



NEWLINK TECHNOLOGY INC.

新紐科技有限公司\*

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 9600



2025

ANNUAL REPORT

\*For identification purpose only

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## DEFINITIONS

In this annual report, unless the context otherwise requires, the following expressions shall have the following meanings.

“2025 AGM”	the AGM held on 9 June 2025
“2026 AGM”	the AGM to be held on 10 June 2026
“AGM”	the annual general meeting of the Company
“Articles” or “Articles of Association”	the articles of association of the Company
“Audit Committee”	the audit committee of the Board
“Beijing Newlink”	Beijing Newlink Technology Co., Ltd.* (北京新紐科技有限公司), a limited liability company established under the laws of the PRC on 15 August 2011 and an indirect wholly-owned subsidiary of the Company
“Board”	the board of Directors of the Company
“CEO”	chief executive officer of the Company
“CG Code”	the “Corporate Governance Code” as contained in Appendix C1 to the Listing Rules
“Chinese Mainland”	the People’s Republic of China, which for the purpose of this annual report and for geographical reference only, excludes Hong Kong, Macau and Taiwan
“Company”, “Newlink Technology” or “Listed Company”	Newlink Technology Inc. (新紐科技有限公司*), an exempted company incorporated under the laws of Cayman Islands with limited liability on 8 November 2019, and where the context otherwise requires, the Group
“Companies Act”	The Companies Act, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands as amended, supplemented, or otherwise modified from time to time
“Controlling Shareholder(s)”	has the meaning ascribed thereto under the Listing Rules and unless the context requires otherwise, refers to Mr. Zhai and Nebula SC
“date of this annual report”	27 March 2026
“Director(s)”	the director(s) of the Company
“Global Offering”	the Hong Kong public offering and the international offering of Shares in connection with the IPO
“Group” or “we”	the Company and its subsidiaries

## DEFINITIONS

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“IPO”	the Company’s initial public offering of its Shares
“Listing Date”	6 January 2021, on which the Shares are listed and from which dealings therein are permitted to take place on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time)
“Model Code”	the “Model Code for Securities Transactions by Directors of Listed Issuers” set out in Appendix C3 to the Listing Rules
“Mr. Zhai”	Mr. ZHAI Shuchun (翟曙春), the chairman of the Board, executive Director, CEO and one of the Controlling Shareholders
“Nebula SC”	Nebula SC Holdings Limited, a company incorporated under the laws of the British Virgin Islands with limited liability on 6 November 2019 and wholly-owned by Mr. Zhai
“Newlink Technology (Beijing)”	Newlink Technology (Beijing) Co., Ltd.* (紐領科技(北京)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
“Neusoft Yuetong”	Beijing Neusoft Yuetong Software Technology Co., Ltd.* (北京東軟越通軟件技術有限公司), a company established under the laws of the PRC with limited liability on 23 July 2009 and an indirect wholly-owned subsidiary of the Company as at the date of this annual report
“Nomination Committee”	the nomination committee of the Board
“Post-IPO Share Option Scheme”	the post-IPO share option scheme conditionally adopted by the Company on 5 December 2020
“Prospectus”	the prospectus of the Company dated 21 December 2020
“Remuneration Committee”	the remuneration committee of the Board
“Reporting Period” or “Current Year”	the year ended 31 December 2025
“RMB”	Renminbi, the lawful currency of the PRC

## DEFINITIONS

“RPA” or “Robotic Process Automation”	the application of technology that allows IT engineers to configure computer software or a robot to capture and interpret existing applications and data for processing a transaction, manipulating data, triggering responses and communicating with other systems
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) of par value US\$0.000001 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“treasury shares”	has the meaning ascribed thereto under the Listing Rules
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent

\* For identification purpose only

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

#### Executive Directors

Mr. ZHAI Shuchun (*Chairman and CEO*)

Ms. QIN Yi

Mr. LI Xiaodong

#### Independent Non-executive Directors

Mr. TANG Baoqi

Ms. YANG Juan

Mr. YOU Linfeng

### COMPANY SECRETARY

Ms. ZHANG Xiushi

### AUTHORISED REPRESENTATIVES UNDER THE LISTING RULES

Mr. ZHAI Shuchun

Ms. ZHANG Xiushi

### AUDIT COMMITTEE

Mr. YOU Linfeng (*Chairman*)

Mr. TANG Baoqi

Ms. YANG Juan

### REMUNERATION COMMITTEE

Ms. YANG Juan (*Chairwoman*)

Mr. ZHAI Shuchun

Mr. TANG Baoqi

### NOMINATION COMMITTEE

Mr. TANG Baoqi (*Chairman*)

Mr. ZHAI Shuchun

Ms. YANG Juan

### HONG KONG LEGAL ADVISOR

Jingtian & Gongcheng LLP

Suites 3203-3209, 32/F, Edinburgh Tower

The Landmark

15 Queen's Road Central

Central

Hong Kong

### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Maples Fund Services (Cayman) Limited

PO Box 1093, Boundary Hall

Cricket Square

Grand Cayman, KY1-1102

Cayman Islands

### AUDITOR

Forvis Mazars CPA Limited

Registered Public Interest Entity Auditor

42nd Floor, Central Plaza

18 Harbour Road

Wanchai

Hong Kong

### REGISTERED OFFICE

PO Box 309

Ugland House

Grand Cayman

KY1-1104

Cayman Islands

### HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

5/F, Tower A, Xueqing Jiachuang Building

Xueqing Road

Haidian District, Beijing

the PRC

## CORPORATE INFORMATION

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 06 on 20th Floor of Harbour Centre  
No. 25 Harbour Road  
Wan Chai  
Hong Kong

### PRINCIPAL BANKS

China CITIC Bank  
Beijing Guanhuoguoji Sub-branch  
1/F and 2/F  
Building A-1, Yard 88  
North East Fourth Ring Road  
Chaoyang District, Beijing  
the PRC

Huaxia Bank  
Beijing Zhichun Sub-branch  
Lixiang Building  
No. 111 Zhichun Road  
Haidian District, Beijing  
the PRC

China Merchants Bank  
Beijing Shangdi Sub-branch  
1/F, Tower B, Building 2  
Guigu Liangcheng  
No. 1 Nongda Road  
Haidian District, Beijing  
the PRC

China Merchants Bank  
Dalian Branch Xinghai Sub-branch  
No. 700 Zhongshan Road  
Shahekou District  
Dalian City, Liaoning Province  
the PRC

### HONG KONG SHARE REGISTRAR AND TRANSFER OFFICE

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

### STOCK CODE

Stock Code: 9600

### WEBSITE

[www.newlinktech.com.cn](http://www.newlinktech.com.cn)

## MILESTONES IN 2025

Timeline	Events
January	<p>Beijing Newlink was awarded the “Golden Ding Product Award(金鼎產品獎)” in the financial category of the 3rd “Dingxin Cup(鼎信杯)” Competition, hosted by the China Software Testing and Evaluation Centre (Ministry of Industry and Information Technology, Software and Integrated Circuit Promotion Centre), for its IT solution titled “IFR Financial Intelligent Process Robot Based on Newlink RPA V4.0(基於Newlink RPA V4.0的IFR財務智能流程機器人)”</p> <p>Neusoft Yuetong has newly launched the products, such as “Neusoft Yuetong Finance Leasing Template Management Platform V1.0(東軟越通融資租賃模板管理平台V1.0)”, “Yuetong Finance Leasing Message Push Platform Software V1.0(越通融資租賃消息推送平台軟件V1.0)”, and “Neusoft Yuetong Finance Leasing Form Customization Platform V1.0(東軟越通融資租賃表單自定義平台V1.0)”</p>
March	<p>Beijing Newlink has successively launched various upgraded business products, including the “Intelligent TCM Hospital Information System Based on Closed-loop Management of Traditional Chinese Medicine Business V3.0(基於中藥業務閉環管理的智能中醫醫院信息系統V3.0)”, the “Structured TCM Electronic Medical Record System Based on ICD-11 V3.0(基於ICD-11的結構化中醫電子病歷系統V3.0)”, and the “Government Bond Reporting Platform V3.0(國債報送平台V3.0)”</p>
April	<p>Newlink Technology signed a Memorandum of Understanding with The Hong Kong Polytechnic University to establish a strategic partnership in the areas of industry-academia-research collaboration, establishing a joint laboratory and setting up joint research projects</p>
May	<p>The Group organized a series of ESG activities, including old clothes donations and green mountaineering, to encourage all employees participation in low-carbon and charitable activities that give back to society, while promoting physical wellness among all employees, demonstrating the Group’s commitment to giving back to nature and society through concrete actions</p>
June	<p>Beijing Newlink was invited to deliver a keynote speech at the Sixth Public Hospital High-Quality Innovative Development Exchange Conference hosted by the Hospital Quality Management and Information Technology Development Branch of the National Association of Health Industry Enterprise Management</p> <p>Newlink Technology and its Executive Director, Chairman of the Board, and Chief Executive Officer, Mr. Zhai Shuchun, were honored with three awards: the “Hainuo Award – 2025 Service Innovation Model Enterprise(海諾獎–2025服務創新典範企業)”, the “Hainuo Award – 2025 (Industry) Leading Brand(海諾獎 – 2025(行業)引領品牌)”, and the “Hainuo Award – 2025 (Industry) Leading Figure(海諾獎 – 2025(行業)引領人物)”</p>

## MILESTONES IN 2025

Timeline	Events
July	Newlink Technology was honored with two awards, namely the “2025 Technology Innovation Leadership Award (2025科技創新引領獎)” and “2025 Listed Company with Excellent Brand Influence (2025卓越品牌影響力上市公司)”, at the selection activities related to the 14th Financial Summit and the 2025 New Quality Productive Forces Entrepreneurs Conference
August	Beijing Newlink successfully obtained the TMMi (Test Maturity Model integration) Level 3 certification
September	The “Digital and Intelligent Energy Supply Chain Financial Service Platform (數智化能源供應鏈金融服務平台)” innovated and developed by Beijing Newlink was successfully recognized as the outstanding innovation project of “Xiamen International Bank Cup (廈門國際銀行杯)” at the “2025 Digital Finance Exchange Seminar and ‘Xiamen International Bank Cup’ Digital Finance Innovation and Entrepreneurship Competition”
November	<p>Newlink Technology was honored with the “Most Socially Responsible Listed Company Award (最具社會責任上市公司獎)” at the 13th Annual Capital Power Brand Activity by Stockstar</p> <p>Newlink Technology was honored with two awards, namely the “Honor Award – 2025 Responsible Technology Company (奧納獎–2025年度責任科技公司)” and the “Honor Award – 2025 Outstanding Responsible Enterprise (奧納獎–2025年度責任優秀企業)”, at the 2025 (8th) Social Responsibility Conference Selection Event</p>
December	<p>The “Digital and Intelligent Energy Supply Chain Financial Service Platform (數智化能源供應鏈金融服務平台)” of Beijing Newlink was awarded the “Excellent Case Award” at the 5th Digital Financial Service Innovation and Scenario Application Case Competition 2025 (2025第5屆數字金融服務創新與場景應用案例優秀案例獎)</p> <p>Beijing Newlink obtained the Certificate of Information System Construction and Service Capability Level – Basic Level (CS2)</p> <p>Beijing Newlink was successfully selected into the list of 2025 Beijing Enterprise Innovation Credit Leading Units in the 2025 Beijing Enterprise Innovation Credit Leadership Initiative</p>

## FINANCIAL SUMMARY

	For the Year Ended 31 December				
	2025 RMB'000	2024 RMB'000	2023 RMB'000	2022 RMB'000	2021 RMB'000
<b>Revenue</b>	<b>308,729</b>	278,822	245,495	260,554	205,752
Gross Profit	<b>43,431</b>	38,869	37,091	70,459	74,598
(Loss)/Profit before tax	<b>(188,267)</b>	(96,068)	(70,971)	20,795	17,015
Income tax credit/(expense)	<b>(46)</b>	3,049	1,287	(3,356)	(3,968)
(Loss)/Profit for the year	<b>(188,313)</b>	(93,019)	(69,684)	17,439	13,047
<b>(Loss)/Profit attributable to:</b>					
Owners of the parent	<b>(187,937)</b>	(92,463)	(69,159)	17,488	13,047
Non-controlling interests	<b>(376)</b>	(556)	(525)	(49)	- <sup>1</sup>

	As at 31 December				
	2025 RMB'000	2024 RMB'000	2023 RMB'000	2022 RMB'000	2021 RMB'000
Total assets	<b>748,278</b>	882,822	947,685	991,204	873,338
Total liabilities	<b>206,483</b>	143,384	158,781	108,593	34,067
Equity attributable to owners of the parent company	<b>542,001</b>	739,268	786,971	880,153	837,764
Non-controlling interests	<b>(206)</b>	170	1,933	2,458	1,507
Total equity	<b>541,795</b>	739,438	788,904	882,611	839,271

Note:

1. Less than RMB1,000.

## CHAIRMAN'S STATEMENT

Dear Shareholders,

In 2025, the global industrial landscape underwent profound adjustments, and the wave of the digital economy surged forward. Newlink Technology carved a path through breakthroughs in innovation and stood firm on the foundation of technology. Focusing on core sectors such as artificial intelligence and big data analytics, the Group has deeply developed key industries including finance, healthcare, and transportation. It has continuously refined full-scenario solutions and has built a multidimensional value network encompassing “products, scenarios and ecosystem development”. In 2025, the Group’s revenue from artificial intelligence solutions increased by 36.8% year-on-year, reaching RMB150.9 million.

In 2025, the Group achieved growth in both revenue and gross profit. It recorded revenue of RMB308.7 million, an increase of 10.7% from 2024, and a gross profit of RMB43.4 million, an increase of 11.6% from 2024. In addition, as of the end of 2025, the value of the Group’s contracts signed but unrecognized revenue increased by 29.7% year-on-year to RMB99.6 million, laying the foundation for sustained revenue growth in 2026. The Group’s major customer base remained stable in 2025, covering many well-known brand customers in industries such as finance, healthcare, transportation, electric power, and communications, including 12 Fortune Global 500 customers and 17 Top 500 Chinese customers. While revenue from principal business continued to grow, the gross trade receivables of the Group as at the end of 2025 (before deduction of expected credit losses) increased by RMB88.0 million from the end of 2024 to RMB292.0 million. The allowance for expected credit losses on trade receivables increased by RMB56.7 million to RMB101.6 million, which was the primary factor contributing to a further increase in the loss recorded.

In 2025, the Company and subsidiaries under the Group each received numerous honors in the application of innovative technology, among which the Company received awards including “Hainuo Award – 2025 Service Innovation Model Enterprise (海諾獎 – 2025服務創新典範企業)” and the “2025 Tech Innovation Leadership Award (2025科技創新引領獎)” at the 14th Financial Summit and 2025 New Quality Productive Forces Entrepreneurs Conference (第十四屆財經峰會暨2025新質生產力企業家大會); the main operating entity under the Group, Beijing Newlink, received awards including: the “Golden Ding Product Award (金鼎產品獎)” in the financial category of the 3rd “Dingxin Cup (鼎信杯)” Competition, hosted by the China Software Testing and Evaluation Centre (Ministry of Industry and Information Technology, Software and Integrated Circuit Promotion Centre), for its independently developed IT solution “IFR Financial Intelligent Process Robot Based on Newlink RPA V4.0 (基於Newlink RPA V4.0的IFR財務智能流程機器人)”; the “Xiamen International Bank Cup (廈門國際銀行杯)” Outstanding Innovation Project award at the “2025 Digital Finance Exchange Seminar and ‘Xiamen International Bank Cup’ Digital Finance Innovation and Entrepreneurship Competition (2025數字金融交流研討會暨‘廈門國際銀行杯’數字金融創新創業大賽)” for its independently developed “Digital and Intelligent Energy Supply Chain Financial Service Platform (數智化能源供應鏈金融服務平台)”; the “5th Excellent Case Award for Digital Financial Service Innovation and Scenario Application in 2025 (2025第5屆數字金融服務創新與場景應用案例優秀案例獎)” for its independently developed “Digital and Intelligent Energy Supply Chain Financial Service Platform (數智化能源供應鏈金融服務平台)”; and was selected for the 2025 List of Beijing Enterprise Innovation Credit Leading Units (2025年度北京市企業創新信用領跑單位名單) in the 2025 Beijing Enterprise Innovation Credit Leading Action (2025年度北京市企業創新信用領跑行動).

## CHAIRMAN'S STATEMENT

In 2025, we deeply embedded the ESG philosophy into the entire process of our corporate operations and management, putting social responsibility into practice through concrete actions and demonstrating our brand's compassion through our commitment to our responsibilities. From perfecting our governance system to implementing social responsibility practices, and from promoting green development to empowering industrial upgrading, our fulfillment of responsibilities has garnered extensive acclaim. We were awarded the "Most Socially Responsible Listed Company Award (最具社會責任上市公司獎)" at the 13th Capital Power Annual Brand Event (第十三屆資本力量年度品牌活動), and received two honors, the "Honor Awards – 2025 Annual Responsible Technology Company (奧納獎 – 2025年度責任科技公司)" and the "Honor Awards – 2025 Annual Outstanding Responsible Enterprise (奧納獎 – 2025年度責任優秀企業)" at the 2025 (8th) Social Responsibility Conference (2025 (第八屆)社會責任大會). Establishing the enterprise with responsibility and operating with integrity, while achieving our own development, we strive to create greater social value and interpret the mission and responsibility of a technology enterprise in the new era.

2026 marks the sixth anniversary of the Newlink Technology's listing on the Main Board of the Stock Exchange, and it is also a pivotal year for building a solid foundation to scale new heights, and forging ahead with collective resolve. Leveraging the favorable momentum of the capital markets, we completed a new share placing in February 2026. The net proceeds from the placing, after deduction of the placing commission and other related expenses, amounted to HK\$17.9 million, which laid a sound foundation for strengthening our high-quality development and ensuring a steady operational layout. The support from the capital markets has bolstered our confidence to march forward with courage and resilience, providing the concrete support for technology research and development, market expansion, and talent recruitment and development. This has enabled the Group to move forward steadily and achieve long-term success on the digital transformation.

In 2026, the Group will uphold long-term, stable, and high-quality development as its values and continuously optimize its customer structure. By accumulating extensive experience in serving leading institutions and industry-leading enterprise customers, the Group will gradually improve the turnover efficiency of its trade receivables and ensure its steady, healthy and sustainable operation. By continuously enhancing operating performance, optimizing asset allocation, and strengthening cash flow management, the Group will enhance its operational resilience and risk resistance, thereby steadily achieving a dual improvement in operating quality and development efficiency.

**Mr. ZHAI Shuchun**

*Chairman and Chief Executive Officer*

27 March 2026

## DIRECTORS AND SENIOR MANAGEMENT

### OUR DIRECTORS

The Board currently consists of six Directors, comprised of three executive Directors and three independent non-executive Directors. The following table sets forth information regarding the Directors.

