stage. Therefore, the correction of the development stage of the enterprise needs to be considered. The scoring criteria are as follows: 0 - 25 points for the decline stage, 25 - 50 points for the start - up stage, 50 - 90 points for the growth stage, and 90 - 100 points for the mature stage. The specific scores and adjustment coefficients are as follows:

Items	002649.SZ Beyondsoft Corporation	002987.SZ NORTHKING TECH	300687.SZ SIE	300925.SZ Farben	688588.SH LZRJ	Target company
Stage of development	Maturity stage	Maturity stage	Maturity stage	Maturity stage	Maturity stage	Growth stage
Stage of Development Scoring	90	90	90	90	90	80
Adjustment factor	0.97	0.97	0.97	0.97	0.97	1

The correction coefficients of the comparable companies are shown in the following table:

Items	Beyondsoft Corporation	NORTHKING TECH	SIE	Farben	LZRJ
Revision factor for financial indicators	1.12	0.84	0.93	1.01	1.32
Correction factor for non-financial indicators	0.97	0.97	0.97	0.97	0.97
Correction factor for comparable companies	1.09	0.82	0.90	0.98	1.28

APPENDIX II SUMMARY OF VALUATION REPORT OF THE TARGET COMPANY

According to the calculated correction coefficients, the adjusted EV/EBITDA of the comparable companies is calculated. The average value of the adjusted EV/EBITDA of each comparable company is taken as the EV/EBITDA of the target company. The calculation results are shown in the following table:

Items	002649.SZ Beyondsoft Corporation	002987.SZ NORTHKING TECH	300687.SZ SIE	300925.SZ Farben	688588.SH LZRJ
Value ratio (adjusted for the previous 30 trading days)	13.73	21.80	24.42	48.11	40.65
Factor correction factor	1.09	0.82	0.90	0.98	1.28
Modified value ratio (EV/EBITDA)	14.96	17.77	22.00	47.04	52.17
average value			30.79		

5. Determination of the Illiquidity Discount

The illiquidity discount refers to deducting a certain amount or proportion of value from the value of assets or equity to reflect the impact of the lack of liquidity of such assets or equity.

In this evaluation, the illiquidity discount is calculated by using the equity transaction cases of non - listed companies and the market capitalization indicators of listed companies. The basic idea is to collect and analyze the equity transaction cases of non - listed companies by industry, and then conduct a comparative analysis with the industry - specific indicators of listed companies in the same period. Through the differences between the two types of data, the illiquidity discount ratio of the entity being valued is determined to be 30.96%.

6. Determination of the Equity Value of the Valued Entity

The EBITDA of the valued entity in the 12 months before the valuation reference date is used as the corresponding parameter. The average value of the adjusted EV/EBITDA of the comparable companies is used as the ratio multiplier to calculate the enterprise value of the valued entity. After adding the monetary funds and subtracting the interest - bearing liabilities, the illiquidity discount is considered, and then the equity value of the valued entity is calculated.

No.	Items	metric
1	Value of the ratio multiplier of the assessed company	30.79
2	Parameters corresponding to the base date of the appraised company	3,851.48
3	Enterprise value of the appraised company (rounded)	118,586.97
4	money funds	1,895.25
5	interest-bearing liability	17,931.99
6	Lack of liquidity discount	30.96%
7	Non-operating assets and liabilities	0.00
8	Equity value (rounded)	70,797.00

VIII. Processes and Status of Implementation of Valuation Procedure

After we accepted the asset valuation entrustment, we selected and assigned asset valuer and formed the valuation project team. The project team entered the site on 10 December 2024 and commenced the valuation work. The entire valuation process, which included pre-preparation for the valuation, valuation site investigation, collection and collation of valuation information and assessment and estimation, and the formation and issuance of the report, is set out below:

(i) Pre-valuation preparatory work stage

1. Clarify the basic matters of the asset valuation business, including: the purpose of the valuation, the valuation target and scope of the valuation, the valuation reference date, analyse the valuation risks and enter into an asset valuation entrustment contract;
2. Determine the focus of the valuation and formulate the valuation plan (including the main process and time schedule for the implementation of the asset valuation business, staffing arrangements, etc.) and basic valuation ideas.

(ii) Valuation site investigation stage

In accordance with the relevant principles and requirements of the asset valuation, an investigation of the business operations of the enterprise was carried out by collecting and analysing the enterprise's historical operations and future business planning, and the assets within the scope of the valuation were investigated and their property rights were checked, as follows:

1. Guide the relevant financial and asset management personnel of the enterprise to register and fill in the form in accordance with the "valuation declaration form", "asset questionnaire" and "information list" provided by the valuation institution and the requirements for filling them out, based on the asset inspection. Meanwhile, collect documents proving the property rights of the target of the valuation and the assets involved, as well as documents reflecting their performance, status and economic and technical indicators;
2. Carry out interviews with relevant personnel to gain an understanding of the enterprise and the history and current status of the assets under valuation;
3. Check the asset valuation declaration form filled in by the enterprise and verify it with the data of the relevant financial records of the enterprise, check whether there are any omissions, and improve the valuation schedule on the basis of the investigated and verified information;
4. Carry out physical verification in accordance with the contents of the asset valuation declaration form and make enquiries, surveys, checks and records of the condition of the assets; understand the operation and management condition of the assets through conversations with the asset management personnel, collect documents certifying the legal

ownership of the valued assets, information on wage contracts and documents reflecting the performance, status and economic and technical indicators, and, in the case of imperfect ownership information and unclear ownership, request the enterprise to verify or explain the situation;

5. Request the relevant business personnel of enterprises to assist in the correspondence of current accounts, bank deposits and bank loans and provide information on debts and liabilities.