Name	Age	Position	Date of Appointment as Director
<b>Executive Directors</b>			
Mr. ZHAI Shuchun (翟曙春)	60	Executive Director, Chairman and CEO	8 November 2019
Ms. QIN Yi (秦禕)	48	Executive Director and deputy general manager	30 December 2019
Mr. LI Xiaodong (李小東)	38	Executive Director and deputy general manager	30 December 2019
<b>Independent Non-executive Directors</b>			
Mr. TANG Baoqi (唐保祺)	66	Independent Non-executive Director	5 December 2020
Ms. YANG Juan (楊鵬)	63	Independent Non-executive Director	30 November 2021
Mr. YOU Linfeng (游林峰)	48	Independent Non-executive Director	4 December 2023

### Executive Directors

**Mr. ZHAI Shuchun (翟曙春)**, aged 60, is our executive Director, the chairman of the Board and CEO, and a director of our certain subsidiaries. He is primarily responsible for the overall management of business, strategy, research and development of our Group. Mr. Zhai joined our Group in December 2016 and has been in charge of the overall management of Beijing Newlink since then. He was appointed as an executive Director in November 2019 and as our CEO and chairman of the Board in December 2019. Mr. Zhai has been the executive director and general manager of Beijing Yunwang Wanwei Technology Co., Ltd. (北京雲網萬維科技有限公司) from December 2017 to July 2024, the chairman of the board of directors and general manager of Beijing Guanruitong E-commerce Technology Co., Ltd. (北京冠瑞通電子商務科技股份有限公司) (“**Guanruitong**”) from March 2017 to July 2024, and the manager of Guanruitong since July 2024. From May 2001 to December 2016, Mr. Zhai was the chairman of the board of directors and general manager at Beijing UFC Co., Ltd. (北京聯銀通科技有限公司). He also served as a director of DHC Software Co., Ltd. (東華軟件股份公司), a company listed on the Shenzhen Stock Exchange (stock code:002065), from May 2008 to December 2010. From October 1995 to May 2001, Mr. Zhai served as the general manager of Vanda Systems & Communications Holdings Limited (中聯系統控股有限公司). Mr. Zhai obtained a bachelor’s degree in computer science from Beijing Jiaotong University (北京交通大學) in July 1989, and a master’s degree in satellite remote sensing from University of Chinese Academy of Sciences (中國科學院大學) in July 1995. He is the father of Mr. Zhai Guanhua.

## DIRECTORS AND SENIOR MANAGEMENT

**Ms. QIN Yi (秦禕)**, aged 48, is our executive Director and deputy general manager. She is primarily responsible for the sales and marketing of our Group. Ms. Qin joined our Group in June 2012 and was appointed as an executive Director in December 2019. She was the head of sales and marketing department at Beijing Newlink from June 2012 to December 2016, and has served as a deputy general manager at Beijing Newlink since December 2016. Prior to joining us, Ms. Qin served as a client manager at Digital China Group Co., Ltd. (神州數碼集團股份有限公司), a company listed on the Stock Exchange (stock code: 0861) and Shenzhen Stock Exchange (stock code: 000034), from August 2007 to June 2012. Ms. Qin obtained a college degree in modern public relations from China University of Mining and Technology (中國礦業大學) in July 2000, and a bachelor's degree in journalism from Communication University of China (中國傳媒大學) in July 2012.

**Mr. LI Xiaodong (李小東)**, aged 38, is our executive Director and deputy general manager. He is primarily responsible for the project management of our Group. Mr. Li joined our Group in April 2015 and was appointed as an executive Director in December 2019. He was the head of project management department at Beijing Newlink from April 2015 to December 2016, and has served as a deputy general manager at Beijing Newlink since December 2016. Prior to joining us, Mr. Li worked at Jiangsu Kaihua Intelligent Engineering Co., Ltd. (江蘇愷華智能工程有限公司) from November 2009 to March 2015. Mr. Li graduated from Huaian College of Information Technology (淮安信息職業技術學院) in July 2008 where he majored in computer software.

### Independent Non-executive Directors

**Mr. TANG Baoqi (唐保祺)**, aged 66, is an independent non-executive Director of our Company. He is primarily responsible for supervising and providing independent judgment to our Board. Mr. Tang has served as an independent non-executive director of Luzhou Bank Co., Ltd. (瀘州銀行股份有限公司) (formerly known as Luzhou City Commercial Bank Co., Ltd. (瀘州市商業銀行股份有限公司)), a company listed on the Stock Exchange (stock code: 1983) from December 2018 to November 2024. He worked at China Cinda (HK) Holdings Company Limited (中國信達(香港)控股有限公司), a subsidiary of China Cinda Asset Management Co., Ltd. (中國信達資產管理股份有限公司) which is a company listed on the Stock Exchange (stock code: 1359; preference share stock code: 4607), as a senior manager, the general manager of risk management department, the chief risk officer and the chief financial officer since February 2000 and was a director and deputy general manager when he left China Cinda (HK) Holdings Company Limited in March 2018. Mr. Tang worked at the creditors' rights department (債權部) of China Cinda Asset Management Co., Ltd. from June 1999 to February 2000. Mr. Tang also served as a non-executive director of China Fortune Financial Group Limited (中國富強金融集團有限公司), a company listed on the Stock Exchange (stock code: 0290) from March 2016 to April 2018, a non-executive director of China National Materials Company Limited (中國中材股份有限公司), a company previously listed on the Stock Exchange (stock code: 1893) from July 2011 to July 2016, and an executive director of Silver Grant International Holdings Group Limited (銀建國際控股集團有限公司), a company listed on the Stock Exchange (stock code: 0171) from March 2008 to July 2011. Mr. Tang obtained a bachelor's degree in economics from Hubei Institute of Finance and Economics (湖北財經學院) (currently known as Zhongnan University of Economics and Law (中南財經政法大學)) in July 1983. Mr. Tang was certified as a senior economist by People's Construction Bank of China (中國人民建設銀行) (currently known as China Construction Bank Corporation (中國建設銀行股份有限公司)) in March 1996.

## DIRECTORS AND SENIOR MANAGEMENT

**Ms. YANG Juan** (楊鵬), aged 63, is an independent non-executive Director of our Company. She is primarily responsible for supervising and providing independent judgment to our Board. She has successively served as a lecturer, assistant professor, professor and master's supervisor at the school of accounting in Capital University of Economics and Business (首都經濟貿易大學) since July 1986. Ms. Yang has served as an independent non-executive director of Aerospace Changzheng Chemical Engineering Co., Ltd., a company listed on the Shanghai Stock Exchange (stock code: 603698) since October 2024. Ms. Yang received her bachelor's degree in accounting from Capital University of Economics and Business in July 1986.

**Mr. YOU Linfeng** (游林峰), aged 48, is an independent non-executive Director of our Company. He is primarily responsible for supervising and providing independent judgment to our Board. From July 2001 to May 2005, he has served as an auditor assistant at Huazheng Certified Public Accountants\* (華証會計師事務所) and Beijing Pan-China Certified Public Accountants\* (北京天健會計師事務所). From June 2005 to December 2012, he worked for Deloitte Touche Tohmatsu CPA\* (德勤華永會計師事務所) and lastly as a senior manager. From December 2012 to June 2020, he served as a vice general manager of the Inspection & Audit Department at Zhongrong International Trust Co. Ltd (中融國際信託有限公司). Since December 2020, he has been serving as a salaried partner at BDO China Shu Lun Pan Certified Public Accountants LLP\* (立信會計師事務所). Mr. You graduated from Beijing University of Chemical Technology (北京化工大學) in 2001 with a bachelor's degree in accounting, obtained the qualification of certified internal auditor conferred by The institute of Internal Auditors and is a certified public accountant in the People's Republic of China.

### SENIOR MANAGEMENT

**Mr. ZHAI Shuchun** (翟曙春), aged 60, is our executive Director, the chairman of the Board and CEO. His biographical details are set out above under the section headed "Directors and Senior Management – Our Directors" in this annual report.

**Ms. QIN Yi** (秦禕), aged 48, is our executive Director and deputy general manager. Her biographical details are set out above under the section headed "Directors and Senior Management – Our Directors" in this annual report.

**Mr. LI Xiaodong** (李小東), aged 38, is our executive Director and deputy general manager. His biographical details are set out above under the section headed "Directors and Senior Management – Our Directors" in this annual report.

**Ms. ZHANG Xiushi** (張琇石), aged 41, is the deputy general manager and company secretary of our Company, being responsible for secretarial and investor relation management matters of our Company. Ms. Zhang joined our Group in July 2019 as the board secretary of Beijing Newlink, and was appointed as a director of Beijing Newlink in December 2019 and as a joint company secretary of our Company in February 2020, and was appointed as the deputy general manager of the Company in February 2023, and has acted as the sole company secretary of the Company since 30 March 2024. Prior to joining the Group, Ms. Zhang served as the deputy general manager at the investment banking department of China Galaxy Securities Co., Ltd. (中國銀河證券股份有限公司), a company listed on the Stock Exchange (stock code: 6881), from February 2015 to June 2019. Ms. Zhang worked as a senior manager of the investment banking department of Capital Securities Co., Ltd. (首創證券有限責任公司) from May 2011 to February 2015. From July 2006 to June 2008, Ms. Zhang worked at World Shipping Group Limited (世航集團有限公司). Ms. Zhang obtained a bachelor's degree in tourism management from Beijing International Studies University (北京第二外國語學院) in July 2006, and a master's degree in accounting from St. John's University in the United States in July 2010.

## DIRECTORS AND SENIOR MANAGEMENT

**Mr. ZHAI Guanhua (翟冠華)**, aged 34, is our chief financial officer. Mr. Zhai Guanhua joined the Group in September 2022 and has served as the chief financial officer of the Group since 5 September 2022. He has extensive experience in financial management, financial analysis, investment and financing decisions, corporate operations and corporate governance. Mr. Zhai Guanhua has been the executive director and the general manager of Beijing Fullhouse Investment Management Co., Ltd. (北京富華佳信投資管理有限公司) since July 2018. Prior to that, Mr. Zhai Guanhua served as a financial advisor at Morgan Stanley (San Francisco) from July 2016 to March 2018 and the executive director and the general manager of Beijing Fuhuajixin Business Incubator Co., Ltd. (北京富華佳信企業孵化器有限公司) from July 2021 to August 2022. Mr. Zhai Guanhua graduated from Syracuse University in 2014 with a bachelor's degree in finance. He graduated from New York University in 2016 with a master's degree in talent management and obtained a master's degree in business administration from The Chinese University of Hong Kong in 2024. He is the son of Mr. Zhai Shuchun, chairman of the Board and CEO.

**Mr. TIAN Weihai (田維海)**, aged 58, is the deputy general manager of the Company. He is responsible for assisting the chairman of the subsidiary, Neusoft Yuetong, in managing its business strategy matters. Mr. Tian joined the Group in July 2022 and was appointed as the deputy general manager of the Company in February 2023. From October 1985 to March 2005, Mr. Tian served in the Chinese People's Liberation Army, during which time he held the position of the deputy regimental secretary at the Strategic Teaching and Research Department of the National Defense University. He served as the administrative director of North China Region of Neusoft Group (Beijing) Co., Ltd.\* (東軟集團(北京)有限公司) from November 2005 to August 2015. From September 2015 to July 2022, he served as the general manager of Neusoft Yuetong. From July 2022 to January 2026, he served as the general manager and a director of Neusoft Yuetong. He has been serving as the vice chairman of Neusoft Yuetong since February 2026. Mr. Tian obtained a bachelor's degree in automotive application engineering from the Transportation Engineering Institute of the Chinese People's Liberation Army (中國人民解放軍運輸工程學院) in July 1991.

**Mr. PAN Zehua (潘澤華)**, aged 51, is the deputy general manager of the Company. He is responsible for the research and development management and solution service delivery management of the Company. Mr. Pan joined the Group in October 2017 as the vice president of Beijing Newlink and he was appointed as the deputy general manager of the Company in February 2023. Prior to joining us, Mr. Pan served as the assistant to the president of Beijing UFC Co., Ltd. (北京聯銀通科技有限公司) from November 2000 to October 2017. Mr. Pan obtained a bachelor's degree in computer software and application from Shanghai Railway University (上海鐵道大學) in July 1996. He has been certified as an IPMA B-level senior project manager, and passed the MSP (programme management) and P3O (project management office) certifications issued by OGC of the United Kingdom.

**Mr. DING Yaixin (丁耀欣)**, aged 49, is the deputy general manager of the Company. He is responsible for the program design and product promotion management of the Company. Mr. Ding joined the Group in October 2017 as the assistant to the president of Beijing Newlink and was appointed as the deputy president of Beijing Newlink in March 2021 and the vice general manager of the Company in February 2023, respectively. Prior to joining us, Mr. Ding served as the general manager of the 3rd Software Business Division of Beijing UFC Co., Ltd. (北京聯銀通科技有限公司) from April 2006 to October 2017. Mr. Ding obtained a bachelor's degree in computer application software from Jilin University in July 2009, and was qualified as a Certified Information System Auditor (CISA) in August 2021.

## DIRECTORS AND SENIOR MANAGEMENT

**Mr. MAO Qilong (毛啟龍)**, aged 41, is our deputy general manager. He mainly assists the general manager of the Company in handling the daily affairs of the Company. Mr. Mao joined the Group in April 2012 as the head of administration department at Beijing Newlink and has served as a deputy general manager at Beijing Newlink since December 2016. Prior to joining us, Mr. Mao served as deputy manager of the administrative department of Changshu Xinzhuang Jixiang Auxiliary Co., Ltd. (常熟市辛莊吉祥助劑有限公司) from February 2007 to March 2012. Mr. Mao graduated from Changshu Mocheng High School (常熟市莫城中學) in June 2003.

### COMPANY SECRETARY

**Ms. Zhang Xiushi (張琇石)**, is the deputy general manager and company secretary of our Company, being responsible for secretarial and investor relation management matters of our Company. Her biographical details are set out in the section headed “Directors and Senior Management – Senior Management” of this annual report.

# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW AND OUTLOOK

### Overview

As a leading technology-driven IT solution service provider in China with the development of proprietary software products as its core, Newlink Technology has long been focusing on the research and development and scenario-based implementation of cutting-edge technologies such as artificial intelligence and big data analytics, and is committed to providing high-value-added IT solutions and professional services for customers in key industries, including finance, healthcare, transportation and logistics, as well as general industry customers.

The Group has always been committed to independent innovation and technological research and development, continuously promoting investment in the research and development and application innovation of new products and new technologies, and facilitating the deep integration of products and services. Leveraging core solutions such as Robotic Process Automation (RPA), smart park, and medical and health care big data intelligent management, the Company comprehensively utilizes key technologies including data mining and analysis, cloud-based computing, distributed database, intelligent control, knowledge graph and deep learning to provide customers with integrated information technology solutions tailored to business scenarios that enhance their core competitiveness, thereby continuously solidifying and improving its market position and comprehensive competitiveness in advantageous industries such as finance, healthcare and transportation.

### Business Review

In 2025, the Group achieved revenue of RMB308.7 million, representing a 10.7% year-on-year increase compared to 2024. Among them, revenue from software development services business accounted for 88.9% of the Group's total revenue, reaching RMB274.5 million, representing a year-on-year increase of 12.9%; revenue from technical and maintenance support services amounted to RMB29.9 million, representing a year-on-year increase of 10.7%; revenue from standard software sales business amounted to RMB4.3 million, representing a significant year-on-year decrease. However, as this segment accounted for a very small proportion of the Group's total revenue, it did not affect the overall year-on-year revenue growth trend in 2025. In 2025, the Group's gross profit increased by 11.6% to RMB43.4 million as compared to 2024.

In 2025, although the Group achieved a year-on-year increase in revenue and gross profit, primarily due to the effect of a significant year-on-year increase of RMB54.9 million in the provision for expected credit losses on trade receivables, contract assets and other receivables, newly recognized impairment losses of RMB17.8 million on property and equipment, right-of-use assets and intangible assets, and a significant year-on-year increase of RMB14.2 million in losses arising from the fair value change on equity investments at fair value through profit or loss, the Group recorded a loss that increased by RMB95.3 million compared to 2024.

## MANAGEMENT DISCUSSION AND ANALYSIS

In 2025, the Group deepened its strategy of diversified and synergistic development by integrating internal resources and expanding into external markets, moving forward with determination and a long-term vision. In 2025, the Group's revenue from regions outside Chinese Mainland increased by 4.6 times year-on-year to RMB5.6 million, of which artificial intelligence solutions accounted for 92.9%. Internally, the Company eliminated silos between subsidiaries, leveraged complementary resources, and promoted the differentiated implementation of its flagship products. Our major subsidiaries successfully obtained TMMi Level 3 certification and Information System Construction and Service Capability (CS2) certification, fortifying the solid foundation of our technical services. Externally, the Company anchored its core foothold in the Greater Bay Area, radiating outward to expand into regional markets nationwide and intensifying its market penetration. Furthermore, the Company was invited to attend the Sixth Public Hospital High-Quality Innovative Development Exchange Conference and deliver a keynote speech, promoting the in-depth implementation of its digital healthcare solutions. With synergistic effects fully unleashed and the business footprint continuously expanding, a multi-faceted development pattern has emerged, injecting inexhaustible momentum into our high-quality development.

### Outlook

In 2026, the Group will adhere to the core development objective of being driven by both technological R&D innovation and business model innovation. It will achieve this by deepening subsidiary coordination mechanisms and establishing a cross-system resource exchange platform, integrating internal and external technology supply chains to create a hub for innovation elements, and constructing a customer experience monitoring matrix to achieve dynamic real-time feedback on the demand side, thus building a long-term growth engine through a systematic implementation path.

Meanwhile, we will continue to strengthen the differentiated competitive advantage of flagship products and establish customer segmentation models, extend the technology innovation-related product spectrum and build a multi-scenario solution library, implement a dual-track expansion strategy combining "core market penetration with emerging market development", and holistically strengthen core competitiveness across three key dimensions: product, ecosystem and market.

In addition, the Group will further explore the value potential of regional strategic layout by advancing the establishment of localized operation centers to improve the regional market response network; formulating differentiated promotion plans to facilitate cross-regional replication and distinctive upgrades of products and solutions; and building a channel partner capability empowerment system to enhance end-market coverage density.

# MANAGEMENT DISCUSSION AND ANALYSIS

## FINANCIAL REVIEW

The Group's financial performance in 2025 reflects a disciplined yet forward-looking approach to resource management. The Group achieved solid revenue growth while maintaining gross profit at a stable level. Enhanced liquidity, controlled leverage, and strategic investments in market expansion and innovation continue to position the Group favourably for sustained long-term growth.

### Revenue

During the Reporting Period, the majority of the Group's revenue continued to be derived from its IT solutions services business. This business involves the provision of integrated IT solutions to customers, encompassing software development, technical support and maintenance services, sales of standard software products, and other related services, all of which are customised to address customers' specific requirements.

The Group's IT solutions are categorised into traditional solutions and innovative solutions. Innovative solutions are powered by advanced technologies such as artificial intelligence and big data analytics, and are delivered to customers in key sectors including finance, healthcare and transportation in both customised and standardised formats. Traditional solutions, meanwhile, are primarily utilised in the finance and transportation sectors.

In 2025, the Group recorded a revenue of RMB308.7 million, representing an increase of 10.7% from RMB278.8 million in 2024. The increase in the Group's revenue in 2025 was mainly due to the increase in the revenue of software development services.

The following analysis sets forth a breakdown of our revenue for the year of 2025 and 2024, respectively.

### Software development services

In 2025, our revenue from software development services amounted to RMB274.5 million, accounting for 88.9% of the total revenue of the Group and representing a year-on-year increase of 12.9% as compared with 2024. Among the revenue from software development services, revenue from innovative solutions amounted to RMB164.8 million, accounting for 60.0% of our revenue from software development services. The innovative software development service is a critical component of business revenue of the Group, encompassing a portfolio of advanced products, mainly including robotic process automation (RPA) solutions, medical and healthcare big data intelligent management solutions and others. These innovative products are developed through the application of a range of advanced technologies, including data mining and analysis, cloud-based computing, distributed database management, knowledge graphs, and deep learning, which have successfully served customers in industries such as financial institutions, medical establishments, and large-scale state-owned and privately-owned enterprises in the transportation and logistics industries.

### Technical and maintenance services

Our revenue from technical and maintenance services in 2025 amounted to RMB29.9 million, representing an increase of 10.7% from RMB27.0 million in 2024. In 2025, the revenue from technology and maintenance services accounted for a relatively low proportion of the Group's total revenue, at only 9.7%.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Sales of standard software

In 2025, our revenue from sales of standard software amounted to RMB4.3 million, only accounting for 1.4% of the total revenue of the Group. Revenue from the innovative solutions amounted to RMB3.6 million, accounting for 83.7% of our revenue from sale of standard software. In 2025, the Group's innovative solutions that generate revenue through the sales of standard software mainly include products such as the medical quality control and the intelligent healthcare platform.

### Cost of sales and services rendered

Our cost of sales and services rendered increased by 10.5% from RMB240.0 million in 2024 to RMB265.3 million in 2025, mainly due to greater implementation cost associated with the increased revenue of software development services business.

### Gross profit and gross profit margin

Our gross profit increased by 11.6% from RMB38.9 million in 2024 to RMB43.4 million in 2025. Our gross profit margin increased from 14.0% in 2024 to 14.1% in 2025. The increase in gross profit and increase in gross profit margin were mainly due to that increase in cost of sales from the software development services business which was less than the increase in revenue therefrom.

### Other income and gains

In 2025, the Group's other income and gains were RMB8.4 million, representing a decrease of 30.6% as compared with 2024, primarily due to the decrease in bank interest income.

### Investment Properties

The details of properties held by the Group for investment purposes are set out below:

Name of the project	Address	Usage	Holding Method
Office properties located in Chengdu, the PRC	No. 88, Jitai 5th Road, High-Tech Zone, Chengdu, Sichuan, the PRC	Office premises	State-owned Construction Land Use Right
Car parks located in Chengdu, the PRC	No. 88, Jitai 5th Road, High-Tech Zone, Chengdu, Sichuan, the PRC	Car parks	State-owned Construction Land Use Right

### Changes in fair value of investment properties

In 2025, the Group recorded a loss on change in fair value of investment properties of a total of RMB1.6 million.

### Change in fair value of equity investments at fair value through profit or loss

In 2025, the Group recorded loss arising from change in fair value of equity investments at fair value through profit or loss of a total of RMB25.5 million, which was mainly attributable to unrealised losses arising from changes in the fair value of listed equity securities acquired in the secondary market.

### Change in fair value of contingent consideration

During the Reporting Period, the Group recorded a gain on change in fair value of contingent consideration of a total of RMB1.6 million in relation to the acquisition of the subsidiary, Neusoft Yuetong.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Allowance for expected credit losses on trade receivables, contract assets and other receivables, net

The Group recorded allowance for expected credit losses on trade receivables, contract assets and other receivables, net of RMB56.5 million in 2025, which was mainly due to the increase in expected credit losses on trade receivables balances for more than three years.

### Impairment losses on non-current assets

Our impairment losses on non-current assets was totalled at RMB17.8 million for the year ended 31 December 2025. We recorded impairment losses of RMB3.0 million on property and equipment, RMB1.6 million on right-of-use assets and RMB13.2 million on intangible assets. For further details, please refer to note 18 and note 19 to the consolidated financial statements of this annual report.

### Selling and distribution expenses

Our selling and distribution expenses increased by 27.2% from RMB16.2 million in 2024 to RMB20.6 million in 2025. The increase in selling and distribution expenses was mainly due to the rise in personnel-related costs during the Reporting Period.

### Administrative expenses

Our administrative expenses increased by 14.6% from RMB45.8 million in 2024 to RMB52.5 million in 2025. The increase in administrative expenses was mainly due to higher service fees incurred for the Company's daily operations and management activities and increase in employee compensation, including salaries and allowances.

### Research and development expenses

In 2025, our research and development expenses amounted to RMB61.2 million, representing a decrease of 14.4% as compared with RMB71.5 million in 2024, primarily due to decrease in the number of research and development personnel resulting in a corresponding decrease in salaries and related costs.

Since its listing, the Group has continuously invested heavily in research and development. On the one hand, it has invested in the research and development of corresponding solutions according to the utilization plan of the raised funds; and on the other hand, it has also accelerated in terms of investing heavily in the research and development of technologies related to artificial intelligence and big data analysis. As of 31 December 2025, the Group had a total of 261 items of software copyrights, including 24 items of software copyrights newly formed by developing or upgrading innovative solutions in the year 2025, accounting for 88.9% of the total 27 items of software copyrights newly developed in the year 2025.

### Other expenses

In 2025, our other expenses amounted to RMB2.0 million, representing an increase as compared with RMB0.7 million in 2024, primarily comprised of donation expense and write-down on inventories.

### Finance costs

In 2025, our finance costs decreased from RMB2.0 million in 2024 to RMB1.5 million, which remained relatively stable, primarily comprised of interest expenses on interest-bearing bank borrowings and interest on lease liabilities.

### Share of results of an associate

During the Reporting Period, the Company recorded share of investment loss of an associate of RMB2.5 million, which was due to the associate, Beijing Heshun Huikang Technology Co., Ltd. (北京和順慧康科技有限公司), which is invested in by the Group's acquired subsidiary, Neusoft Yuetong, incurring losses in the year of 2025.

### Loss before tax

As a result of the foregoing, we recorded a loss before tax of RMB188.3 million in 2025, representing a year-on-year increase of RMB92.2 million.

# MANAGEMENT DISCUSSION AND ANALYSIS

## Income tax expense

We recorded income tax expense of RMB0.05 million in 2025 as compared to income tax credit of RMB3.0 million in 2024, mainly due to the decrease in deferred income tax credit.

## Loss for the year

Due to the above reasons, we recorded a loss for the year of RMB188.3 million in 2025, representing an increase of 102.5% as compared to a loss for the year of RMB93.0 million in 2024, mainly due to the increase in allowance for expected credit losses on trade receivables and contract assets, net, impairment losses on property and equipment, right-of-use assets and intangible assets and the loss on change in fair value of equity investments at fair value through profit or loss, as well as other factors.

## Liquidity, financial and capital resources

In 2025, we financed our capital expenditure and working capital requirements mainly through cash generated from operations, bank borrowings and net proceeds from the Global Offering and the 2024 Placing. As of 31 December 2025, the Group's total available cash and cash equivalents, including bank balances and time deposits with maturity less than three months, amounted to RMB283.7 million. This represents a decline of 18.2% from RMB346.8 million recorded on 31 December 2024.

The Group's total bank borrowings as of 31 December 2025 amounted to RMB30.0 million. All borrowings are due for repayment between 7 March 2026 and 26 July 2026 and bear an interest rate of between 3.20% and 3.60% per annum. The Group's bank borrowings were strategically deployed to support operational requirements and facilitate business expansion.

Net current assets as of 31 December 2025 were RMB391.9 million, compared to RMB534.5 million as at 31 December 2024, reflecting a decrease of 26.7%. This demonstrates the Group's prudent strategy of balancing liquidity needs with short-term debts while preserving sufficient resources for strategic growth initiatives.

## Exposure to exchange rate fluctuation

During the year ended 31 December 2025, the functional currency of companies operating in the PRC is Renminbi. Most of the Group's monetary assets were mainly denominated in US dollars and Renminbi. We manage foreign exchange risk by performing periodic reviews of our net foreign exchange exposures and try to minimise these exposures through natural hedges. We operate mainly in the PRC with most of the transactions settled in Renminbi. The management considers that the business is not exposed to any significant foreign exchange risk as there are no significant financial assets or liabilities denominated in the currencies other than the respective functional currencies of our entities. In 2025, the Group did not enter into any hedging transaction against foreign currency risks.

## Commitments

The Group has various contracted, but not provided short-term lease commitments as of 31 December 2025. The future lease payments for these non-cancellable lease contracts are RMB1.1 million (2024: future lease payments of RMB0.5 million for such non-cancellable lease contracts) and due within one year.

## Contingent liabilities

As of 31 December 2025, we did not have any material contingent liability, guarantee or any litigation or claim of material importance, pending or threatened against any member of our Group.

## Future plans for material investments and capital assets

Save as disclosed in this report, as of 31 December 2025, we did not have other substantial future plans for material investments and purchase of capital assets.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Material acquisitions and disposals of subsidiaries and affiliated companies

In 2025, the Group did not have any material acquisitions or disposals of subsidiaries and affiliated companies.

### Performance Guarantee

Reference is made to the announcement (the “**Announcement**”) of the Company dated 20 June 2022 in respect of the acquisition of 100% equity interest in Neusoft Yuetong (the “**Target Company**”). Unless otherwise stated, capitalised terms used in this section shall have the same meanings as those defined in the Announcement.

As disclosed in the Announcement, on 20 June 2022, Newlink Technology (Beijing) Co., Ltd. (紐領科技(北京)有限公司) (a wholly-owned subsidiary of the Company, “**Newlink Technology Beijing**”), entered into an equity transfer and capital increase agreement with the shareholders of Neusoft Yuetong (the “**Target Company**”, together with its subsidiaries, the “**Target Group**”) (the “**Sellers**”) and the Target Company (the “**Neusoft Yuetong Acquisition**”), pursuant to which Newlink Technology Beijing has conditionally agreed to purchase, and the Sellers have conditionally agreed to sell, 100% equity interest in the Target Company, and Newlink Technology Beijing has conditionally agreed to make a capital increase to the Target Company, and in this regard, Newlink Technology Beijing agreed: (1) to pay the Sellers the equity transfer consideration of RMB80,000,000 in total (subject to the performance compensation arrangement); (2) to succeed the capital contribution obligations of RMB7,430,769 for the unpaid registered capital in the equity interest transferred by Dai Linlin, being one of the Sellers; and (3) to make a capital increase of RMB18,000,000 to the Target Company. The performance guarantee sellers (being the Sellers other than Dai Linlin) undertook to Newlink Technology Beijing that the Target Group’s revenue from principal business and net profit for financial years of 2022, 2023 and 2024 (“**Guaranteed Years**”) shall not be less than the performance targets in the table below.

(In RMB0’000)

Financial Year	2022	2023	2024	Total
Guaranteed revenue from principal business	6,000	7,200	8,640	21,840
Guaranteed net profit	300	450	675	1,425

The actual net profit of the Target Group shall be the lower of the net profit after tax attributable to shareholders of the parent company before or after deduction of non-recurring gains and losses in the consolidated financial statements of the Target Group audited and confirmed by a qualified accounting firm with securities industry qualifications.

The Performance Guarantee Sellers will be deemed to have completed the performance guarantee if (1) the actual net profit of the Target Group in each Performance Guarantee Year reaches or exceeds the guaranteed net profit for the year; or (2) the actual net profit of the Target Group in a certain Performance Guarantee Year is lower than the guaranteed net profit for the year, but (i) the actual revenue from the principal business for the year reaches or exceeds the guaranteed revenue from the principal business for the year, (ii) the actual net profit for the year is greater than 0, and (iii) the total actual net profit during the Performance Guarantee Period reaches or exceeds the total guaranteed net profit for the Performance Guarantee Period (the “**Performance Guarantee Arrangement**”).

## MANAGEMENT DISCUSSION AND ANALYSIS

Where the Target Company fails to complete the guaranteed performance, upon expiry of the Performance Guarantee Period, the parties will calculate the performance compensation amount pursuant to the calculation formula therefor, and each of the Performance Guarantee Sellers shall make compensation to Newlink Technology Beijing.

Performance compensation amount = (Total guaranteed net profit for the Performance Guarantee Period – Total actual net profit for the Performance Guarantee Period) ÷ Total guaranteed net profit for the Performance Guarantee Period × (Equity Transfer Consideration of RMB80 million – Audited net assets of the Target Group at the end of the Performance Guarantee Period) (the “**Calculation Formula**”).

If the performance compensation amount is less than 0 upon calculation, no performance compensation will be required. If the audited net assets of the Target Group at the end of the Performance Guarantee Period are greater than RMB80 million and the total actual net profit for the Performance Guarantee Period is greater than the total guaranteed net profit for the Performance Guarantee Period, no performance compensation will be required.

Based on the audited consolidated financial statements (the “**Audited Financial Statements of the Target Group**”) of the Target Group prepared specifically for assessing the performance guarantee for the years ended 31 December 2022, 2023 and 2024, the Target Group recorded a net loss in the year 2022, and the Performance Guarantee Sellers failed to fulfill the Performance Guarantee Arrangement. Consequently, a total performance compensation of RMB12,090,767.80 (the “**Final Performance Compensation Amount**”) is calculated pursuant to the Calculation Formula mentioned above, and the Performance Guarantee Sellers (except for Liu Cui, who transferred her 0.5363% equity interest in the Target Company and related Performance Guarantee obligations to Tian Weihai, as disclosed in the announcement of the Company dated 12 December 2024) shall pay such Performance Compensation Amount to Newlink Technology Beijing.

For details of the above, please refer to the announcement of the Company dated 11 June 2025.

The above Final Performance Compensation Amount has been settled on 18 August 2025.

### Significant investments

As of 31 December 2025, we did not hold any significant investments representing 5% or more of the total assets of the Company as of 31 December 2025.

### Charge on Group’s assets

As of 31 December 2025, the Group had no charges on our assets.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Customer credit risk

Our business operations are subject to the risk of payment deferrals and/or defaults by our customers. For our software development services, most of our contracts provide for periodic installments from our customers based on project milestones, such as delivery, installation and testing of our solutions. However, we incur costs associated with a project, primarily including staff costs relating to project execution and software development, electronic equipment and certain project implementation expenses, on an ongoing basis from the beginning. As a result, we are required to make prepayments for certain project costs and expenses before receiving sufficient payments from our customers.

During the year, we typically granted our customers a credit period depending on contract terms and our evaluation of customer's creditworthiness. In determining the actual length of credit terms granted to a specific customer, we consider various factors such as reputation, length of business relationship and past payment records. As of 31 December 2025, our trade receivables amounted to RMB292.0 million and we recorded impairment loss on trade receivables of RMB101.6 million. We are thus exposed to the risk that customers may delay or even be unable to pay when milestones are reached or upon completion of contracts. These may put our cash flow and working capital under pressure.

**1. The subsequent settlement is set out below in relation to the trade receivables as of 31 December 2025:**

	<b>Gross amount (RMB'000)</b>	<b>Subsequent settlement (RMB'000)</b>
Within 180 days	79,836	15,846
181 days to 1 year	37,416	4,105
1 to 2 years	46,197	316
2 to 3 years	23,341	24
Over 3 years	105,216	2,563
<b>Total</b>	<b>292,006</b>	<b>22,854</b>

## MANAGEMENT DISCUSSION AND ANALYSIS

### 2. Recoverability of long-aged receivables and reasons why the loss allowances were adequate

#### (1) Customers with strong creditworthiness

The trade receivable balance of the Group as of 31 December 2025 was mainly from large customers with good reputation and strong creditworthiness, the majority of which were Chinese state-owned enterprises and listed public companies, including top-tier banks, trust companies, asset management companies, Class III Grade A hospitals, railway bureaus, locomotive depots, railway information technology companies, railway bureau groups, airlines, aviation food companies, aviation materials companies, etc. Such customers are in good standing and have strong creditworthiness and bargaining power, and have stringent and extensive internal payment and settlement processes, which often require time-consuming internal approval processes before payments were made, resulting in further extension of their payment cycles. As of 31 December 2025, 73.0% of the trade receivable balance was recorded from Chinese state-owned enterprises and listed public companies.

In addition, the balance of trade receivables over 180 days as of 31 December 2025 was mainly recorded from Chinese state-owned enterprises and listed public companies with which the Group had longstanding cooperation, and there has been no recoverability issue in relation to trade receivables in previous years and both parties have maintained a good cooperation relationship.

#### (2) The balance of trade receivables over 180 days remains in a trend of continuous collection of receivables

As of 31 December 2025, the balance of trade receivables over 1 year amounted to RMB174.8 million, recorded from a total of 121 customers, among which 116 customers are still performing contracts with the Group so far, and the Group has continued to collect receivables since 31 December 2025.

#### (3) The business model and customer base of the Group remain unchanged as disclosed before

In relation to trade receivables, as disclosed in the prospectus of the Company dated 21 December 2020, the previous, current and future business model and the customer base of the Group have remained and are expected to remain substantially unchanged.

The Company considers that it has entered into normal business arrangements with these customers. To date, the Group has not identified any material issues requiring adjustments to the current level of provision for impairment of trade receivables. Management is of the view that the existing provision for impairment is adequate and sufficient to cover the expected credit losses based on the Group's assessment under the applicable accounting standards.

## MANAGEMENT DISCUSSION AND ANALYSIS

### 3. *Actions taken or to be taken to recover such long-outstanding receivables*

The Group has continued to (1) increase sales revenue from customers with short payment cycle and gradually reduce sales to customers with long payment cycle to achieve substantial improvements against the long payment cycle of trade receivables; (2) maintain strict control over its outstanding trade receivables and have a credit control department to minimise the credit risk. The Group has strictly followed its credit management policy and will continue to follow the steps and measures stipulated in the credit management policy to manage the trade receivables and maintain the working capital. As required by the credit management policy of the Group, the Group has instructed designated sales personnel to follow up directly with their responsible customers, and the sales and marketing staff of the Group make collection calls to customers whose bills have been overdue for less than 90 days; for customers whose bills have been overdue within 90 to 360 days, the sales and marketing staff escalate the matter to the business department and both the sales and marketing staff and the business department make collection calls to the customers; and for customers whose bills have been overdue for more than 360 days, the Group assigns the sales and marketing staff to visit the customers for face-to-face communication, and the sales and marketing staff and business departments continuously to follow up and make collection calls to customers. For customers with extended payment cycles or non-compliant repayment practices, the Company will initiate legal proceedings or arbitration procedures on a case-by-case basis. To manage the trade receivables, the Group has also strengthened the cooperation between the technical team and the sales and marketing team to conduct more efficient collection, and taken into account the collection speed in the performance assessment of the employees. In addition, the Group will continue to issue periodic written payment reminders to the customers. Overdue balances are also regularly reviewed by the senior management; and (3) regularly make enquiries on customers' ratings and make an analysis of the background, reputation, market position and the operating conditions of customers based on publicly available information.

#### **Key Financial and Business Performance Indicators**

The key financial and business performance indicator comprises return on equity.

Our return on equity decreased from -12.5% for 2024 to -34.7% for 2025, primarily due to increasing amount of loss recorded for the Reporting Period.