(iii) Collection and collation of valuation information and assessment and estimation stage

1. Collect valuation information and analyse, summarize and collate it to form the basis for valuation and estimation and preparation of the asset valuation report;
2. Analyse the applicability of the three basic approaches of asset valuation, namely the market approach, the income approach and the cost approach, and select the valuation approach in accordance with the purpose of the valuation, the valuation target, the type of value and the collection of information;
3. Select the appropriate formulae and parameters for analysis, calculation and judgement in accordance with the valuation approach adopted and to form the measurement results;
4. Carry out comprehensive analyses of the measurement results and form preliminary reference conclusion.

(iv) Formation and issuance of the report stage

1. Summarize the preliminary valuation results, confirm that there are no reassessments and omissions in the valuation work, etc., and adjust, revise and improve the preliminary valuation conclusion on the basis of the summary analysis; and
2. Prepare the preliminary asset valuation report;
3. Internal review by the valuation institution;
4. Issuance and submission of the asset valuation report.

IX. Valuation Assumption

(I) General assumptions

1. Transaction assumption

The transaction assumption assumes that the asset under valuation is already in the process of being traded, and the valuer carries out the valuation on the basis of a simulated market based on the trading conditions of the asset to be valued. The transaction assumption is one of the most basic prerequisites for asset valuation.

2. *Open market assumption*

The open market assumption assumes that the parties to the asset being traded, or to be traded, in a market are on an equal footing with each other and have access to sufficient market information and time to make reasoned judgements about the function and use of the asset and the price at which it will be traded. The open market assumption is based on the assumption that the asset can be bought and sold openly in the market.

3. *Asset going-concern assumption*

The asset going-concern assumption refers to the need to determine the valuation approach, parameters and basis for the valuation based on the continued use of the asset under valuation in accordance with their current use and the manner, frequency and environment in which they are used.

(II) *Specific assumptions*

1. There are no significant changes in the relevant laws, regulations and policies in force in the country and in the macroeconomic situation of the country, and there are no significant changes in the political, economic and social environment of the region in which the enterprise is located.
2. It is assumed that the proprietor of the enterprise is responsible and that the management of the enterprise is capable of assuming its duties.
3. Unless otherwise stated, it is assumed that the enterprise complies with relevant laws and regulations.
4. It is assumed that the accounting policies to be adopted by the enterprise in the future are substantially the same in material respects as those adopted in the preparation of the Valuation Report.

5. It is assumed that the scope and manner of operation of the enterprise will be consistent with the current direction based on the current management approach and level.
6. There are no significant changes in interest rates, exchange rates, tax benchmarks and rates, and policy levies.
7. There are no other force majeure factors and unforeseeable factors that have a significant adverse impact on the enterprise.
8. The core management personnel, technical personnel, sales force is stable, and the enterprise can maintain the existing management level, research and development level, and sales channels in the future operation.
9. The acquisition and utilisation of the production and business premises of the enterprise are consistent with that as at the Valuation Date without change.
10. The Valuation is only based on the existing operating capacity as at the Valuation Date and does not take into account the possible expansion of the operating capacity in the future due to the management, business strategy and additional investment.
11. The asset under valuation has been valued on the basis of the actual inventory as at the Valuation Date, and the current market value of the relevant asset is based on the effective domestic prices as at the Valuation Date.
12. The Valuation assumes that the ownership certificates, financial and accounting information and other information provided by the client and the enterprise under valuation in connection with the Valuation are true, complete and lawful; the scope of the Valuation is based solely on the valuation declaration form provided by the client and the enterprise under valuation and does not take into account contingent asset and contingent liabilities that may exist in addition to the list provided by the client and the enterprise under valuation.
13. It is assumed that the enterprise under valuation maintains its current capital structure as a going concern and that there will be no material changes in the future.
14. It is assumed that the input of funds, resources or data remains even and continuous throughout the valuation cycle without significant fluctuations or interruptions.
15. It is assumed that the cash flow measurements during the forecast period do not include the influence of the inflation rate, and no consideration has been given to the inflation premium in the discount rate parameter system, both of which are treated in a consistent manner in order to avoid double-counting.
16. Hypothesis of an Efficient Market

The evaluation using the market approach is based on an efficient market environment, that is, the asset price can fully reflect all the available market information, and there are no problems of irrational fluctuations or information asymmetry.

17. Hypothesis of Comparability

It is assumed that through the adjustment of differences, the value differences between the comparable companies and the entity being valued can be reasonably quantified.

18. Hypothesis of Data Sufficiency

It is assumed that the data of the comparable companies collected are true and complete, and abnormal transactions have been excluded.

19. It is assumed that both the comparable companies and the entity being valued can continue their operations according to the business models, business structures, and capital structures publicly disclosed at the time of the transaction.