Our gearing ratio increased from 2.7% as of 31 December 2024 to 5.5% as of 31 December 2025, primarily due to increase in bank borrowings. The calculation of gearing ratio is based on total borrowings divided by total equity as of the end of the year and multiplied by 100.0%.

# CORPORATE GOVERNANCE REPORT

The Board of the Company is pleased to report to its Shareholders on the corporate governance of the Company for the year ended 31 December 2025.

## COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Group is committed to maintaining high standards of corporate governance. The Board believes that good corporate governance standards are essential in providing a framework for the Company to safeguard the interests of its shareholders and corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company has adopted all the applicable principles and code provisions set out in the CG Code as the basis of the Group's corporate governance practices. Save as disclosed in this annual report below, the Group has complied with the CG Code throughout the year ended 31 December 2025. The Company will periodically review its corporate governance policies and will propose any amendment, if necessary, to ensure compliance with the CG Code effective from time to time.

Pursuant to code provision C.2.1 of the Corporate Governance Code (the "**CG Code**") of the Appendix C1 to the Listing Rules, companies listed on the Stock Exchange are expected to comply with, but may choose to deviate from the requirement that the responsibilities between the chairman and the chief executive officer should be segregated and should not be performed by the same individual. The roles of the Chairman and the Chief Executive Officer are held by Mr. Zhai Shuchun ("**Mr. Zhai**"). With extensive experience in the information technology industry, Mr. Zhai is responsible for the overall strategic planning and general management of the Group and is instrumental to our growth and business expansion. The Board considers that vesting the roles of chairman and chief executive officer in the same person is beneficial to the management of the Group and ensures consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively.

In light of the above, the Board considers that the deviation from code provision C.2.1 of the CG Code is appropriate in the circumstances of the Company.

## MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as a code of conduct of the Company regarding Directors' securities transactions. Having made specific enquiries of all Directors, each of the Directors has confirmed that he/she has complied with the requirements of the Model Code for the year ended 31 December 2025.

## CORPORATE CULTURE

The Company continuously focuses on corporate compliance culture, and has formulated policies under the Anti-fraud, Anti-corruption and Reporting and Complaint Management Measures (the "**Anti-Corruption Policy**") to ensure that the Company is in compliance with the Listing Rules and regulatory requirements through continuous supervision by the Board.

## CORPORATE GOVERNANCE REPORT

In addition, the Board will (i) review the decisions and actions of the Company to assess whether they are in line with its desired corporate culture; (ii) interact with its employees and stakeholders; and (iii) assess whether there are issues requiring attention based on complaints received, whistle-blowers' disclosures, staff turnover and code of conduct/regulatory violations.

Corporate culture is crucial to the accomplishment of the Company's mission. The Board will maintain and ensure that the Company's goals, values and strategies are highly in line with its corporate culture.

### BOARD OF DIRECTORS

The Company is headed by an effective Board which oversees the businesses, strategic decisions and performance of the Company and its subsidiaries and takes decisions objectively in the best interests of the Company.

The Board would regularly review the contribution required from a Director to perform his/her responsibilities to the Company, and whether the Director is spending sufficient time discharging them.

#### Board Composition

The composition of the Board and the Board committees during the Reporting Period and as of the date of this annual report are as below.

#### Executive Directors

Mr. Zhai Shuchun (*Chairman and CEO*)

Ms. Qin Yi

Mr. Li Xiaodong

#### Independent Non-executive Directors

Mr. Tang Baoqi

Ms. Yang Juan

Mr. You Linfeng

The biographical information of the Directors is set out in the section headed "Directors and Senior Management" of this annual report.

During the Reporting Period and up to the date of this annual report, the Board has met at all times the requirements under Rules 3.10(1) and 3.10(2) of the Listing Rules relating to the appointment of at least three independent non-executive directors with at least one independent non-executive director possessing appropriate professional qualifications or accounting or related financial management expertise. The Company has also complied with Rule 3.10A of the Listing Rules relating to the appointment of independent non-executive directors representing at least one-third of the Board.

## CORPORATE GOVERNANCE REPORT

The Company recognizes that the Board's access to independent advice is critical to good corporate governance and the effectiveness of the Board. The Board has established a mechanism to ensure that the Board can obtain independent opinions where necessary so as to enhance the objectivity and effectiveness of decision-making. The Board regularly reviews the structure, number and composition of the Board to ensure a balanced mix of executive Directors and independent non-executive Directors, so that the Board maintains a strong independent element. When selecting an independent non-executive Director, the Company will examine the independence, professional qualifications, past experiences and working experience of the independent non-executive Director to ensure that the independent non-executive Director has sufficient talents, vision and opportunities to put forward influential independent opinions, so as to ensure that the Board obtains multi-angle thinking directions in decision-making. For the Directors' attendance records at meetings in 2025, please refer to the section headed "Directors' Attendance Records of Meetings of Board and Board Committees" in this annual report. The Directors may seek independent professional advice where necessary, and the relevant expenses shall be borne by the Company. The Board is of the opinion that the aforesaid mechanism is effectively implemented.

Save as disclosed in this annual report and work relationship at the Company, none of the Directors has any relationship with any other Director or chief executive.

### Directors' Attendance Records of Meetings of Board and Board Committees

Pursuant to code provision C.5.1 of the CG Code, regular Board meetings should be held at least four times a year involving active participation, either in person or through electronic means of communication.

During the Reporting Period, the Chairman has held a meeting with the independent non-executive Directors without the presence of other Directors.

A summary of the attendance records of the Directors at the meetings of the Board and the respective Board committees held during the Reporting Period is set out below:

Name of Director	Attendance/Number of Meeting(s)				
	Board	Audit Committee	Remuneration Committee	Nomination Committee	General Meeting
Mr. Zhai Shuchun	4/4	N/A	1/1	1/1	1/1
Ms. Qin Yi	4/4	N/A	N/A	N/A	1/1
Mr. Li Xiaodong	4/4	N/A	N/A	N/A	1/1
Mr. Tang Baoqi	4/4	2/2	1/1	1/1	1/1
Ms. Yang Juan	4/4	2/2	1/1	1/1	1/1
Mr. You Linfeng	4/4	2/2	N/A	N/A	1/1

# CORPORATE GOVERNANCE REPORT

## Chairman and Chief Executive Officer

Pursuant to code provision C.2.1 of the CG Code, companies listed on the Stock Exchange are expected to comply with, but may choose to deviate from the requirement that the responsibilities between the chairman and the chief executive officer should be segregated and should not be performed by the same individual. The roles of the Chairman and the CEO of the Company are held by Mr. Zhai Shuchun. With extensive experience in the information technology industry, Mr. Zhai is responsible for the overall strategic planning and general management of the Group and is instrumental to our growth and business expansion. The Board considers that vesting the roles of chairman and chief executive officer in the same person is beneficial to the management of the Group and ensures consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. In light of the above, the Board considers that the deviation from code provision C.2.1 of the CG Code is appropriate in the circumstances of the Company.

## Confirmation of Independent Non-executive Directors

The Company has received written annual confirmation from each of the independent non-executive Directors in respect of his/her independence in accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules. The Company is of the view that all the independent non-executive Directors are independent.

## Appointment and Re-election of Directors

Each of the executive Directors and the independent non-executive Directors has entered into a service contract/letter of appointment with the Company for a term of not more than three years.

None of the Directors has entered into a service contract/letter of appointment which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

All the Directors are subject to retirement by rotation and re-election at the annual general meetings. Under Article 16.19 of the Articles, at each annual general meeting one-third of the Directors for the time being (if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years.

Article 16.2 of the Articles also provides that all Directors appointed to fill a casual vacancy shall hold office until the first general meeting of members after his/her appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. Such Director required to stand for re-election pursuant to Article 16.2 of the Articles shall not be taken into account in determining the number of Directors and which Directors are to retire by rotation under Article 16.19 of the Articles.

## CORPORATE GOVERNANCE REPORT

Pursuant to Article 16.19 of the Articles, there should be two Directors who shall retire from office by rotation and be eligible, offer themselves for re-election at the 2026 AGM. Mr. Zhai Shuchun and Mr. You Linfeng will retire from office and, being eligible, offer themselves for re-election at the 2026 AGM. Details of the re-election are set out in the circular to be despatched to shareholders in a due course.

### **Responsibilities, Accountabilities and Contributions of the Board and Management**

The Board should assume responsibility for leadership and control of the Company, and is collectively responsible for directing and supervising the Company's affairs.

The Board directly, and indirectly through its committees, leads and provides direction to management by laying down strategies and overseeing their implementation, monitors the Group's operational and financial performance, and ensures that sound internal control and risk management systems are in place.

All Directors, including independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. The independent non-executive Directors can bring independent judgement to the decision-making process of our Board.

All Directors have full and timely access to all the information of the Company and may, upon request, seek independent professional advice in appropriate circumstances, at the Company's expenses for discharging their duties to the Company.

The Board reserves for its decision on all major matters relating to policy matters, strategies and budgets, internal control and risk management, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant operational matters of the Company. Responsibilities relating to implementing decisions of the Board, directing and coordinating the daily operation and management of the Company are delegated to management team.

The Company has arranged appropriate liability insurance on Directors' and officers' liabilities in respect of any legal actions taken against Directors and senior management arising out of corporate activities.

# CORPORATE GOVERNANCE REPORT

## CONTINUOUS PROFESSIONAL DEVELOPMENT OF DIRECTORS

Each newly appointed director is provided with necessary induction and information to ensure that he/she has a proper understanding of the Company's operations and businesses as well as his/her responsibilities under the Listing Rules and relevant regulatory requirements.

In accordance with code provision C.1.4 of the CG Code with regards to continuous professional development, directors should participate in appropriate continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant. Internally-facilitated briefings for Directors will be arranged and reading material on relevant topics will be issued to Directors where appropriate. The Company also arranges trainings to provide Directors with updates on latest development and changes in the Listing Rules and other relevant legal and regulatory requirements from time to time. The Directors are provided with regular updates on the Company's performance, position and prospects to enable the Board as a whole and each Director to discharge their duties.

Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The company secretary of the Company has, from time to time, updated and provided written training materials relating to the roles, functions and duties of a director.

The Company organized training on duties and responsibilities of Directors and seminar on updated laws and regulations for the Directors. Pursuant to code provision C.1.4 of the CG Code, the Company has also provided reading materials to the Directors to develop and refresh their professional knowledge. Based on the records provided by the Directors, the continuous professional development taken by each of the Directors during the year ended 31 December 2025 is summarised as follows:

<b>Name of Director</b>	<b>Training Attended (Note 1)</b>
Mr. Zhai Shuchun	√
Ms. Qin Yi	√
Mr. Li Xiaodong	√
Mr. Tang Baoqi	√
Ms. Yang Juan	√
Mr. You Linfeng	√

*Note:*

- All the Directors kept abreast of matters relevant to their role as Directors by such means as attendance at seminars and conferences and/or reading materials about financial, commercial, economic, legal, regulatory and business affairs. Materials about anti-fraud and anti-corruption were provided by our Internal Audit Department to all of Directors.

# CORPORATE GOVERNANCE REPORT

## BOARD COMMITTEES

The Board has established three committees on 5 December 2020, namely, the Audit Committee, Remuneration Committee and Nomination Committee, with terms of reference in compliance with the CG Code as set out in Appendix C1 to the Listing Rules, for overseeing particular aspects of the Company's affairs. The specific written terms of reference are to deal clearly with their authority and duties, which are posted on the websites of the Company and the Stock Exchange.

### Audit Committee

The Company has established the Audit Committee in compliance with Rule 3.21 of the Listing Rules and the CG Code. As at the date of this annual report, the Audit Committee consists of three independent non-executive Directors, namely Mr. You Linfeng, Ms. Yang Juan and Mr. Tang Baoqi, with Mr. You Linfeng being the chairman of the committee.

The primary duties of the Audit Committee include, among other things, making recommendations to the Board on the appointment, re-appointment and removal of the external auditor, reviewing our Group's financial information and disclosures, and overseeing our Group's financial reporting system, risk management and internal control systems.

The written terms of reference of the Audit Committee are available on the websites of the Stock Exchange and the Company.

During the Reporting Period, the Audit Committee has held two meetings and performed the following works, among others:

- (i) reviewed the Group's annual audited financial statements for the year ended 31 December 2024 and interim unaudited financial statements for six months ended 30 June 2025; and
- (ii) reviewed the Group's internal control system and related matters.

### Remuneration Committee

The Company has established the Remuneration Committee in compliance with Rule 3.25 of the Listing Rules and the CG Code. As at the date of this annual report, the Remuneration Committee consists of three members, namely Ms. Yang Juan and Mr. Tang Baoqi as independent non-executive Directors, as well as Mr. Zhai Shuchun as the Chairman and executive Director, with Ms. Yang Juan being the chairwoman of the committee.

The primary functions of the Remuneration Committee include, among other things, making recommendations to the Board for approval of the Group's remuneration policy and plan of all Directors and senior management, and the proposal of remuneration distribution plan according to the performance evaluation of Directors and senior management.

## CORPORATE GOVERNANCE REPORT

The written terms of reference of the Remuneration Committee are available on the websites of the Stock Exchange and the Company.

During the Reporting Period, the Remuneration Committee has held one meeting for reviewing the remuneration of the Directors and senior management and the performance of them annually.

### Nomination Committee

The Company has established the Nomination Committee in compliance with the CG Code. As at the date of this annual report, the Nomination Committee consists of three members, namely Mr. Tang Baoqi and Ms. Yang Juan as independent non-executive Directors, as well as Mr. Zhai Shuchun as the Chairman and executive Director, with Mr. Tang Baoqi being the chairman of the committee.

The principal duties of the Nomination Committee include reviewing the Board's composition, developing and formulating relevant procedures for the nomination and appointment of Directors and senior management, making recommendations to the Board on the nomination of candidates for Directors and president, and assessing the independence of independent non-executive Directors.

The written terms of reference of the Nomination Committee are available on the websites of the Stock Exchange and the Company.

In assessing the Board composition, the Nomination Committee would take into account various aspects as well as factors concerning Board diversity as set out in the Company's Board diversity policy. The Nomination Committee would discuss and agree on measurable objectives for achieving diversity on the Board, where necessary, and recommend them to the Board for adoption. In identifying and selecting suitable candidates for directorships, the Nomination Committee would consider the candidate's relevant criteria, including but not limited to gender, skills, age, professional experience, knowledge, cultural, education background, that are necessary to complement the corporate strategy and achieve Board diversity, where appropriate, before making recommendation to the Board.

During the Reporting Period, the Nomination Committee has held one meeting for reviewing the independence of the independent non-executive Directors, considering the qualifications, including but not limited to gender, skills, age, professional experience, knowledge, cultural, education background and length of service, of the retiring Directors standing for re-election at the 2025 AGM, reviewing the structure, size and composition of the Board, and reviewing the board diversity policy (the "**Board Diversity Policy**").

## CORPORATE GOVERNANCE REPORT

### Remuneration of Directors and Senior Management

The Group has established a formal and transparent procedure for formulating policies on remuneration of Directors and senior management of the Group. The remuneration of Directors and senior management is determined on the basis of the individual's experience, responsibilities, workload, time commitment to the Group, the Group's operating results and comparable market data, subject to review by the Remuneration Committee and approval by the Board. The Company's policy for determining the remuneration payable to the Directors is to ensure that the Directors receive adequate remuneration for their efforts and time contributed to the Company's affairs, including participation in Board Committees. The remuneration of the executive Directors includes basic salaries, pensions, and performance bonuses.

Please refer to Note 11 to the consolidated financial statements for details of remuneration of members of the Board for the year ended 31 December 2025.

Details of the remuneration by band of senior management of the Company, whose biographies are set out on pages 12 to 16 of this annual report, for the year ended 31 December 2025 are set out below:

Remuneration band (RMB)	Number of individuals For the Year Ended 31 December	
	2025	2024
0-500,000	2	2
500,001-1,000,000	2	6
1,000,001-1,500,000	3	–
1,500,001-2,000,000	1	1
2,000,001-2,500,000	–	–
2,500,001-3,000,000	1	–
	<b>9</b>	<b>9</b>

### BOARD DIVERSITY POLICY

In order to enhance the effectiveness of the Board and to maintain the high standard of corporate governance, we have adopted the Board Diversity Policy which sets out the objective and approach to achieve and maintain diversity of the Board. Pursuant to the Board Diversity Policy, we seek to achieve board diversity through the consideration of a number of factors when selecting the candidates to the Board, including but not limited to gender, skills, age, professional experience, knowledge, cultural, education background and length of service. The ultimate decision of the appointment will be based on merit and the contribution which the selected candidates will bring to the Board.

As of the date of this annual report, our Board comprises six members, including three executive Directors and three independent non-executive Directors. The Directors have a balanced mix of knowledge, skills, gender, perspectives and experience, including finance and healthcare IT solution service, software development, business management and strategic development, investment and accounting. They obtained professional and academic qualifications including computer science, accounting, economics and journalism. Furthermore, the Board has a wide range of age and a balanced mix of gender, skills, professional experience and knowledge. As of 31 December 2025 and up to the date of this annual report, the proportion of female members on the Board is approximately 33%, and the Company has satisfied the requirements of gender diversity of the Board members. The Board aims to maintain at least the current number of female representation.

## CORPORATE GOVERNANCE REPORT

The Nomination Committee is delegated by the Board to be responsible for compliance with relevant codes governing board diversity under the CG Code, and will review the Board Diversity Policy and evaluate the implementation of the Board Diversity Policy from time to time, at least annually, to ensure its continued effectiveness and will set measurable objectives when necessary.

As at 31 December 2025, the gender ratio of the Group's workforce was 76.0% male and 24.0% female, which is mainly due to the fact that there are more male practitioners in the IT industry as a result of the gender composition nature of this industry. The Company has implemented fair employment practices and recruitment is based on merit and without discrimination to ensure there is a pipeline of male and female potential successors to the Board and the senior management. The Company will continue to strive to increase the female representation and strike an appropriate balance of gender diversity with reference to Shareholder expectations and recommended best management.

### CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the functions set out in the code provision A.2.1 of the CG Code. The Board recognizes that corporate governance should be the collective responsibility of the Directors which includes:

1. to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
2. to review and monitor the training and continuous professional development of Directors and senior management;
3. to develop, review and monitor the code of conduct and compliance manual applicable to employees and Directors;
4. to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board; and
5. to review the Company's compliance with the CG Code and disclosure in the corporate governance report.

During the Reporting Period, the Board reviewed the Company's corporate governance practices, the Company's compliance with the CG Code and disclosure in the corporate governance report.

# CORPORATE GOVERNANCE REPORT

## RISK MANAGEMENT AND INTERNAL CONTROLS

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

The Board has the overall responsibility for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Company's strategic objectives, and establishing and maintaining appropriate and effective risk management and internal control systems.

The Audit Committee assists the Board in leading management team and overseeing their design, implementation and monitoring of the risk management and internal control systems.

In addition, the Company has various internal guidelines, written policies and procedures to monitor and alleviate the risks arising from our daily operations. The Directors and management closely monitor the implementation and assess the effectiveness of these guidelines and measures which are crucial to the Company's business sustainability.