20. The information disclosed by the comparable companies is true, accurate, and complete, without false statements, incorrect records, or major omissions that affect the value judgment.

21. The valuers select the comparison dimensions and indicators only based on the publicly disclosed relevant information of the comparable companies, and do not consider the impact of other non-public matters on the value of the entity being valued.

22. The impact of other contingencies such as mortgages and guarantees on the valuation conclusion has not been considered in the Valuation.

This valuation conclusion is premised on the above valuation assumptions and is not valid in the event of a change in the above valuation assumptions.

X. Valuation conclusion***(i) Preliminary valuation conclusion of the income approach***

After the valuation of the entire equity interest in the valued entity using the discounted cash flow approach in accordance with the income approach, the valued value of the entire equity interest in the valued entity as at 31 October 2024 was RMB697,170,000, representing an increase in value of RMB389,051,400, or a value-added rate of 126.27%, as compared with its carrying value of RMB308,118,600 as at the valuation reference date.

(ii) Preliminary valuation conclusion of market approach

After the market approach, the valuation of the value of the entire equity interest in the valued entity using the listed company comparative approach, the valued value of the entire equity interest in the valued entity as at the valuation reference date of 31 October 2024 was RMB707,970,000, representing an increase in value of RMB399,851,400, or a value-added rate of 129.77%, as compared with its carrying value of RMB308,118,600.

(iii) Final valuation conclusion

For this valuation, we have adopted both the income approach and the market approach to appraise the entire shareholders' equity of the valued entity in different ways, and the preliminary valuation conclusion of the income approach is RMB697,170,000 and the preliminary valuation conclusion of the market approach is RMB707,970,000, with a difference of RMB10,800,000, representing a difference rate of 1.55%.

The income approach valuation mainly reflects the enterprise value from the perspective of the net cash flows generated from the future operating activities of the valued entity, which is considered from the perspective of the future profitability of the valued entity and is subject to factors such as the valued entity's future cash flows, operating conditions, risks to the quality of its assets, and its ability to cope with such risks. Considering that the brand effect, customer resources, internal control management, core technology and management experience of the target of valuation can be better reflected through the profitability of the company by the income approach, and that the business environment faced by the enterprise is relatively stable, and it is expected that it will be able to obtain a relatively stable income in the course of its operations in the coming years, the results of the valuation by the income approach can reflect the expected profitability of the target of valuation in a more comprehensive manner. The comparable objects and factors of the comparative approach come directly from the market and public information, and the correlation between the valuation results and the capital market prices on the reference date is high. However, the secondary market prices of the stocks are affected by factors such as macroeconomic policies and information on relevant topics, and the stock prices change along with the degree of prosperity of the stock market, and the market itself is uncertain, and the market values of the comparable companies may differ to a certain extent from the intrinsic value of the enterprises, and the valuation results are susceptible to fluctuations in capital market prices.

Based on the above comparative analysis, it is more reasonable to adopt the income approach in the final conclusion of the valuation, i.e. the final conclusion of the valuation of the value of the entire shareholders' equity interest in Shanghai Sirui Information Technology Co., Ltd. based on the proposed equity transaction between Neusoft Group Co., Ltd. and Shanghai Ruiying Human Resources Technology Group Co., Ltd. shall be RMB697,170,000.

In accordance with the relevant regulations in force, the validity period of use of the valuation conclusion is 1 year, i.e., from 31 October 2024 to 30 October 2025. When the purpose of the valuation is to be realized within 1 year from the valuation reference date, the valuation results are to be used as the reserve price or basis, and are also to be combined with adjustments for post-periodic events after the reference date. Beyond 1 year, a new asset valuation is required.

XI. Note to Special Matter

- (i) The future annual earnings forecast data on which this valuation is based was made by the management of the valued entity on the basis of a full analysis of the industry, the current and future market development of the enterprise and taking into account various assumptions and premises. The management of the valued entity is responsible for the authenticity, scientificity and completeness of the relevant data and information relating to the future profit forecasts of the enterprise provided by the management of the valued entity, as well as the reasonableness and realisability of the future profit forecasts of the enterprise, and we have carried out the necessary analyses and audits in respect of the aforesaid profit forecast data. The valuation assumptions adopted in this income approach valuation are reasonable forecasts of the future operations of the target of the valuation under the current conditions, and the realization of the profit forecasts will be affected by the emergence in the future of various unpredictable factors that may affect the realization of the assumed premises. We would like to remind the entrustor and relevant parties that we do not guarantee that the relevant assumptions can be realized, nor do we undertake any obligation to realize or assist in the realisation of the relevant assumptions.
- (ii) As of the valuation reference date, the valued entity had a total of 7 patented technologies, of which 4 were at the stage of substantive examination and had not yet been granted patent certificates, and the impact of this matter on the valuation conclusion has not been considered in this valuation.
- (iii) This valuation has not taken into account premiums or discounts arising from factors such as controlling interests and minority interests.

Users of the valuation report should be concerned about the impact of the above matters on economic behaviour.