The Company has developed system of internal control and risk management for reviewing and maintaining an adequate internal control system to safeguard the interests of the Shareholders and the assets of the Company. The Company has established a separate internal audit department, which is responsible for reviewing the Group's internal control and risk management system and supporting the Board in assessing the effectiveness of such system annually.

The main features of the risk management and internal control systems are as follows:

- The Board is responsible for overseeing the established risk management and internal control systems to ensure core values, strategic planning and operational procedures and communications within the Group are effective. The Board also evaluates and determines the nature and extent of risks to endorse in pursuit of the Group's strategic and business objectives;
- Risk management and internal control functions assist the Board to ensure that Group's effective implementation of framework, policies, procedures and controls are in place. Risk management function initiates a risk management plan and prioritises the Group's key risks as well as evaluation of the control mechanisms/activities which contribute to mitigating the risk of business disruption or non-compliance with applicable rules and regulations. The identified risks are evaluated based on the likelihood of occurrence and magnitude of impact should the risks materialise;
- Internal audit function will perform independent appraisal of major operations on an ongoing basis and to provide independent assurance to management, Audit Committee and the Board;
- Appropriate risk mitigating activities are in place including identification of risks and corresponding mitigating controls to achieve its business objectives across the entity; and
- For any material internal control defects, the management will identify the internal control deficiencies, review the control activities and procedures and amend the necessary internal policy and procedures, if necessary. It will be reported to the Board and the Audit Committee, at least annually.

## CORPORATE GOVERNANCE REPORT

With respect to procedures and internal controls for the handling and dissemination of inside information, the Company is required to disclose inside information as soon as reasonably practicable in accordance with the SFO and the Listing Rules. The Company would conduct its affairs with close regard to the “Guidelines on Disclosure of Inside Information” issued by the Securities and Futures Commission. It is strictly prohibited to use inside or confidential information without proper authorization. The Company ensures that inside information is handled and disseminated appropriately through its internal reporting procedures, along with consideration by senior management of the implications arising from such information.

The Board, as supported by the Audit Committee as well as the management report and the internal control review findings, has reviewed the risk management and internal control systems, including the financial, operational and compliance controls, for the year ended 31 December 2025, and considered that such systems are effective and adequate. This annual review covered all material controls, including financial, operational and compliance controls. This annual review also covered the financial reporting, internal audit function and issues related to the issuer’s ESG performance and reporting, as well as staff qualifications, experiences, training received, relevant budget and relevant resources.

### PRINCIPAL RISKS

Please refer to the section headed “Management Discussion and Analysis” in this annual report for the Group’s exposure to customer credit risk.

Please refer to Note 39 to the consolidated financial statements in this annual report for the Group’s financial risk management objectives and policies.

### DIRECTORS’ RESPONSIBILITY FOR FINANCIAL REPORTING IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements for the year ended 31 December 2025 which give a true and fair view of the affairs of the Company and the Group and of the Group’s results and cash flows.

The management has provided to the Board such explanation and information as are necessary to enable the Board to carry out an informed assessment of the Group’s consolidated financial statements, which are put to the Board for approval. The Company provides all members of the Board with timely updates on the Company’s consolidated performance, positions and prospects.

The Directors were not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Group’s ability to continue as a going concern.

The statement by the auditor regarding their reporting responsibilities on the consolidated financial statements of the Group is set out in the Independent Auditor’s Report included in this annual report.

## CORPORATE GOVERNANCE REPORT

### EXTERNAL AUDITOR'S REMUNERATION

The remuneration paid/payable to the Company's external auditor, Forvis Mazars CPA Limited, in respect of audit services and non-audit services during the year were set out below:

	<b>2025</b>
	<b>RMB'000</b>
Audit services	<b>2,175</b>
Non-audit services	<b>450</b>
<b>Total</b>	<b>2,625</b>

The non-audit services mainly cover the review of the interim results of the Group for the six months ended 30 June 2025.

### COMPANY SECRETARY

During the Reporting Period, Ms. Zhang Xiushi acted as the company secretary of the Company, and undertook not less than 15 hours of relevant professional training in compliance with Rule 3.29 of the Listing Rules.

During the Reporting Period, all Directors have access to the advice and services of the company secretary on corporate governance and Board practices and matters.

### DIVIDEND POLICY

According to the dividend policy adopted on 5 December 2020, the Articles and applicable laws and regulations, the Company in general meeting may from time to time by ordinary resolution declare dividends in any currency to be paid to the Shareholders but no dividend shall be declared in excess of the amount recommended by the Board, provided always that in no circumstances may a dividend be paid if this would result in the Company being unable to pay its debts as they fall due in the ordinary course of business.

### COMMUNICATION WITH SHAREHOLDERS AND INVESTORS AND INVESTOR RELATIONS

#### Shareholders' Rights

The Company engages with its shareholders through various communication channels.

To safeguard shareholders' interests and rights, separate resolution(s) should be proposed for each substantially separate issue at general meetings, including the election of individual director(s). All resolutions put forward at general meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and of the Stock Exchange after each general meeting.

## CORPORATE GOVERNANCE REPORT

### Convening an Extraordinary General Meeting at the Request of Shareholders

Pursuant to Article 12.3 of the Articles, the Board may, whenever it thinks fit, convene an extraordinary general meeting. Extraordinary general meetings shall also be convened on the written requisition of any one or more Shareholders holding together, as at the date of deposit of the requisition, Shares representing not less than one-tenth of the paid-up capital of the Company which carry the right of voting at general meetings of the Company. The written requisition shall be deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office of the Company, specifying the objects of the meeting and signed by the requisitionist(s). If the Board does not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting to be held within a further 21 days, the requisitionist(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to them by the Company.

### Putting Forward Proposals at General Meetings by Shareholders

There is no provision allowing the Company's shareholders to put forward new resolutions at general meetings under the Companies Law of the Cayman Islands or the Articles of the Company. The Company's Shareholders who wish to put forward a resolution may request the Company to convene a general meeting following the procedures set out in the preceding paragraph.

For Shareholders' right to nominate candidates for directors, please refer to "Procedures for Shareholders to Propose a Person for Election as a Director of the Company" on the website of the Company.

### Putting Forward Enquiries to the Board

For putting forward any enquiries to the Board, Shareholders of the Company may send written enquiries to the Company, the contact details of which are contained on the website of the Company ([www.newlinktech.com.cn](http://www.newlinktech.com.cn)).

### Communication with Shareholders and Investors

The Company considers that effective communication with its Shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. The Company endeavours to maintain an on-going dialogue with Shareholders and in particular, through annual general meetings and other general meetings.

At the annual general meeting, Directors (or their delegates as appropriate) are available to meet Shareholders and answer their enquiries.

# CORPORATE GOVERNANCE REPORT

## **Policies relating to Shareholders**

The Company has in place a Shareholder Communication Policy to ensure that its Shareholders' views and concerns are appropriately addressed. The Board of the Company has reviewed the implementation and effectiveness of the Shareholder Communication Policy and believes that the Shareholder Communication Policy has enabled the Company to maintain effective communication with its shareholders.

## **CONSTITUTIONAL DOCUMENTS**

During the Reporting Period, the Company did not make any amendments to its Memorandum and Articles of Association.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 1. ABOUT THIS ESG REPORT

### Report Content

This Environmental, Social and Governance (hereinafter referred to as “ESG”) Report (hereinafter referred to as “ESG Report”) aims to report on the management strategies, performance and specific progress of Newlink Technology Inc. in the ESG field for 2025. The ESG Report should be read in conjunction with the “Corporate Governance Report” section of this annual report to gain a comprehensive understanding of the Group’s ESG performance.

### Scope of the Report

The scope of the ESG Report includes Newlink Technology and its subsidiaries. The Report covers the period from 1 January 2025 to 31 December 2025.

### Basis of Preparation

The ESG Report has been prepared in accordance with the “Environmental, Social and Governance Reporting Code” (the “ESG Reporting Code”) as set out in Appendix C2 to the Rules Governing the Listing of Securities on the Main Board of The Stock Exchange of Hong Kong Limited. The Report adheres to the four reporting principles of “materiality”, “quantitative”, “balance” and “consistency” set out in the ESG Reporting Code and complies with the “mandatory disclosure requirements” and “comply or explain” provisions set out in the ESG Reporting Code.

**Materiality** In compliance with the materiality principle of the Stock Exchange, the ESG Report has identified material ESG factors and disclosed them in the Report. We explained how to identify these factors and the selection criteria. The ESG issues identified by the Group and the communication channels and expectations of stakeholders have also been disclosed herein. The results of the materiality assessment have been adopted as the basis for the preparation of the ESG Report and responded in a targeted manner based on the materiality of the issues.

**Quantitative** In its definitions section, this ESG Report details the statistical standards, methodologies, assumptions and calculation tools (where applicable) used to calculate emissions and energy consumption, and also provides the sources of the conversion factors used. In addition, the ESG Report has set quantitative environmental management targets.

**Balance** The ESG Report presents the Group’s performance for the Reporting Period in an unbiased manner, ensuring that the presentation of information does not mislead the readers and avoiding selections, omissions or presentation formats that might improperly influence the reader’s decisions or judgments.

**Consistency** The statistical methods used to disclose data in the ESG Report are consistent with those of last year to maintain the consistency and comparability of data. Any changes will be clearly stated in the ESG Report.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Report Approval

The board of directors assumes full responsibility for the contents reported in the ESG Report and has approved and confirmed the contents of the ESG Report on 27 March 2026.

## Feedback Mechanism

We highly value your comments and suggestions on the ESG Report and welcome you to contact us by email (ir@newlinktech.com.cn).

## 2. ABOUT THE GROUP

### Business Overview

Newlink Technology is a leading innovative IT solution provider in China. With a focus on its independently developed software products, the Group has long been dedicated to the innovation and application of cutting-edge technologies such as artificial intelligence and big data analysis. We are committed to empowering multiple industries, including finance, healthcare, transportation, logistics, education, and energy, with high-value-added digital solutions through technological advancement, helping customers achieve business upgrades and sustainable development.

The Group remains committed to innovation-driven development and continues to promote the deep integration of its products and services. We have built a series of scenario-based integrated solutions focusing on areas such as RPA (Robotic Process Automation), smart parks, intelligent healthcare big data management, and deep semantic analysis and risk control based on large models. By integrating technologies such as linguistic analysis, data mining, cloud computing, distributed databases, intelligent control, knowledge graphs and deep learning, we not only help customers enhance their operational efficiency and industry competitiveness but are also committed to promoting resource optimization, service accessibility and intelligent management through technological innovation, thereby fulfilling our corporate social and environmental responsibilities.

In the future, Newlink Technology will remain steadfast in its commitment to the development philosophy of “technology for good”. Driven by innovation and guided by value, we will collaborate with partners to promote the deep integration of digital technology with the real economy, contributing our technological strength to the sustainable development of industries and society. The Group will adhere to the philosophy of long-term and stable growth, driving business development through continuous technological innovation and business model upgrades while actively fulfilling its corporate social responsibilities.

### Philosophy and Vision

The Group always adheres to the business philosophy of “Integrity, Innovation, Service and Mutual Development”, and is committed to promoting synergistic and sustainable development of various dimensions in economy, society, environment and governance.

- At the social level, leveraging its accumulated development and experience, the Group continuously demonstrates its innovation capabilities, focuses on the in-depth research, development and practical application of cutting-edge technologies, maintains its leading position in industry technology, and provides customers with continuously optimized and excellent service experiences;

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

- At the environmental level, while pursuing our business objectives, we attach great importance to reducing the impact of our operations on the ecological environment. We have explicitly incorporated environmental protection into our strategic objectives system and practice our corporate responsibility for green development;
- At the governance level, we actively identify and strictly comply with relevant national and local laws and regulations, and fully integrate ESG concepts into our corporate operations and management processes, so as to facilitate the achievement of steady sustainable development of the Group.

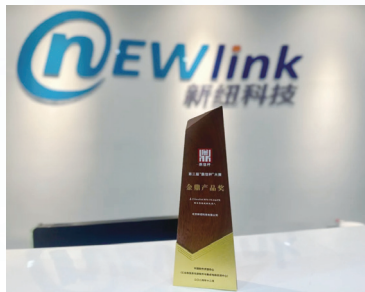
### Honors of the Year

During the Current Year, the Group received the following awards:

- In January 2025, Beijing Newlink's solution titled "IFR Financial Intelligent Process Robot Based on Newlink RPA V4.0 (基於Newlink RPA V4.0的IFR財務智能流程機器人)" was awarded the Jinding Product Award (金鼎產品獎) in the financial category of the 3rd "Dingxin Cup (鼎信杯)".
- In June 2025, Beijing Newlink was invited to attend and deliver a speech at the Sixth Public Hospital High-Quality Innovative Development Exchange Conference. In the collection and selection activities of the 6th Brand Innovation and Development Conference, the Group and its Executive Director, Chairman of the Board, and Chief Executive Officer, Mr. Zhai Shuchun, were honoured with three awards: the "Hainuo Award – 2025 Service Innovation Model Enterprise (海諾獎 – 2025服務創新典範企業)", the "Hainuo Award – 2025 (Industry) Leading Brand (海諾獎2025(行業)引領品牌)", and the "Hainuo Award – 2025 (Industry) Leading Figure (海諾獎 – 2025(行業)引領人物)".
- In July 2025, the Group was awarded the "2025 Technology Innovation Leadership Award (2025科技創新引領獎)" and "2025 Listed Company with Excellent Brand Influence (2025卓越品牌影響力上市公司)" in the selection activities of the 14th Financial Summit and the 2025 New Quality Productive Forces Entrepreneurs Conference.
- In August 2025, Beijing Newlink Technology Co., Ltd. passed the TMMi Level 3 certification.
- In September 2025, Beijing Newlink's "Digital and Intelligent Energy Supply Chain Financial Service Platform" was recognized as an outstanding innovation project at the "2025 Digital Finance Exchange Seminar and the "Xiamen International Bank Cup" Digital Finance Innovation and Entrepreneurship Competition".
- In November 2025, the Group was awarded the "Most Socially Responsible Listed Company Award" by Stockstar at the 13th Capital Power Annual Brand Activity, and received two Honor Awards, namely 'Responsible Technology Company of the Year' and 'Outstanding Responsible Enterprise of the Year', at the 2025 (8th) Social Responsibility Conference.
- In December 2025, Beijing Newlink's "Digital and Intelligent Energy Supply Chain Financial Service Platform" was awarded the 2025 5th Excellent Case Award for Digital Financial Service Innovation and Scenario Application. Beijing Newlink obtained the Information System Construction and Service Capability (CS2) Certificate and was selected into the list of Beijing Enterprise Innovation Credit Leading Units.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

In addition, in the finance category of the 3rd “Dingxin Cup (鼎信杯)” Competition, the IT solution titled “IFR Financial Intelligent Process Robot Based on Newlink RPA V4.0”, independently developed by Beijing Newlink, a key subsidiary of the Group, with cutting-edge innovative technologies such as artificial intelligence and big data analysis as its core, was awarded the “Golden Ding Product Award (金鼎产品奖)”. This competition aimed at information technology enterprises to tap a batch of mature, easy-to-use software and hardware products and solutions with promotion value. As one of the outstanding representative solutions facilitating the implementation of industrial digital transformation, the “IFR Financial Intelligent Process Robot Based on Newlink RPA V4.0” can rapidly replace finance personnel to complete complex and repetitive tasks in practical applications, thereby effectively improving the efficiency of finance personnel and reducing financial management costs, while accurately standardizing and regulating financial data and enhancing financial management and risk control capabilities. The solution has been applied across various industries, including finance and manufacturing, and has delivered positive results for its clients in areas such as the automation and intelligence of financial management and the enhancement of financial management efficiency and effectiveness.



**Beijing Newlink’s products won “Golden Ding Product Award”**

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 3. THE GROUP'S GREEN DEVELOPMENT

### 3.1 Board Statement

As the leadership core of ESG governance management, the Board of Directors of the Group is fully responsible for the Group's ESG strategy and related matters, in accordance with Appendix C2 of the ESG Reporting Code of the Stock Exchange. The Board not only oversees relevant departments to strengthen the ESG-related policies and measures, but also closely monitors ESG risks with potential impact on business operations to adjust our operational strategies accordingly.

Under the leadership of the Board, the Group has established a comprehensive ESG governance system, actively fulfilling corporate social responsibilities and promoting the process of sustainable development. The Board is responsible for the overall supervision of the continuous optimization of ESG policies and measures by various relevant departments, paying close attention to ESG risks that may affect its own business development, and adjusting business strategies accordingly. Authorized by the Board, the Group has established an ESG Committee composed of members of the Audit Committee of the Board, as well as an ESG Working Group composed of persons in charge of each branch, subsidiary and department, and an ESG management department composed of relevant personnel of each branch, subsidiary and department to collaboratively advance overall ESG matters.

The Board holds meetings on a regular basis to consider ESG issues, evaluate the effectiveness of the ESG governance structure, and track environmental targets and their progress. At the same time, the Board guides the identification and assessment of climate-related risks, such as physical and transition risks, and the formulation of response measures to ensure that ESG management is integrated into the Group's overall strategy and risk management system. We have set a series of quantitative environmental targets closely related to our business operations, covering key performance indicators such as greenhouse gas emissions, resource consumption, and waste management. During the Current Year, the Board reviewed the progress towards environmental targets and discussed ways to further improve the Group's sustainability practices.

At the same time, the Board is committed to maintaining transparent information communication channels with key stakeholders, paying close attention to the ESG issues of their concern, and regularly conducting materiality assessments to define the priorities for the Group's ESG efforts. In the materiality assessment process, the ESG Working Group is responsible for identifying key stakeholders, consolidating materiality assessment results and making recommendations, which are then reported to the Board together with the ESG Committee. The Board reviews and confirms the materiality assessment results to ensure that the relevant ESG issues are effectively managed.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 3.2 ESG Governance Structure

Newlink Technology recognizes that sustaining corporate development hinges on a comprehensive and effective ESG management system. Therefore, we continuously improve our top-down governance structure and define the responsibilities of each level in ESG management to ensure the smooth progress of our ESG management work.

Within our ESG governance structure, the Board is responsible for resolving and approving the Group's overall ESG policies, strategies, targets and annual reports. It authorizes the ESG Committee to develop specific plans and to supervise the implementation of relevant policies and tasks by various departments. In addition, the ESG Working Group is responsible for the coordination of overall ESG matters, including coordinating the collection of performance data, organizing the preparation of ESG reports and communicating with investors. The ESG Working Group, composed of relevant persons in charge of each branch, subsidiary and department, is responsible for promoting the effective implementation and continuous optimization of ESG measures.

Through the collaborative efforts of employees at all levels within the Group, our ESG strategies and targets will be deeply integrated into the Group's daily operations, thereby achieving efficient corporate governance and sustainable value creation.



**Newlink Technology's ESG Governance Structure**

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 3.3 Stakeholder Communication

The Group attaches great importance to close communication with its stakeholders. Through a variety of channels, we interact with internal and external stakeholders to gain an in-depth understanding of their requirements and expectations regarding the Group's ESG information disclosure and management. We fully consider and actively incorporate relevant feedback into the formulation and optimization of our sustainable development strategy, continuously improving our ESG management to meet stakeholders' expectations.

Stakeholders	Requests and expectations	Communication and response methods	Communication Frequency
Employees	<ul style="list-style-type: none"> <li>• Compensation and benefits</li> <li>• Career development</li> <li>• Humanistic care</li> <li>• Occupational health</li> </ul>	<ul style="list-style-type: none"> <li>• Employee communication meetings</li> <li>• Company newsletter and intranet</li> <li>• Career advancement mechanism</li> <li>• Employee opinion survey</li> <li>• Seminars/Workshops/Lectures</li> <li>• Employee training</li> <li>• Employee events</li> </ul>	non-regular
Government & Regulators	<ul style="list-style-type: none"> <li>• Complying with national policies and laws and regulations</li> <li>• Attracting and retaining talent</li> <li>• Health and safety management of products and services</li> <li>• Anti-corruption</li> <li>• Labor standard</li> </ul>	<ul style="list-style-type: none"> <li>• Regular information reporting</li> <li>• Face-to-face communication</li> <li>• Document submission</li> <li>• On-site inspections</li> </ul>	non-regular
Shareholder/ Investor	<ul style="list-style-type: none"> <li>• Revenue return</li> <li>• Health and safety management of products and services</li> <li>• Climate change response</li> <li>• Information transparency and efficient communication</li> </ul>	<ul style="list-style-type: none"> <li>• Shareholders' meeting</li> <li>• Corporate announcements</li> <li>• Corporate communications, email, telephone communications and corporate website</li> <li>• Senior management meeting</li> <li>• Results reports</li> </ul>	non-regular

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Stakeholders	Requests and expectations	Communication and response methods	Communication Frequency
Suppliers	<ul style="list-style-type: none"> <li>• Anti-corruption</li> <li>• Health and safety management of products and services</li> <li>• Compliance with the law</li> <li>• Mutual benefit and win-win situation</li> </ul>	<ul style="list-style-type: none"> <li>• Supplier management system</li> <li>• Supplier assessment and evaluation</li> <li>• Face-to-face communication</li> <li>• On-site inspection</li> </ul>	non-regular
Clients	<ul style="list-style-type: none"> <li>• Health and safety management of products and services</li> <li>• Customer complaint management</li> <li>• Community investment</li> <li>• Integrity in business</li> <li>• Environment and natural resources</li> </ul>	<ul style="list-style-type: none"> <li>• Daily business communication</li> <li>• Customer opinion survey</li> <li>• Social media platform</li> <li>• Service complaints and return visits</li> </ul>	non-regular
Community	<ul style="list-style-type: none"> <li>• Community investment</li> <li>• Open and transparent information</li> </ul>	<ul style="list-style-type: none"> <li>• Company website</li> <li>• Participate in community events</li> <li>• Social media platforms</li> <li>• Volunteer services</li> </ul>	non-regular
Partners	<ul style="list-style-type: none"> <li>• Integrity in business</li> <li>• Fair competition</li> <li>• Compliance with the law</li> <li>• Mutual benefit and win-win situation</li> </ul>	<ul style="list-style-type: none"> <li>• Review and evaluation session</li> <li>• Business communication</li> <li>• Exchange seminar</li> <li>• Negotiation of cooperation</li> </ul>	non-regular
Peers	<ul style="list-style-type: none"> <li>• Integrity in business</li> <li>• Fair competition</li> <li>• Legal compliance in contract performance</li> <li>• Mutual benefit and win-win situation</li> </ul>	<ul style="list-style-type: none"> <li>• Strategic cooperation projects</li> <li>• Site visits</li> </ul>	non-regular

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 3.4 Materiality Assessment

Following the materiality principle as set out in the ESG Reporting Code of the Stock Exchange, the Group’s materiality assessment was conducted in conjunction with our survey feedback from stakeholders and the Group’s business operations. Our specific assessment procedure includes:

**Step 1: Identifying Issues**

The Group identifies and determines key ESG issues with reference to the ESG Reporting Code of the Stock Exchange and the industry best practices, in conjunction with the actual operation of the Group, and forms a pool of materiality issues.

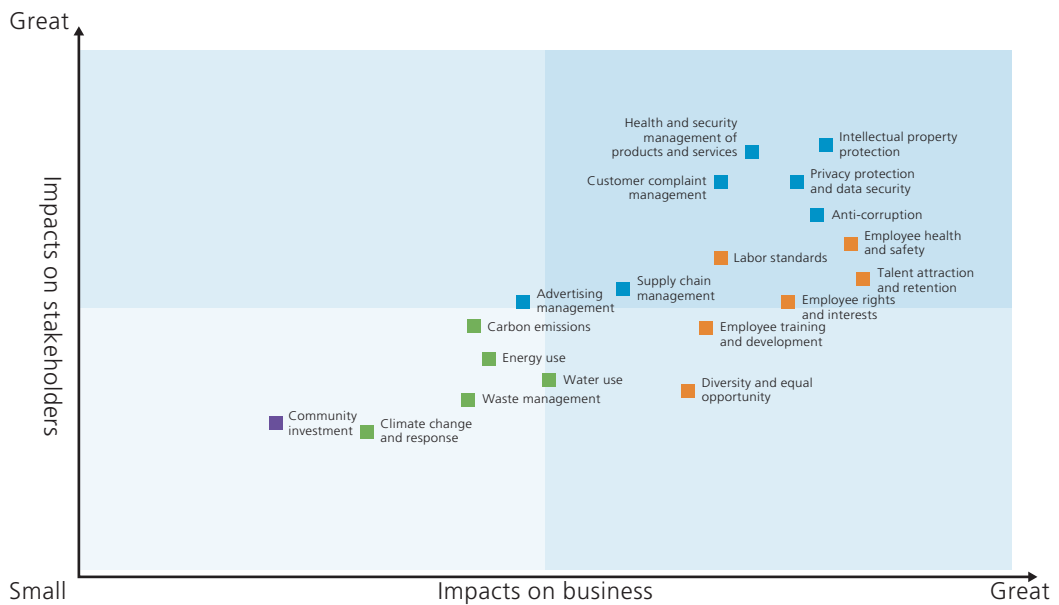
**Step 2: Ranking of Issues**

We collect the views of stakeholders on the materiality of ESG issues through questionnaires, and then prioritize the relative materiality of ESG issues based on their feedback.

**Step 3: Verification and Review**

The Board of the Group are responsible for confirming and approving the materiality issues and assessment results to ensure that the results are relevant and material to the Group, and issues with higher ratings are given priority consideration and highlighted in ESG reports.

The Board of the Group have reviewed and confirmed that the assessment results of the materiality issues identified in the previous years remain valid for the Current Year, mainly because (i) there were no significant changes in the business and market environment of the Group during the Reporting Period; and (ii) the assessment results continue to reflect stakeholders’ expectations of the Group. The results of the Group’s substantive matrix of ESG materiality issues are as follows:



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Based on the results of the materiality matrix, we have aligned the themes of the material ESG issues, including “Green Operation”, “Value Our Talent”, “Corporate Compliant Operation” and “Community Engagement”.

### 3.5 Business Highlights for the Current Year

During the Current Year, Newlink Technology actively promoted digital transformation and innovation, achieving several key accomplishments with a focus on areas such as RPA (Robotic Process Automation). We have deepened the application of technologies such as AI and big data analysis across industries including finance, healthcare, transportation, logistics, education and energy, empowering clients to enhance their operational efficiency and level of sustainable development.

- In the deep application of RPA, Newlink Technology, leveraging its Hong Kong subsidiary, has actively explored the integration of advanced technical capabilities with local application scenarios. In Hong Kong, by using Newlink Technology’s product solutions, we successfully helped local large-scale financial institutions reshape the application model of RPA. This not only effectively improved business efficiency but also significantly reduced construction and operational costs, achieving the goal of enhancing quality and efficiency.
- In the new energy sector, Newlink Technology has provided brand-new intelligent solutions for the construction and operation of wind power stations. Through the application of the latest R&D achievements such as process automation, machine vision and analysis algorithms, we have achieved unmanned operation of new energy stations under harsh natural conditions. This approach reduces operational costs and management complexity while enhancing business continuity and production capacity of new energy stations through the pre-judgment and rapid handling of operational risks.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

- In the healthcare sector, following continuous research on the intrinsic value of medical documentation over the past few years, we have developed a multi-modal intelligent medical document generation product based on natural dialog and data capture. By integrating Newlink Technology's product advantages in medical document analysis and risk control, we provide medical institutions with an end-to-end, closed-loop intelligent solution. This empowers medical institutions to elevate the application of medical expertise throughout clinical treatment processes, ushering them into a comprehensive era of intelligent healthcare.

## 4. GREEN DEVELOPMENT

The Group strictly complies with national laws and regulations such as the Law of the People's Republic of China on Environmental Protection, the Law of the People's Republic of China on Energy Conservation, the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste and local environmental protection regulations in the locations of its subsidiaries, and regards environmental protection as a core component of fulfilling its corporate social responsibilities.

As a technology-driven IT solution provider based on self-developed software products, the Group's environmental footprint primarily stems from office energy consumption, water and paper consumption and emissions from company vehicles. We actively promote energy conservation measures and strengthen resource management to continuously reduce the intensity of our electricity and water resource consumption. Attaching high importance to environmental protection, the Group continues to optimize operations and office processes to implement green environmental practices. It also encourages employees to choose green commuting methods, such as public transportation or cycling, to jointly practice the concept of a low-carbon lifestyle and effectively support environmental protection initiatives. During the Reporting Period, as far as the Group's scope of operation is concerned, no cases of non-compliance with environment-related laws and regulations that have a significant impact on the Group were identified.

### 4.1 Waste and Emissions Control

During the Current Year, we conducted a systematic review of the greenhouse gas emissions generated by the environmental scope covered by the ESG Report based on the Greenhouse Gas Protocol published by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD) and the ISO 14064-1 formulated by the International Standards Organization (ISO). For relevant data, please refer to the section headed "Appendix I: Summary of Sustainable Development Information".

The Group actively advocates a culture of conservation and a low-carbon philosophy. We have formulated and implemented the Management Measures for Energy Conservation and Emission Reduction to optimize the management of water, natural gas, electricity and office consumables at our various operating sites, ensuring that employees use office equipment efficiently to avoid unnecessary energy waste, thereby reducing greenhouse gas emissions and contributing to the transition to clean energy and the development of a low-carbon economy. We also monitor vehicle fuel consumption, improve fuel efficiency through vehicle management and maintenance, and explore environmentally friendly alternative energy sources to reduce reliance on traditional fuels.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

In terms of waste management, as our operations do not involve packaging materials, we have established specialized processes for the proper disposal of hazardous waste generated during office operations, such as used batteries, toner cartridges and ink cartridges. We have established dedicated collection points for hazardous waste and ensure their regular and safe transfer to designated storage areas to meet compliant disposal requirements. In addition, we encourage employees to participate in environmental activities and enhance their environmental awareness through promotional and educational activities such as waste sorting training, so that they can master the correct methods of waste sorting, effectively reducing the mixing of hazardous waste with ordinary garbage. In terms of non-hazardous waste management, we are committed to reducing waste generation at source and promoting the recycling of office waste. We actively promote digital office and paperless processes to reduce paper consumption, while encouraging the use of reusable office supplies. Other non-hazardous waste generated in our daily operations is disposed of in accordance with the waste sorting regulations of the respective cities where we operate to ensure compliant collection and disposal.

To improve resource efficiency and reduce energy consumption, we actively promote internal resource recycling and the use of environmentally friendly equipment and technologies. For example, we reallocate computer equipment that has been phased out by the technical department but is still functional to other departments in need, which not only reduces the generation of electronic waste but also achieves optimized resource allocation. We have also strengthened the management of office supplies, standardized the procurement and requisition processes, and encouraged the use of environmentally friendly, efficient, and cost-effective office equipment. At the same time, we have fully implemented paperless office practices, regularly review resource consumption data, and advocate for double-sided printing to reduce paper consumption. Looking ahead, the Group will continue to explore best practices for waste treatment and resource recycling, continuously optimize operational processes to mitigate our environmental impact, and contribute to achieving our corporate sustainable development goals.

### 4.2 Energy and Water Resource Management

In terms of electricity management, the Group has implemented a series of measures to reduce energy consumption. We prioritize the procurement of high-efficiency and energy-saving electrical equipment and are gradually phasing out old models with high energy consumption and low efficiency. At the same time, we have fully replaced our lighting with energy-saving lighting fixtures and implemented refined management of lighting systems and electrical equipment. Specific energy-saving measures include:

- In areas such as offices and conference rooms, prioritizing the use of natural light to reduce artificial lighting and ensuring lights are turned off when leaving;
- Turning off all office equipment before leaving, including computers, water dispensers, air conditioning and lighting, with daily inspections conducted;

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

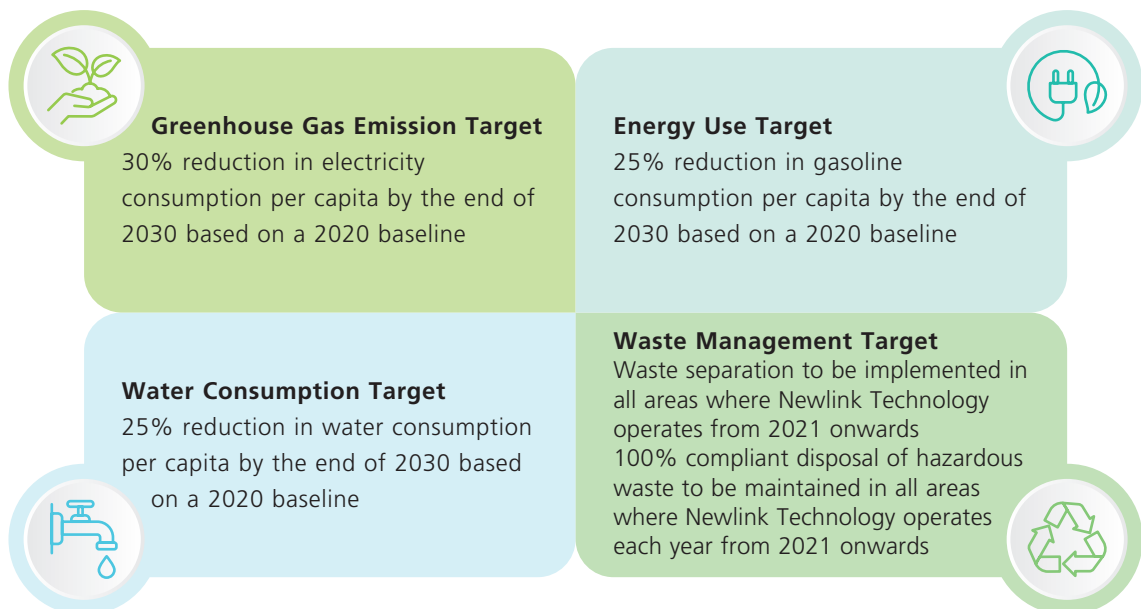
- Setting reasonable temperature which is set not lower than 26°C in summer and not higher than 20°C in winter, and keep doors and windows closed during use to improve energy efficiency;
- Setting office equipment to automatic sleep mode to reduce standby power consumption, and timely turn off equipment that is not in use for a long time to avoid unnecessary energy waste.

To improve water efficiency and eliminate waste, we set up water-saving signs at water facilities to encourage employees to save water. We also conduct regular inspections and maintenance of water pipes, faucets, and water supply systems to promptly identify and repair potential water leakages. Through inspections of office areas, we strictly ensure that water faucets are turned off when not in use to prevent unnecessary loss of water resources. During the Current Year, the Group encountered no issues in accessing sourcing water.

### 4.3 Environmental Targets and Progress

During the Current Year, the Board and the management of the Group have reviewed the environmental targets and their progress. Compared to the performance in 2024, the greenhouse gas emissions per capita of the Group remained stable, while the water consumption per capita and the energy consumption per capita decreased, highlighting that our efforts to reduce energy and water resource consumption alongside business expansion have shown initial positive results. In addition, all hazardous waste generated in our operating areas during the Current Year has been 100% disposed of in full compliance with regulations. The Group will continuously and actively review and implement the energy saving, water saving, emission reduction and waste reduction measures to ensure the achievement of our environmental targets.

The Group's environmental targets are as follows:



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 4.4 Responding to Climate Change

The Group will continue to support and actively respond to the national “3060 Carbon Peaking and Carbon Neutrality Goals”, namely striving to achieve carbon peaking by 2030 and carbon neutrality by 2060. We will continuously reduce greenhouse gas emissions, minimize our environmental impact, fulfill our environmental protection commitments, and contribute positive strength to the realization of national climate goals. The Group makes disclosures in accordance with the climate-related disclosure requirements under Part D of Appendix C2 on a “comply or explain” basis. For information that remained reasonably unavailable or could not be measured reliably during the Reporting Period, the Group has applied the “reasonable information relief” to ensure that disclosures can be enhanced on a year-on-year basis. The Group fully recognizes the risks and opportunities presented by climate change and proactively identifies, assesses, and monitors their potential impacts on our business, strategy, and financial performance. This year, in alignment with the ESG Reporting Code, we conducted a comprehensive assessment of climate-related information across four core pillars: Governance, Strategy, Risk Management, and Metrics and Targets.

### **Governance**

The Board is responsible for the overall leadership and oversight of ESG initiatives, including approving the formulation and implementation progress of the Group’s overall ESG and climate strategies, resolving and approving the Group’s management policies, strategies, plans, targets, and annual work on ESG and climate-related issues. The ESG Committee is responsible for overseeing the assessment and management of ESG-related issues and reporting to the Board, while the ESG Working Group assists in overall planning and cross-departmental coordination to ensure that climate actions are implemented across all business units at the operational level. The Group adopts diverse approaches, including regular consultations with external consultants and specialized capacity-building trainings, to ensure the Board possesses sufficient professional insights both currently and in the future to support climate-related decision-making. During the Reporting Period, we provided climate-related training to the directors.

### **Strategy**

Throughout its operations, the Group consistently attaches great importance to the impact of its business activities on climate change, aiming to protect the environment through systematic management. Meanwhile, we evaluate climate-related risks and opportunities that may affect our business.

To enhance our resilience against extreme weather and climate events, we identify and assess short-term (within 5 years), medium-term (5 to 15 years) and long-term (over 15 years) climate-related risks<sup>1</sup>, and continuously explore ways to optimize and strengthen our response mechanisms.