XII. Description of Limitation on the Use of the Valuation Report

- (i) This valuation report is issued in accordance with the valuation purpose set out and it shall not be used for any other purposes;
- (ii) The asset valuation institution and its asset valuer shall not be liable if the entrustor or other user of the asset valuation report fails to use the asset valuation report in accordance with the requirements of the laws and administrative regulations and the scope of use set out in the asset valuation report;
- (iii) Except for the entrustor, other users of the asset valuation report agreed in the asset valuation entrustment contract and the users of the asset valuation report as stipulated in the laws and administrative regulations, no other institution or individual can be the user of the asset valuation report;
- (iv) The user of the asset valuation report shall correctly understand the valuation conclusion, which is not equivalent to the realizable price of the target of valuation, and the valuation conclusion shall not be regarded as a guarantee of the realizable price of the target of valuation;
- (v) This valuation report shall only be used by the entrustor and other users of the valuation report as set out in the valuation report;

XIII. Date of Valuation Report

The date of this Valuation Report is 7 March 2025.

The following is the text of a report received from PricewaterhouseCoopers, Certified Public Accountants, Hong Kong for the purpose of incorporation in this circular.



羅兵咸永道

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE CALCULATIONS OF DISCOUNTED FUTURE ESTIMATED CASH FLOWS IN CONNECTION WITH THE BUSINESS VALUATION OF SHANGHAI SIRUI INFORMATION TECHNOLOGY CO., LTD.

TO THE BOARD OF DIRECTORS OF RENRUI HUMAN RESOURCES TECHNOLOGY HOLDINGS LIMITED

We have completed our assurance engagement to report on the calculations of the discounted future estimated cash flows on which the business valuation (the "Valuation") dated 7 March 2025 prepared by Beijing Zhongtianhe Assets Appraisal Co., Ltd. in respect of the appraisal of the fair value of the entire equity interests in Shanghai Sirui Information Technology Co., Ltd. (the "Target Company") is based. The Valuation is set out in the Appendix II "Summary of Valuation Report of the Target Company" of the circular of Renrui Human Resources Technology Holdings Limited (the "Company") dated 28 March 2025 (the "Circular") in connection with the disposal by the Company of entire equity interest it held in the Target Company, being 46.0% of the equity interest in the Target Company. The Valuation based on the discounted future estimated cash flows is regarded as a profit forecast under Rule 14.61 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

Directors' Responsibility for the Discounted Future Estimated Cash Flows

The directors of the Company are responsible for the preparation of the discounted future estimated cash flows, including the bases and assumptions set on pages 11 to 12 of the Circular on which the discounted future estimated cash flows are based. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the discounted future estimated cash flows and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

PricewaterhouseCoopers, 22/F Prince's Building, Central, Hong Kong SAR, China
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Our firm applies Hong Kong Standard on Quality Management (HKSQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, issued by the HKICPA, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountant's Responsibilities

It is our responsibility, pursuant to paragraph 14.60A(2) of the Listing Rules, to express an opinion on the calculations of the discounted future estimated cash flows, and to report our opinion 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.

We conducted our work in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* issued by the HKICPA. This standard requires that we plan and perform our work to form the opinion.

This assurance engagement involved performing procedures to obtain sufficient appropriate evidence as to whether the discounted future estimated cash flows, so far as the calculations are concerned, have been properly compiled, in all material respects, in accordance with the bases and assumptions set out on pages 11 to 12 of the Circular. The extent of procedures selected depends on the Reporting Accountant's judgement and our assessment of the engagement risk. Within the scope of our work, we, amongst others, reviewed the arithmetical calculations and the compilation of the discounted future estimated cash flows in accordance with the bases and assumptions.

The discounted future estimated cash flows do not involve the adoption of accounting policies. The discounted future estimated cash flows have been prepared using a set of bases and assumptions that include hypothetical assumptions about future events and management's actions that cannot be confirmed and verified in the same way as past results and that are not necessarily expected to occur. Even if the events anticipated under the hypothetical assumptions described above occur, actual results are still likely to be different from the discounted future estimated cash flows since other anticipated events frequently do not occur as expected and the variation may be material. We are not reporting on the appropriateness and validity of the bases and assumptions on which the discounted future estimated cash flows are based and our work does not constitute any valuation of the Target Company.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, based on the foregoing, so far as the calculations are concerned, the discounted future estimated cash flows have been properly compiled, in all material respects, in accordance with the bases and assumptions adopted by the directors of the Company as set out on pages 11 to 12 of the Circular.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, 28 March 2025

The following is the text of a letter received from the Financial Adviser in connection with the cash flow forecast underlying the Valuation for the purpose of inclusion in this circular.



Suite 2808, 28th Floor
Shui On Centre
6-8 Harbour Road
Wanchai
Hong Kong

28 March 2025

The Board of Directors
Renrui Human Resources Technology Holdings Limited
17/F, Jing'an International Center
88 Puji Road, Jing'an District
Shanghai, China

Dear Sirs,

We refer to the valuation report (the “**Valuation Report**”) prepared by Beijing Zhongtianhe Assets Appraisal Co., Ltd. (the “**Valuer**”) dated 7 March 2025 in relation to the valuation (the “**Valuation**”) of the entire equity interests in Shanghai Sirui Information Technology Co., Ltd. (the “**Target Company**”) as at 31 October 2024. The Target Company is an information technology and software service provider committed to providing digital transformation and information technology services to customers. A summary of the Valuation Report is set out in Appendix II to the circular dated 28 March 2025 (the “**Circular**”) issued by Renrui Human Resources Technology Holdings Limited (the “**Company**”). Unless otherwise stated, capitalised terms used in this letter shall have the same meanings as those defined in the Circular.