<sup>1</sup> The Group employs a common assessment framework for climate scenario analysis, dividing timeframes into short-term (within 5 years), medium-term (5 to 15 years) and long-term (over 15 years). This framework is used to identify the potential impacts of various risks on business and financial performance at different stages, and is aligned with the Group’s existing operational plans, budget management and medium-to-long-term development arrangements. The short-term focus is on business continuity and compliance management; the medium-term on resource allocation and capacity building; and the long-term on assessing the resilience and strategic direction of the business model in light of climate change.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Risk Description	Potential Impact	Response Measures
<p><b>Acute physical risk</b> (Disruption to office operations/project delivery caused by extreme weather such as heavy rain and floods) – Short to medium term</p>	<ul style="list-style-type: none"> <li>• Impact on business continuity and project delivery delays, potentially impacting the timing of revenue recognition</li> <li>• Additional emergency response or repair costs, potentially leading to expenditure for facility and equipment repair and replacement</li> <li>• System or data interruptions, potentially affecting operational efficiency</li> </ul>	<ul style="list-style-type: none"> <li>• Maintain electronic backups of key data and systems, with off-site backup/disaster recovery arrangements</li> <li>• Establish/update emergency response arrangements (including remote work/system failover)</li> <li>• Conduct necessary emergency drills regularly</li> </ul>
<p><b>Chronic physical risk</b> (Pressure on health and energy consumption arising from extreme high temperatures and prolonged warming) – Long term</p>	<ul style="list-style-type: none"> <li>• Impact on employee health and productivity, potentially affecting delivery efficiency and customer service quality, thereby undermining operational efficiency</li> <li>• Rising demand for cooling, leading to increased energy costs</li> <li>• Increased demand for logistical support and emergency procurement, leading to expense fluctuations</li> </ul>	<ul style="list-style-type: none"> <li>• Strengthen heatstroke prevention and health management for employees and optimize work arrangements</li> <li>• Promote energy conservation, consumption reduction and energy efficiency management to reduce pressure from energy costs</li> <li>• Pay timely attention to early warnings and ensure proper on-site safety management</li> </ul>
<p><b>Transition Risk – Policy and regulatory risk</b> (Upgrade of disclosure/compliance requirements) – Medium to long term</p>	<ul style="list-style-type: none"> <li>• Increased compliance costs due to data collection, accounting and disclosure preparation</li> <li>• Insufficient compliance may lead to reputational impact</li> </ul>	<ul style="list-style-type: none"> <li>• Closely monitor the promulgation of new relevant laws and regulations by government departments and integrate them into management strategies</li> </ul>

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Risk Description	Potential Impact	Response Measures
<b>Transition Risk – Market risk</b> • – Medium to long term	<ul style="list-style-type: none"> <li>• Increased customer demand for low-carbon performance may affect bidding or contract renewals, creating pressure on orders and revenue</li> <li>• Competitors meeting low-carbon requirements more quickly may lead to a decline in competitiveness</li> </ul>	<ul style="list-style-type: none"> <li>• Continuously enhance low-carbon capabilities and disclosure readiness to meet customer requirements.</li> </ul>

The aforementioned risks are all anticipated impacts, none of which have had a material impact on the Group's asset value. The preliminary assessment during the Reporting Period did not identify any material risks that would result in a material adjustment to the carrying amounts of assets or liabilities in the next reporting year. As key assumptions and parameters remain subject to verification, our disclosure for the Current Year is primarily qualitative. In the future, we will gradually enhance the scope and quality of our quantitative disclosures based on our accumulated professional expertise and resource allocation.

### ***Risk Management***

We have established processes for identification, assessment and monitoring. We annually review the applicability of key climate issues through a combination of internal seminars and expert consultations to continuously improve our management system and effectively reduce the potential impact of climate change on our business.

Moving forward, we will further integrate climate assessments into our overall risk framework and continuously improve our response measures through regular reviews and dynamic adjustments.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## **Metrics and Targets**

We have continuously disclosed our Scope 1 and Scope 2 greenhouse gas emissions in our ESG reports over the years. We have now initiated preliminary data collection efforts with relevant departments to identify Scope 3 emissions that are material to the Group's business operations for future disclosure.

<b>Greenhouse Gas Emissions<sup>2,3</sup></b>	<b>Unit</b>	<b>2025</b>
<b>Scope 1</b>	Metric tons of carbon dioxide equivalent	25.6
<b>Scope 2</b>	Metric tons of carbon dioxide equivalent	99.8
<b>Scope 3 – Business travel<sup>4</sup></b>	Metric tons of carbon dioxide equivalent	50.6
<b>Total GHG emissions (Scope 1 and 2)</b>	Metric tons of carbon dioxide equivalent	125.4
<b>GHG emissions intensity per capita (Scope 1 and 2)</b>	Metric tons of CO <sub>2</sub> equivalent/employee	0.2
<b>GHG emissions intensity per square meter (Scope 1 and 2)</b>	Metric tons of CO <sub>2</sub> equivalent/m <sup>2</sup>	0.028

The Group makes disclosures with reference to the climate-related disclosure requirements in Part D of Appendix C2 and applies the "reasonable information relief" under the "comply or explain" principle where applicable. For certain disclosure items still in the methodology and data system development stage (such as scenario analysis, quantification of anticipated financial impacts, and the integration of climate factors into decision-making and incentive mechanisms), the Group has provided explanations and formulated improvement plans, including enhancing data governance, gradually defining Scope 3 emission boundaries, introducing scenario analysis methods, and establishing a framework for quantifying financial impacts, in order to continuously improve the completeness and comparability of our disclosures.

At this stage, the Group has yet to establish specific quantitative targets for the relevant areas, and the qualitative targets currently adopted have not been independently verified by a third party. Furthermore, the Group has no immediate plans to offset its emissions through the use of carbon credits. Nevertheless, the Group has developed and implemented a series of energy-saving measures and action plans to support the progressive achievement of our objectives.

As at the end of the Reporting Period, the Group had not formally adopted an internal carbon pricing mechanism, nor had it incorporated climate-related metrics into the remuneration policies for directors or senior management. The Group will assess its applicability in light of its business characteristics and will progressively advance and disclose progress when conditions are met.

<sup>2</sup> The calculation methodology for greenhouse gas emissions refers to the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (GHG Protocol) issued by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD); the measurement methodology adopts the operational control approach to define the accounting boundary and calculated using the location-based method.

<sup>3</sup> We use the operational control approach to set the accounting boundary for GHG emissions and adopt a geographic-based approach for calculation.

<sup>4</sup> During the Current Year, the Group has progressively initiated the statistical work for Scope 3 GHG emissions and will continue to optimize the methodology and gradually expand the scope of emissions covered in the future.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 5. HUMAN RESOURCES

Adhering to the corporate business philosophy of “integrity-based, pioneering and innovative, service-oriented and common development”, the Group has always regarded its employees as its most valuable asset and is committed to creating a safe, healthy, inclusive and growth-oriented work environment. We attach great importance to the well-being and satisfaction of our employees, and continuously enhance their sense of belonging and team cohesion through a combination of online and offline team-building activities.

We firmly believe that diversity and inclusion are important cornerstones of corporate success. Therefore, we are constantly improving our talent development strategy and actively foster a fair, healthy, safe, and harmonious working environment. Within our Group, we promote a culture of equality, respect individual differences, and firmly oppose any form of discrimination, including but not limited to race, gender, age, religious beliefs, disability status, marital status, pregnancy, or any other non-statutorily prohibited grounds for discrimination, aiming to provide equal development and promotion opportunities for each employee.

In terms of health and safety, we strictly comply with relevant laws and regulations, actively implement various protective measures, and earnestly safeguard the safety and physical and mental health of our employees. At the same time, we invest significant resources in employee training and development, providing diversified and systematic training programs to help employees enhance their professional capabilities and leadership. We also encourage them to participate in internal and external learning and exchanges to broaden their career development paths.

### 5.1 Recruitment Management

The Group consistently regards employees as its most valuable capital and is steadfastly committed to protecting the rights and interests of employees to ensure that each member can realize their value in a fair and safe working environment. In terms of compliant employment, we strictly comply with a series of labor and employment-related laws and regulations, including the Labor Law of the People’s Republic of China, the Labor Contract Law of the People’s Republic of China, the Regulations on Work Injury Insurance, the Law of the People’s Republic of China on the Protection of Minors, the Regulations on the Prohibition of Child Labor, the Provisions on Special Protection for Juvenile Workers, and the Employment Ordinance of Hong Kong, and have formulated internal systems including the Human Resources Workbook and Staff Management Regulations, etc., to fully regulate various aspects such as recruitment, remuneration, attendance, training, career development, leave and termination of employment management, ensuring the effective protection of employees’ legitimate rights and interests.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

By developing a systematic and standardized talent recruitment system, we have clearly defined the division of responsibilities and organizational processes within the recruitment process. Through a strategy of combining both internal promotions and external recruitment, we actively attract and select talent that meets the diverse needs of the Group. Leveraging our existing employees' strong alignment with corporate culture and loyalty, we prioritize filling technical vacancies through internal channels to optimize our talent structure and enhance employee cohesion. For external talent recruitment, we flexibly adopt various channels, including campus recruitment, media advertisements, employee referral, job fairs and headhunter partnerships, depending on the position's characteristics and level. We are committed to the principles of openness, fairness, and impartiality in the recruitment process, conduct a comprehensive evaluation based on candidates' educational background, work experience, professional skills, and job suitability, and assess the candidates through multi-dimensional evaluation means so as to select talent whose overall qualities align with the Group's expectations.

To fully protect the rights and interests of employees, we enter into necessary legal documents, including a Labor Contract, a Confidentiality Agreement, and an Employment Registration Form, with new employees before they join us. We respect the freedom of career choice of employees. If an employee decides to resign, he/she may submit a resignation application in writing to his/her immediate supervisor. The department head will promptly understand the reason for resignation, engage in communication, and ensure a smooth and orderly handover of duties in accordance with the standardized process of the Resignation Handover Signature Form.

Relying on scientific attendance and leave management policies, we ensure that employees enjoy standard working hours, paid annual leave and other statutory benefits, and provide appropriate compensation to overtime employees strictly in accordance with the law. We advocate for employees to work efficiently during normal working hours and minimize overtime as much as possible. We resolutely prohibit the use of child labor and all forms of forced labor, and strictly conduct identity and qualification checks on job applicants during the recruitment process to ensure that all personnel meet the legal working age. If any non-compliant employment is found, we will take immediate action to stop the labor behavior and handle the situation according to the law, while thoroughly investigating process loopholes to prevent any recurrence. All labor contracts clearly protect the rights and freedoms of voluntary employment of our employees and resolutely prohibit any form of forced labor. During the Current Year, the Group was not found to have or involved in any violation of laws and regulations relating to employment and labor practices, prevention of child labor and forced labor.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 5.2 Compensation and Benefits

The Group strictly complies with national labor laws and regulations to ensure the compliant implementation of employee remuneration and various benefits. We have formulated a series of internal management systems such as the “Staff Management Regulations”, “Staff Development Management Regulations”, “Position Review Related Job Descriptions”, “Management Regulations for Selection and Appointment of Management Sequence Staff”, “Staff Position Grade Review Management Regulations”, “Performance Appraisal System” and “Staff Code of Conduct”, providing comprehensive support and protection for employees, effectively fulfilling our solemn commitment to employee well-being, and fully safeguarding the construction of our talent system.

We firmly believe that employees and the enterprise should grow together. Through regular performance appraisals, we objectively measure employee performance, which serves as an important basis for planning promotion paths, ensuring a transparent and fair advancement system. At the same time, in line with the Group’s strategic development and role requirements, we have systematically carried out talent pipeline development and reserve programs to empower employees to continuously enhance their professional capabilities and achieve their career aspirations. We also provide employees with competitive remuneration, including base salary, performance-based bonuses, and diversified benefits, ensuring that every employee receives rewards commensurate with their contributions and enjoys fair career development channels.

The Group adheres to a people-oriented management philosophy and creates a positive and healthy working atmosphere for its employees. Employees are entitled to leave rights such as statutory holidays, paid annual leave, marriage leave, maternity leave, and breastfeeding leave in accordance with the law. We also provide employees with various benefits such as free health check-ups, accidental injury insurance, communication subsidies and festival allowances, demonstrating comprehensive care for employees’ lives. In addition, we attach great importance to the voice of our employees, actively collecting their opinions by conducting regular satisfaction surveys and establishing various communication channels, including telephone, email and mail. Employees may provide suggestions, raise concerns or report non-compliance at any time. We have established an open and efficient feedback and response mechanism to ensure that every piece of feedback is taken seriously and handled promptly, promoting the continuous optimization of our corporate management.

To enhance team cohesion and employees’ sense of belonging, we also regularly organize various cultural and team-building activities, encouraging full participation to create a positive and proactive organizational atmosphere. During the Current Year, to advocate a healthy lifestyle and further practice the ESG concept of sustainable development, the Group organized a “Green Mountaineering, Shared Responsibility (綠色登山·責任同行)” activity at Fragrant Hills Park in Beijing, which attracted enthusiastic participation from numerous employees across the Group and its Beijing branches. This activity not only provided physical exercise for our employees but also demonstrated our practical fulfillment of social responsibilities in the ESG field.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



**“Green Mountaineering, Shared Responsibility” Activity**

## 5.3 Occupational Health and Safety

The Group has always given top priority to the safety and health of its employees. We strictly comply with laws and regulations such as the Regulations on Work-Related Injury Insurance, the Administrative Measures for the Identification of the Labor Ability of Workers with Work-Related Injuries, the Administrative Regulations on Occupational Health Examination and the Occupational Safety and Health Ordinance of Hong Kong, and are committed to building a safe and reliable working environment for its employees. In the past three years (including 2025), the Group did not have any case of occupational diseases, major health and safety incidents, or work-related fatalities. During the Current Year, there were no lost workdays due to work-related injuries.

We provide comprehensive protection, including medical insurance, work-related injury insurance and personal accident insurance for our employees according to relevant laws and regulations, and have established a sound work-related injury protection mechanism. Through the implementation of the “Management Measures of Employee Medical Examination”, the Group ensures that employees who have completed one year of service can enjoy the annual free medical examination. In addition, we actively conduct fire safety training and occupational health seminars to continuously improve employees’ safety awareness and self-protection ability, and regularly invite professional medical personnel to provide health consultation, massage and physical therapy services to earnestly care for the physical and mental health of employees. In the event of a work-related injury accident, the Group will provide medical assistance to the employee as soon as possible and strictly follow the statutory procedures for work-related injury identification and subsequent handling to ensure that the legitimate rights and interests of employees are fully protected.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 5.4 Employee Training and Development

The Group is committed to expanding the professional knowledge and skills of its employees and stimulating their potential and innovative thinking through continuous education and training. To this end, we provide systematic training resources to cultivate and retain outstanding talents, jointly promoting the sustainable development of the Company. Under the framework of the "Human Resources Work Manual", we have formulated the detailed "Training Management System" covering both internal and external courses:

- Internal training focuses on corporate culture promotion, new employee integration, stress management, job-specific skills, sales capabilities and office software applications, aiming to strengthen employees' identification with the Company and their job competency;
- External courses focus on technical management, middle management capability enhancement, risk control and compliance supervision, aiming to enhance the strategic thinking and risk prevention awareness of the management team.

In addition to regular annual and monthly training, the Group has established a multi-level and multi-stage training system to align with the diverse career development needs of employees:

- Primarily targeted at new employees, entry-level training includes basic induction training, general skills enhancement, interview skills, and product knowledge;
- Intermediate training focuses on the development of job-related professional skills, with at least two specialized training sessions scheduled each year;
- Advanced training is oriented towards management, focusing on the integration of leadership and development strategy to help core talents grasp cutting-edge knowledge and practical skills. During the Reporting Period, we collaborated with professional third-party training institutions to provide a wealth of diversified advanced courses covering law, finance and taxation, and cutting-edge technologies for the management, ensuring they are equipped with the required professional knowledge and skills at the earliest opportunity;
- In addition, based on business development needs and specific job requirements, we also select and dispatch employees to participate in external advanced studies, and actively advocate for the internal lecturer mechanism to encourage employees to take on the role of lecturers within the Company. Currently, we have selected a group of employees who are enthusiastic about corporate education and training to support and drive our training programs.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

To align talent development with corporate strategy, the Group has formulated the “Regulations on Employee Development Management”, aiming to optimize human resource allocation, stimulate employee potential, provide fair and transparent promotion channels, and ensure the mutual growth of employees and the Company, thereby enhancing overall competitiveness. In accordance with the “Performance Management Measures for the Talent Strategy Department”, we have established a systematic performance evaluation system to comprehensively evaluate employees’ performance in projects on a quarterly basis across four dimensions: work indicators, attitude, project attendance and customer satisfaction, with each dimension assigned a corresponding weight and performance ratings determined by scores. In the process of performance management, we emphasize two-way communication, requiring supervisors and employees to conduct interviews during the goal-setting and results-feedback stages to ensure clear performance goals and consistent evaluation standards. The Group has also provided a detailed performance indicator database and instructions for completing forms, covering the assessment content and criteria for both technical and non-technical positions to ensure the objectivity and fairness of performance management.

Beyond focusing on internal employee training and development within the Group, we actively participate in social training and practical activities. In August 2025, Beijing Newlink, as a representative of leading domestic technology-driven enterprises based on its self-developed software products, participated in the 2025 Beijing Summer Internship Program for Hong Kong Youth (2025香港青年北京暑期實習體驗活動). During the activity, Beijing Newlink, drawing on its R&D advantages and practical service experience in innovative technology services fields such as artificial intelligence and big data analysis, provided systematic, comprehensive and in-depth internship experiences and practical opportunities for participating outstanding Hong Kong students. In the future, Newlink Technology will continue to strengthen its in-depth collaboration with Hong Kong universities in terms of technology-empowered industrial development, promoting deeper integration and exchange between the youth from Beijing and Hong Kong in the field of innovative technology services.



**Beijing Newlink was awarded the title of “Outstanding Partner Enterprise” in the 2025 Beijing Summer Internship Program for Hong Kong Youth**

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 6. COMPLIANT OPERATION

The Group maintains an unwavering commitment to high standards, possesses numerous innovative products and technologies, and consistently adheres to strict business ethics. By providing superior, cutting-edge and innovative products and services, we deeply focus on customer needs, engage in university-industry collaborations, and continuously create long-term value for our customers and society, thereby establishing and maintaining a strong corporate reputation. We are well aware that protecting information security and intellectual property is a vital component of compliant operations. Therefore, we implemented comprehensive internal control procedures to ensure the Group's interests are protected. In addition, the Group maintains a zero-tolerance attitude towards corruption and resolutely prohibits all acts of soliciting or accepting bribes, misappropriation of funds, economic fraud, and disclosure or theft of corporate trade secrets. During the Current Year, the Group did not experience any violations related to data privacy, intellectual property, marketing and advertising, or bribery and corruption.

### 6.1 Supply Chain Management

The Group strictly complies with the laws and regulations related to supply chain management such as the Law of the People's Republic of China on Bidding and Tendering and the Civil Code of the People's Republic of China, and has formulated internal policies such as the "Tender Management Measures", "Procurement Management Measures" and "Procurement Management Measures of the Commercial Department" to standardize procurement activities, improve operational efficiency and promote the sustainable management of the supply chain. Given the nature of our business, the Group's suppliers mainly include software suppliers, technical service providers, electronic equipment suppliers, decoration service providers and human resources outsourcing service providers. During the Current Year, our primary suppliers were software/hardware suppliers, with a total of 55 suppliers, all of which were from Chinese Mainland and complied with our supplier management standards.

To ensure the quality of our products and services, we continuously improve our supply chain management system. We have established a unified filing system for all suppliers, with designated personnel responsible for its management. In procurement activities for items such as self-use software, fixed assets, office supplies, outsourced personnel and professional services, the Group strictly implements the "Procurement Management Measures of the Commercial Department". The comprehensive procurement process, covering procurement applications, approvals, quotations and negotiations, effectively protects the legitimate rights and interests of both supply and demand parties.