We note that the Valuation, which has been developed based on, among other things, the discounted cash flows analysis of the Target Company, is regarded as profit forecast under Rule 14.61 of the Listing Rules. We have reviewed the cash flow forecast in relation to the Target Company and the estimated discount rate which is based on the estimated weighted average cost of capital after taking into consideration of the relevant risk free rate and certain risk premium.

We have discussed with the management of the Company and the Valuer regarding the bases and assumptions of the Valuation, and have reviewed the report issued by PricewaterhouseCoopers, the Company’s reporting accountant (the “**Reporting Accountant**”), dated 28 March 2025 as set out in Appendix III to the Circular containing its opinion on whether discounted future estimated cash flows, so far as the calculations are concerned, have been properly compiled, in all material respects, in accordance with the bases and assumptions adopted by the Directors.

On the basis of the foregoing and the arithmetical calculations reviewed by the Reporting Accountant, we are of the opinion that the cash flow forecast underlying the Valuation, for which the Directors are solely responsible, has been made after due and careful enquiry.

Yours faithfully,
For and on behalf of
Optima Capital Limited
Ng Ka Po
Managing Director, Corporate Finance

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

As at the Latest Practicable Date, the interests and short positions of the Directors and the 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 had been 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 pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

Interests in the Shares and underlying Shares of the Company

Name of Director/ chief executive	Capacity/Nature of interest	Total number of Shares/underlying shares held⁽⁸⁾	Approximate percentage of shareholding interest in the Company⁽⁹⁾
Zhang Jianguo	Interest of controlled corporation ⁽¹⁾	46,970,500 (L)	29.97%
	Interests held jointly with other persons ⁽⁴⁾	13,645,800 (L)	8.71%
Zhang Feng	Interest of controlled corporation ⁽²⁾	6,015,200 (L)	3.84%
	Interests held jointly with other persons ⁽⁴⁾	53,965,300 (L)	34.44%
	Beneficial owner ⁽²⁾	635,800 (L)	0.41%

Name of Director/ chief executive	Capacity/Nature of interest	Total number of Shares/underlying shares held ⁽⁸⁾	Approximate percentage of shareholding interest in the Company ⁽⁹⁾
Zhang Jianmei	Interest of controlled corporation ⁽³⁾	5,826,000 (L)	3.72%
	Interests held jointly with other persons ⁽⁴⁾	53,621,500 (L)	34.22%
	Beneficial owner ⁽³⁾	1,168,800 (L)	0.75%
Chan Mei Bo Mabel	Beneficial owner ⁽⁵⁾	80,000 (L)	0.05%
Shen Hao	Beneficial owner ⁽⁶⁾	80,000 (L)	0.05%
Leung Ming Shu	Beneficial owner ⁽⁷⁾	80,000 (L)	0.05%

Notes:

- (1) Ming Feng Holdings Limited (“**Ming Feng**”) is wholly owned by Mr. Zhang Jianguo. Under the SFO, Mr. Zhang Jianguo is deemed to be interested in the 46,970,500 Shares held by Ming Feng.
- (2) Wu Fu Min Feng Holdings Limited (“**Wu Fu Min Feng**”) is wholly owned by Mr. Zhang Feng. Under the SFO, Mr. Zhang Feng is deemed to be interested in the 6,015,200 Shares held by Wu Fu Min Feng. In addition, Mr. Zhang Feng was granted options under the mid-senior level management pre-IPO share option scheme and the Post-IPO Share Option Scheme which entitle him to subscribe for 455,800 Shares and 180,000 Shares, respectively.
- (3) Lin Feng Holdings Limited (“**Lin Feng**”) is wholly owned by Ms. Zhang Jianmei. Under the SFO, Ms. Zhang Jianmei is deemed to be interested in the 5,826,000 Shares held by Lin Feng. In addition, Ms. Zhang Jianmei was granted options under the mid-senior level management pre-IPO share option scheme and the Post-IPO Share Option Scheme which entitle her to subscribe for 928,800 Shares and 240,000 Shares, respectively.
- (4) Mr. Zhang Jianguo, Mr. Zhang Feng and Ms. Zhang Jianmei have entered into an acting in concert deed dated 18 January 2019 according to which, among other things, they acknowledged and confirmed that they will act in concert with each other in respect of all major management matters, business decisions (including but not limited to financial and operational matters), and all matters being the subject matters of any shareholders’ resolution of Ming Feng and any of the members of our Group. As such, each of Mr. Zhang Jianguo, Mr. Zhang Feng and Ms. Zhang Jianmei is deemed to be interested in the Shares and/or underlying Shares held by the other parties as they are parties acting in concert.
- (5) Ms. Chan Mei Bo Mabel was granted share options under the Post-IPO Share Option Scheme which entitle her to subscribe for 80,000 Shares.
- (6) Mr. Shen Hao was granted share options under the Post-IPO Share Option Scheme which entitle him to subscribe for 80,000 Shares.

- (7) Mr. Leung Ming Shu was granted share options under the Post-IPO Share Option Scheme which entitle him to subscribe for 80,000 Shares.
- (8) The Letter “L” denotes the person’s long position in the Shares.
- (9) As at the Latest Practicable Date, the Company had 156,699,879 issued Shares.

Interests in Associated Corporation of the Company

Name of Director/ chief executive	Associated corporation	Capacity/ nature of interest	Amount of registered capital subscribed (RMB)	Approximate percentage of shareholding interest in the associated company
Zhang Jianguo	Chengdu Tianfu Renrui Education Consultation Co., Ltd.	Beneficial owner	4,000,000	80.0%
Zhang Feng	Chengdu Tianfu Renrui Education Consultation Co., Ltd.	Beneficial owner	500,000	10.0%
Zhang Jianmei	Chengdu Tianfu Renrui Education Consultation Co., Ltd.	Beneficial owner	500,000	10.0%

Note: As Chengdu Tianfu Renrui Education Consultation Co., Ltd. is a limited liability company established in the PRC, the percentage of shareholding is determined with reference to the percentage of subscribed registered capital of each shareholder.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or the chief executive of the Company had or was deemed to have any interest or short position in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required to be recorded in the register to be kept by the Company under section 352 of the SFO, or which were otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

3. SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at the Latest Practicable Date, to the best knowledge of the Directors or chief executive of the Company, the following persons (not being 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 as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

Name of substantial shareholder	Capacity/nature of interest	Total number of Shares/underlying shares held ⁽⁶⁾	Approximate percentage of shareholding interest in the Company ⁽⁷⁾
Wang Fen ⁽¹⁾	Interest of spouse	60,616,300 (L)	38.68%
Wu Qi ⁽²⁾	Interest of spouse	60,616,300 (L)	38.68%
Chen Bin ⁽³⁾	Interest of spouse	60,616,300 (L)	38.68%
Ming Feng	Beneficial owner	46,970,500 (L)	29.97%
Beyondsoft International (Singapore) Pte. Ltd. ⁽⁴⁾	Beneficial owner	15,669,988 (L)	10.00%
Beyondsoft Corporation ⁽⁴⁾	Interest of controlled corporation	15,669,988 (L)	10.00%
FIL Limited ⁽⁵⁾	Interest of controlled corporation	13,879,683 (L)	8.86%
Pandanus Associates Inc ⁽⁵⁾	Interest of controlled corporation	13,879,683 (L)	8.86%
Pandanus Partners L.P. ⁽⁵⁾	Interest of controlled corporation	13,879,683 (L)	8.86%
FIDELITY CHINA SPECIAL SITUATIONS PLC	Beneficial owner	10,870,983 (L)	6.94%

Notes:

- (1) Ms. Wang Fen is the spouse of Mr. Zhang Jianguo and under the SFO, Ms. Wang Fen is deemed to be interested in the 60,616,300 Shares/underlying Shares in which Mr. Zhang Jianguo is interested.
- (2) Ms. Wu Qi is the spouse of Mr. Zhang Feng and under the SFO, Ms. Wu Qi is deemed to be interested in the 60,616,300 Shares/underlying Shares in which Mr. Zhang Feng is interested.
- (3) Mr. Chen Bin is the spouse of Ms. Zhang Jianmei and under the SFO, Mr. Chen Bin is deemed to be interested in the 60,616,300 Shares/underlying Shares in which Ms. Zhang Jianmei is interested.

- (4) As Beyondsoft International (Singapore) Pte. Ltd. is wholly owned by Beyondsoft Corporation, Beyondsoft Corporation is deemed to be interested in the 15,669,988 Shares held by Beyondsoft International (Singapore) Pte. Ltd.
- (5) Pandanus Partners L.P. holds 37.01% in FIL Limited. Pandanus Partners L.P. is wholly-owned by Pandanus Associates Inc.
- (6) The Letter “L” denotes the person’s long position in the Shares.
- (7) As at the Latest Practicable Date, the Company had 156,699,879 issued Shares.

Save as disclosed above, as at the Latest Practicable Date, the Directors and the chief executive of the Company were not aware of any other persons (other than a Director or 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 as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

As at the Latest Practicable Date, Mr. Zhang Jianguo, an executive Director, was a director of Ming Feng. Save as above, none of the Director or proposed director of the Company is a director or employee of a company which has an interest or short position in the Shares and underlying Shares which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

4. COMPETING INTERESTS

Since February 2018, Mr. Chen Rui, being a Director, has been a director of Shanghai KNX Human Resources Technology Co., Ltd. (“KNX”), a non-listed company incorporated in the PRC. As confirmed by Mr. Chen Rui, he was nominated by Beijing Legend Capital Huicheng Equity Investment L.P., a venture capital fund launched by Legend Capital, to be its board representative in KNX following its investment in KNX. The business focus of KNX is the provision of recruitment and training services via its cloud computing/SaaS (Software as a Service) platform. As further confirmed by Mr. Chen Rui, Beijing Legend Capital Huicheng Equity Investment L.P. is merely a financial investor with a minority interest in KNX, and his role in KNX is non-executive in nature. In light of the above and given that the Group’s business focus is the provision of flexible staffing services, the Directors consider that the Group’s businesses and those of the businesses carried out by KNX are different in terms of business focus, and hence, do not believe that any direct or indirect competition is or is likely to be material in nature.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and their respective close associates had any interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

5. DIRECTORS' INTERESTS IN ASSETS, CONTRACTS OR ARRANGEMENTS

As at the Latest Practicable Date, none of the Directors was materially interested, directly or indirectly, in any contract or arrangement entered into by any member of the Group subsisting as at the Latest Practicable Date which is significant in relation to the business of the Group, nor had any Director have any direct or indirect interest in any assets which have been acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2023, being the date to which the latest published audited accounts of the Group have been made up.

6. LITIGATION

As at the Latest Practicable Date, to the best of the Directors' knowledge, information and belief, no member of the Group was engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened against any member of the Group that would have a material adverse effect on the results of operations or financial condition of the Group.

7. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with any member of the Group which would not expire or would not be determinable by such member of the Group within one year without payment of compensation other than statutory compensation.

8. MATERIAL CONTRACTS

Save for the following, there are no material contracts (not being contracts entered into in the ordinary course of business) which were entered into by members of the Group within the two years immediately preceding the Latest Practicable Date:

- (a) a sale and purchase agreement dated 18 September 2023 and entered into between Renrui Human Resources Technology Group Limited* (人瑞人才科技集團有限公司) (an indirect wholly-owned subsidiary of the Company, "**Renrui Human Resources Group**") and Shanghai Qihang Yuntian Technology Limited* (上海起航雲天科技股份有限公司) ("**Qihang Yuntian**"), pursuant to which, Renrui Human Resources Group agreed to purchase, and Qihang Yuntian agreed to sell, 8% of equity interests in Lingshi Yuntian Information Technology (Changzhou) Co., Ltd.* (領時雲天信息科技(常州)有限公司) ("**Lingshi Yuntian**") at a total consideration of approximately RMB800,000;
- (b) a sale and purchase agreement dated 18 September 2023 and entered into between Renrui Human Resources Group and Qihang Yuntian, pursuant to which, Renrui Human Resources Group agreed to purchase, and Qihang Yuntian agreed to sell, 8% of equity interests in Shanghai Lingshi Human Resources Services Limited* (上海領時人力資源服務有限公司) ("**Shanghai Lingshi**") at a total consideration of RMB880,000;

- (c) a sale and purchase agreement dated 18 October 2024 and entered into among Renrui Human Resources Group, Qihang Yuntian and Jiangnan Finance Management Consultancy (Changzhou) Holdings Company Limited* (江南金融管理諮詢(常州)股份有限公司) (“**Jiangnan Finance**”), pursuant to which, Renrui Human Resources Group agreed to purchase and each of Qihang Yuntian and Jiangnan Finance agreed to sell 26% and 5% of equity interests in Lingshi Yuntian, respectively, at a consideration of RMB6,500,000 and RMB1,250,000, respectively;
- (d) a sale and purchase agreement dated 18 October 2024 and entered into between Renrui Human Resources Group and Qihang Yuntian, pursuant to which, Renrui Human Resources Group agreed to purchase, and Qihang Yuntian agreed to sell, 31% of equity interests in Shanghai Lingshi at a total consideration of RMB1,250,000;
- (e) a joint venture agreement dated 7 March 2025 and entered into between Shanghai Renhui Human Resources Service Co., Ltd.* (上海人惠人力資源服務有限公司) (an indirect wholly-owned subsidiary of the Company, “**Shanghai Renhui**”) and Beyondsoft (Shanghai) Ltd.* (博彥科技(上海)有限公司), pursuant to which, the parties agreed to establish a joint venture entity to provide information technology and digital talent services. Shanghai Renhui shall subscribe 70% of the registered capital of the joint venture entity, being RMB7,000,000, and the Group shall inject funds to the joint venture entity by way of interest-bearing bank entrustment loans from time to time with a principal amount of up to RMB3.2 million;
- (f) the Asset Purchase Agreement; and
- (g) the Supplemental Agreement.

9. EXPERTS AND CONSENTS

The following is the qualification of the experts who have given opinion or advice which is contained in this circular:

Name	Qualification
Optima Capital Limited	A licensed corporation to carry out Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
PricewaterhouseCoopers	Certified Public Accountants under the Professional Accountants Ordinance (Chapter 50 of the Laws of Hong Kong) and Registered Public Interest Entity Auditor under the Accounting and Financial Reporting Council Ordinance (Chapter 588 of the Laws of Hong Kong)

Beijing Zhongtianhe Assets Appraisal
Co., Ltd.* (北京中天和資產評估
有限公司)

Independent professional valuer

Each of the above experts has given and confirmed that it has not withdrawn its written consent to the issue of this circular with the inclusion therein of its letter(s), report(s), opinion and/or references to its names in the form and context in which they appear respectively.

Each of the above experts has further confirmed that as at the Latest Practicable Date, it did not have any shareholding in any member of the Group, nor did it have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, each of the above experts did not have any direct or indirect interest in any assets which have been acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2023, being the date to which the latest published audited financial statements of the Group have been made up.

10. GENERAL

- (a) The registered office of the Company is located at Maples Corporate Services Limited, P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands and the principal place of business in Hong Kong of the Company is at 19/F, Golden Centre, 188 Des Voeux Road Central, Hong Kong.
- (b) The branch share registrar and transfer office of the Company in Hong Kong is Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (c) The joint company secretaries of the Company are Mr. Li Wenjia, who is a PRC certified public accountant, a PRC registered tax agent and a PRC certified public valuer, and Ms. Siu Pui Wah, who is a certified public accountant and a member of the Hong Kong Institute of Certified Public Accountants.
- (d) Unless provided otherwise, English text of this circular shall prevail over the Chinese text in the event of inconsistency.

11. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.renruih.com>) for a period of 14 days commencing from the date of this circular:

- (a) the Asset Purchase Agreement;
- (b) the Supplemental Agreement;

- (c) the Valuation Report, a summary of which is set out in Appendix II to this circular;
- (d) the assurance report from the Reporting Accountant on the calculations of discounted future estimated cash flows in connection with the business valuation of the Target Company, the text of which is set out in Appendix III to this circular;
- (e) the letter from the Financial Adviser, the text of which is set out in Appendix IV to this circular;
- (f) the written consents referred to in the section headed “Experts and Consents” in this appendix; and
- (g) this circular.

NOTICE OF EXTRAORDINARY GENERAL MEETING



Renrui Human Resources Technology Holdings Limited 人瑞人才科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6919)

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting (the “EGM”) of Renrui Human Resources Technology Holdings Limited (the “Company”) will be held at 10:00 a.m. on Thursday, 17 April 2025 at 12/F, Block B, Jingan International Center, No. 88 Puji Road, Jingan District, Shanghai, the PRC for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolutions as the ordinary resolution of the Company (unless otherwise indicated, capitalised terms used in this notice shall have the same meanings as those defined in the circular of the Company dated 28 March 2025):

ORDINARY RESOLUTIONS

“**THAT:**

- (a) the Disposal, the Asset Purchase Agreement and the Supplemental Agreement both entered into between the Seller and the Buyer in respect of the Disposal (copies of the Asset Purchase Agreement and the Supplemental Agreement having been produced to this meeting respectively marked “A” and “B” and initialed by the chairman of the meeting for identification) and the transactions as contemplated thereunder be and are hereby confirmed, approved and ratified;
- (b) any Director be and is hereby authorised for and on behalf of the Company to execute all such other documents, instruments and agreements (whether under common seal or not) and to do all such acts or things deemed by him/her/them to be incidental to, ancillary to or in connection with the Disposal and other matters contemplated in the Formal Agreement and the transactions contemplated thereunder as he/she/they may in his/her/their absolute discretion consider necessary, desirable or expedient to give effect to the Formal Agreement and the implementation of all transactions contemplated thereunder and to agree with such variation, amendment or waiver as, in the opinion of the Director, in the interests of the Company and its shareholders as a whole.”

Yours faithfully

By order of the Board

Renrui Human Resources Technology Holdings Limited

Zhang Jianguo

Chairman and Chief Executive Officer

28 March 2025

NOTICE OF EXTRAORDINARY GENERAL MEETING

<i>Registered office:</i>	<i>Corporate headquarter:</i>	<i>Principal place of business in Hong Kong:</i>
P.O. Box 309	No. 601, 602, 603, 6/F, Block 3	19/F., Golden Centre
Ugland House	No. 688 Mid-Section Tianfu Avenue	188 Des Voeux Road Central
Grand Cayman	Chengdu High-tech Zone	Hong Kong
KY1-1104	Free Trade Pilot Zone	
Cayman Islands	Sichuan	
	PRC	

Notes:

- (a) A Shareholder entitled to attend and vote at the EGM is entitled to appoint another person as his/her proxy to attend and vote instead of him/her, and a proxy need not be a Shareholder.
- (b) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose seniority shall be determined as that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
- (c) In order to be valid, a form of proxy must be deposited at the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof) as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM (i.e. not later than 10:00 a.m. on Tuesday, 15 April 2025) or any adjournment thereof. The completion and return of the form of proxy shall not preclude the Shareholders from attending and voting in person at the EGM (or any adjourned meeting thereof) if they so wish and in such event the form of proxy shall be deemed to be revoked.
- (d) For the purpose of determining the Shareholder's eligibility to attend and vote at the EGM, the register of members of the Company will be closed from Monday, 14 April 2025 to Thursday, 17 April 2025, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the EGM, all duly completed share transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Friday, 11 April 2025 for registration.
- (e) Pursuant to Rule 13.39(4) of the Listing Rules, voting for all the resolutions set out in the notice of the EGM will be taken by poll, except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.
- (f) Reference to dates and time in this notice are to Hong Kong dates and time.

As at the date of this notice, the Board comprises Mr. Zhang Jianguo, Mr. Zhang Feng and Ms. Zhang Jianmei as executive Directors; Mr. Chen Rui as non-executive Director; and Ms. Chan Mei Bo Mabel, Mr. Shen Hao and Mr. Leung Ming Shu as independent non-executive Directors.