In the process of selecting suppliers, the procurement team conducts a comprehensive comparison of quality and price based on market research to prioritize suppliers offering high cost-effectiveness and excellent service quality. Before establishing a cooperative relationship with suppliers, we will sign detailed contracts that outline the product specifications, cooperative duration, price terms, payment methods, rights and obligations of both parties, confidentiality terms and contract termination conditions. The commercial department rigorously reviews the qualifications, industrial and commercial registration information, legal proceeding records, operating conditions and risks, and intellectual property rights of the suppliers to ensure their legality and compliance. Upon successful review, the commercial department provides feedback to the demand department, and the demand department also performs an annual evaluation of the suppliers on a regular basis.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

When selecting and engaging service providers, the Group attaches great importance to their environmental and social responsibility risks. By implementing a rigorous audit mechanism, we have conducted in-depth assessments of our suppliers across multiple key dimensions, including environmental management, occupational health and safety, anti-corruption, and product quality responsibility, and have formulated corresponding requirements and assessment standards for different types of suppliers:

Supplier Category	Relevant Requirements
Equipment suppliers	<ul style="list-style-type: none"> <li>The supplied products must meet the national environmental protection requirements</li> <li>Under the same conditions, priority will be given to energy-saving and environmentally friendly products</li> </ul>
HR Outsourcing Service Provider	<ul style="list-style-type: none"> <li>Strict compliance with the Labor Law of the People's Republic of China</li> <li>Compliance with the Labor Contract Law of the People's Republic of China</li> <li>Protect the legitimate rights and interests of employees in accordance with the Work Injury Insurance</li> </ul>
Renovation service providers	<ul style="list-style-type: none"> <li>Use materials that meet national environmental and safety standards</li> <li>Implement environmental and safety management measures during the decoration process</li> </ul>

## 6.2 Responsible Marketing

The Group strictly complies with the Advertising Law of the People's Republic of China and relevant marketing-related laws, regulations, and industry standards, aiming to ensure that all business promotion activities meet the standards of accuracy, legality, and effectiveness in terms of promotional content. In accordance with our "Scheme Management Committee Management Measures", we explicitly require promotional materials must be truthful and accurate, and shall not contain any exaggerated or false content. We regulate promotional activities in terms of both process and standards to ensure the authority, timeliness and accuracy of information released.

To regulate the public disclosure of promotional information, the Group has established a full-process promotional management mechanism covering content creation, review and publication. The Marketing Department and the Brand Public Relations Department are responsible for the unified supervision and management of all external promotional activities, conducting strict reviews of various types of marketing materials, including media releases, exhibition materials, promotional events and printed matter. At the same time, the legal, intellectual property and trademark management departments conduct a secondary review of promotional content to ensure accuracy and compliance of information and to prevent any improper use. If any promotional information is found to be inconsistent with the facts or in violation of regulations, the Group will promptly take corrective measures such as withdrawal, clarification or issuing an official statement. For any acts that infringe upon the legitimate rights and interests of the Group, we will pursue legal liability in accordance with the law and resolutely safeguard our own legitimate rights.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 6.3 Customer Satisfaction

The Group always adheres to the principle of “Customer First”, prioritizes customers’ experience as the core of our business operations, and strictly complies with the Law of the People’s Republic of China on the Protection of Consumer Rights and Interests and other consumer-related laws and regulations. In order to continuously improve service quality and customer satisfaction, we have formulated the “Customer Service Management System”, providing our customers with telephone support services five days a week, 8 hours a day, and online customer service for 10 hours daily, ensuring convenient and effective communication channels between us and our users, with prompt responses to inquiries.

We persist in taking high efficiency and high reliability as the core to continuously improve customer satisfaction. We place great emphasis on customer feedback and suggestions. To ensure that customer demands are responded to efficiently and handled properly, we offer multiple feedback channels, including email, complaint hotlines, and online complaint platforms, and have established a standardized review and handling mechanism. Upon receiving each feedback, we will record in detail, analyze the cause and clarify the responsibility, and then arrange dedicated personnel to follow up and handle the matter within the agreed time limit, timely communicate with customers to develop and implement appropriate resolutions. During the Current Year, the Group did not have any major complaints related to products or services, and the overall customer satisfaction remains high. We have received thank-you letters and commendation letters from customers, demonstrating that customers gave high recognition to the professional services and outstanding performance of our employees.

### 6.4 Product Quality and Innovation

Newlink Technology has always leveraged its extensive service experience in information technology and its advantages in technological research and development to continuously provide high-value-added IT solution services to its customers. The Group strictly abides by the Product Quality Law of the People’s Republic of China and other product-related laws and regulations. We have formulated the “Pre-sales Project Management Measures” and the “Scheme Management Committee Management Measures”, and have a number of certifications to internationally recognized standards related to quality and safety, including:

ISO 27001 Information Security Management System Certification	ISO 20000 Information Technology Service Management System Certification	CMMI5 Maturity Integration Model	ISO 9001 Quality Management System Certification	TMMi3 Test Maturity Model Integration
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The Group has established a Technical Management Committee and a Quality Management Team, aiming to strengthen quality control during the R&D process. The Quality Management Team is staffed with full-time management personnel responsible for formulating the quality and configuration management plans for each R&D project, and implementing full-process tracking, supervision, and management of project quality to ensure that R&D quality initiatives are effectively implemented and meets established standards. The Technical Management Committee is responsible for overall supervision of product R&D quality and has formulated grading supervision and control measures for software development projects. Based on the complexity and importance of the projects, we design differentiated management processes and ensure that the products meet quality requirements in key aspects such as business, application, data, and technical architecture through multi-dimensional reviews, effectively responding to customer needs.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

To further ensure the quality and safety of our products and services, we have adopted systematic management measures throughout all stages of the product design process, prior to customer delivery, and post-delivery. We continuously optimize service quality by implementing customized service quality management strategies to address diverse customer groups and service requirements, enabling precise responses to customer needs. As the services provided by the Group are customized software services, there are no circumstances involving the recall of products or services for health and safety reasons.



### Product Quality Control Measures at each Stage

As an IT service solution provider that has long focused on innovating scenario-based business models through the application of technologies such as artificial intelligence and big data analysis, the Group is actively engaged in the research and development of digital human products, services and application scenarios. We aim to accelerate the mature transformation of the Group's digital human products and solutions into practical applications for service industry customers through the high-quality integration of innovative technologies at multiple application levels, such as graphics computing, AIGC (Artificial Intelligence Generated Content) and large models.

For customers in the healthcare industry, leveraging its extensive service experience and technological R&D advantages in empowering high-quality healthcare development through information technology, the Group has continuously pursued product R&D and service innovation in comprehensive medical record quality management for both domestic and international markets in recent years. Through the application of scientific and advanced AI technologies such as big data and natural language processing (NLP), as well as development methodologies, we have successfully completed the development and project implementation of refined medical record quality-related products featuring a closed-loop process covering pre-diagnosis, in-diagnosis and post-diagnosis stages. This has further improved the efficiency of medical record review, enhanced management efficiency, and provided reliable support for the allocation of medical resources.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

In supply chain finance service scenarios, the Group leverages cutting-edge technologies such as artificial intelligence, big data and cloud computing within its “Supply Chain Finance Service Platform” project. We assist customers in completing their own data structural processing and enhancing data transparency, so as to effectively ensure the high availability and data security protection level of their supply chain finance service platforms. In addition, the Group helps enterprises to complete the timely acquisition and integration of multi-party data in their daily supply chain transaction scenarios. This assists customers in performing multi-dimensional data cross-validation and in-depth analysis, which in turn helps to reduce the financing costs for upstream and downstream enterprises in their industrial chains.

Furthermore, facing the accelerated advancement of digital and intelligent transformation, Newlink Technology actively participated in various exchange conferences and engaged in technical cooperation with well-known enterprises and universities during the Current Year, establishing a platform for in-depth exchange and learning. Through in-depth collaboration with various parties, we aim to jointly promote the research, development and application of artificial intelligence technology. We seek to enrich the deep integration of cutting-edge technologies with broader service scenarios, accelerate the refinement of innovative IT solutions and product services with greater application value and effectiveness, and promote higher-quality development in specific industries.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Beijing Newlink Participated in the “Sixth Public Hospital High-Quality Innovative Development Exchange Conference” and Delivered Keynote Speech

In June 2025, Beijing Newlink participated in the “Sixth Public Hospital High-Quality Innovative Development Exchange Conference” hosted by the Hospital Quality Management and Information Technology Development Branch of the National Association of Health Industry Enterprise Management. The Company delivered a keynote speech focusing on the innovative practices, in-depth applications, development trends and challenges of large models in medical informatization construction, showcasing the phased results achieved by the Group’s large models in improving medical service quality and safety, optimizing resource allocation and operational efficiency, and preventing and controlling medical diagnostic risks. This conference served as a bridge for in-depth exchanges among healthcare professionals and innovative technology service enterprises, further bolstering confidence in collaborative efforts to advance high-quality development within the healthcare sector and accelerate the implementation and deep integration of innovative technologies across broader healthcare scenarios.



A representative of the Company delivered a keynote speech at the event

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### **Newlink Technology Entered into Memorandum of Understanding with The Hong Kong Polytechnic University**

In April 2025, Newlink Technology entered into a memorandum of understanding with The Hong Kong Polytechnic University to establish a strategic partnership in the areas of industry-academia-research. The parties plan to jointly establish collaborative research projects and a joint laboratory. Newlink Technology will act as the sole technical support provider, other than the university, providing the technical team and development required for platform functionality development under the joint research projects. Building on the complementary strengths between academia and industry, both parties will conduct in-depth research and cooperation in areas such as the industrialization of integrated research and technology, the cultivation of fintech talent, and technology-enabled financial industry development, with an aim to accelerate the practical implementation and application of fintech in a wider range of business scenarios, jointly promote the high-quality development of the financial industry, and harness the power of financial technology.



**Group photo of leaders and experts from The Hong Kong Polytechnic University and Newlink Technology**



**Representatives of both parties entered into the memorandum of understanding**

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### **Beijing Newlink Partnered with a Renowned Large State-Owned Enterprise to Deepen AI Technology Cooperation in the Healthcare Sector**

During the Current Year, Beijing Newlink entered into a project consultancy cooperation with a renowned large state-owned enterprise in China in relation to the intelligent upgrading of health management services. Leveraging the respective strengths of both parties in medical resource integration, health service networks and industry data accumulation, the parties began to explore the practical application of the localized deployment of the DeepSeek large language model and private model training methods in core medical scenarios such as health education, health consultation, risk assessment and auxiliary diagnosis and treatment.

This cooperation represents not only a successful implementation of Newlink Technology's cutting-edge innovations—led by artificial intelligence—in advancing the digital transformation of large and medium-sized central and state-owned enterprises, but also a profound exploration of jointly promoting equitable access to high-quality medical resources. Leveraging the efficient integration of technologies such as artificial intelligence in medical service scenarios, both parties will jointly promote the large-scale implementation and application of AI technology in the healthcare industry, contributing to the high-quality development of China's healthcare sector.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 6.5 Privacy and Data Security

As a leading technology-driven IT solution provider in China, the Group deeply understands the importance of customer privacy and data security and is committed to gaining and maintaining user trust through rigorous security measures. We fully comply with the Network Security Law of the People's Republic of China, the Regulations on the Protection of Personal Information of Telecommunications and Internet Users, the Regulations on the Protection of Computer Software, the Measures for the Management of National Health Care Big Data Standards, Security and Services, the Measures for the Registration of Computer Software Copyrights, and the Mobile Internet Personal Privacy Policy, and the Personal Data (Privacy) Ordinance of Hong Kong and other laws and regulations. We have established a set of internal policies covering network access control, system operation management, telecommunication equipment security management, security incident emergency response mechanism, user information security protection, and business continuity operation management to ensure compliance and safeguard the security and efficiency of daily operations and maintenance.

To secure a safe development environment within the Group and ensure that all test data used during the product development process meets confidentiality and desensitization standards, the Group signs confidentiality agreements with all employees, explicitly requiring them to maintain the confidentiality of trade secrets, customer data, and the content of key research and development projects. We process and store customer information in accordance with the law, and employees are only permitted to use or disclose relevant desensitized data within the necessary scope upon obtaining explicit written consent from the customer, so as to effectively protect customers' rights and interests. In addition, the Group regularly organizes data security and privacy protection training to continuously enhance the confidentiality awareness and capability of all employees.

### 6.6 Intellectual Property Protection

The Group prudently complies with the Copyright Law of the People's Republic of China, Trademark Law of the People's Republic of China, Patent Law of the People's Republic of China, Tort Liability Law of the People's Republic of China and other relevant laws and regulations, actively protecting its own intellectual property and while resolutely respecting and avoiding infringement of others' intellectual property rights. To systematically manage and protect intellectual property rights, we have formulated the "Scheme Management Committee Management Measures", which explicitly require all employees to strictly comply with relevant laws and intellectual property agreements, and to use relevant intellectual property rights only after obtaining formal authorization from the intellectual property owners.

In addition, in order to strengthen the management of intellectual property rights and patents, we have set up a Scheme Management Committee, which is specifically responsible for supervising the use of intellectual property rights, and maintaining detailed records and implementing necessary disciplinary actions for any violations of regulations. A business development department has been established under the Committee, which is responsible for leading the formulation and promotion of the Group's intellectual property protection strategy. Meanwhile, the Group has dedicated professional personnel for the audit and management of trademarks, and regularly conducts internal inspections to ensure that all trademarks in use have been legally registered and recognized by the state and to safeguard the legality, consistency and standardization of their use. As of the end of 2025, we have registered 8 domain names, 261 software copyrights, 2 trademarks and 1 design patent in China.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 6.7 Integrity in Corporate Governance

Compliance and integrity are the fundamental cornerstones of the operations of Newlink Technology and are the core values consistently upheld by it. The Group strictly complies with laws and regulations such as the Criminal Law of the People's Republic of China, the Anti-Money Laundering Law of the People's Republic of China, the Anti-Unfair Competition Law of the People's Republic of China and the Prevention of Bribery Ordinance of Hong Kong, resolutely implements relevant regulations on anti-corruption, anti-bribery, anti-extortion, anti-fraud and anti-money laundering, and requires all employees to strictly comply with national laws and regulations, industry standards, professional ethics and the Company's internal policies. During the Current Year, the Group did not identify any violations of anti-bribery or anti-corruption laws and regulations.

To strengthen corporate governance and internal control, the Group has established a sound internal control system and implemented a reporting and complaint mechanism to effectively prevent and identify potential fraud and corruption. By implementing the "Anti-Fraud and Anti-Corruption and Reporting and Complaint Management Measures", we explicitly provide the Board and all employees with fraud prevention measures, whistleblowing and complaint procedures, case investigation and reporting mechanisms, as well as corresponding remedial and disciplinary systems.

The established anti-fraud working group is dedicated to managing various reporting channels, including telephone hotlines, mailboxes and emails, accepting real-name or anonymous reports from employees and external parties, and ensuring that all reports are thoroughly documented and promptly reported. If any fraudulent or corrupt activities are discovered, employees shall report such behavior through official channels to the anti-fraud working group, and relevant personnel will timely take decisive corrective actions and necessary disciplinary measures, thereby safeguarding the right of employees and third parties to report or complain about improper behavior, effectively protecting the legal rights and interests of the Company and its shareholders, and promoting the sustainable and steady development of the Company.

Meanwhile, we attach great importance to the development of a culture of integrity, regularly distribute anti-corruption study materials to members of the Board and all employees via email, and organize full participation in regular anti-corruption and anti-fraud ethics training to enhance the integrity and honesty awareness of directors and employees. During the Current Year, the anti-corruption training coverage rate for employees reached 100%, and the anti-corruption and anti-fraud training participation rate for directors also reached 100%.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 7. SOCIAL RESPONSIBILITY

The Group has always attached importance to sustainable development and social responsibility, and actively built a long-term win-win relationship with communities. We encourage and support our employees to engage in local community activities, giving back to society through concrete actions and delivering positive influence. Recognizing societal needs, the Group encourages its employees to participate in volunteer services and charitable donations, continuously enhancing a sense of social responsibility among employees while contributing to social welfare and promoting the progress and prosperity of our communities. Under the coordination of the ESG Working Group, we have practiced corporate social responsibility in a diversified manner and successfully organized multiple ESG-related activities.

During the Current Year, the Group invested a total of more than RMB23,000 in community public welfare activities, attracting 98 person-times of active participation, and the total time participating in community activities reached 12 hours. In addition, the Group's staff volunteer team, comprising a total of 31 members, contributed 232 hours of volunteer service time throughout the year.

During the Current Year, the ESG series of activities we organized mainly centered on the three dimensions of environment, social and governance. By planning and organizing a variety of engaging and interesting special activities, the ESG concept was effectively integrated from the strategic level into the daily actions of employees, promoting the smooth extension of ESG from concept to practice.

- “Donate Clothes for Warmth, Let Love Continue (衣份温暖 让爱延续)” Themed Activity** – Connecting micro-level donation of clothes with macro-level “carbon neutrality” goals, this initiative materialized the concepts of “green and low-carbon, energy saving and efficiency enhancement”, allowing employees to deeply and intuitively experience the genuine warmth and profound meaning behind the charitable activity;



Environmental Certificate for the “Donate Clothes for Warmth, Let Love Continue” Activity

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

- **“Green Mountaineering, Shared Responsibility” Themed Activity** – From a social perspective, this initiative encouraged employees to prioritize physical and mental health while advocating for environmental and social responsibility, measuring the green mountains with their footsteps and demonstrating responsibility through their actions;



**“Green Mountaineering, Shared Responsibility” Activity**

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- **“Competitive Billiards, Relaxing Mind and Body (競技檯球 放鬆身心)” Themed Activity** – focusing on cross-departmental communication to strengthen collaboration, this activity deepened employees’ awareness of rules and team spirit through competition, enhanced organizational cohesion, and consolidated the foundation of internal governance.



### “Competitive Billiards, Relaxing Mind and Body” Activity

From the passing on of care through clothing donations, to the environmental footprints left in green mountains and forests, and the burst of energy unleashed on competitive sports fields, the ESG series of activities in 2025 were both a vivid demonstration of employees putting sustainable development strategies into practice and a resolute declaration of the Group’s commitment to fulfilling its social responsibilities through concrete actions and higher standards.

Looking forward, the Group will continue to strictly implement ESG-related policies and systems, and continuously deepen its sustainable development strategy. By continuously expanding our charitable and philanthropic activities, we will fulfill our corporate social responsibility through concrete actions and higher standards to create long-term value for society.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Appendix I: Summary of Sustainable Development Information

The following is a summary of sustainable development information in the environmental context for the Current Year:

Environmental Scope <sup>5,6</sup>	Unit	Quantitative value for 2025
<b>Air emissions</b>		
Nitrogen oxides (NO <sub>x</sub> )	Kilogram	53.2
Sulfur oxides (SO <sub>x</sub> )	Kilogram	0.1
Particulate Matter (PM)	Kilogram	5.1
<b>Greenhouse gas emissions<sup>7</sup></b>		
Direct GHG emissions (Scope 1)	Metric tons of carbon dioxide equivalent	25.6
Indirect GHG emissions (Scope 2)	Metric tons of carbon dioxide equivalent	99.8
Total greenhouse gas emissions (Scope 1 and 2)	Metric tons of carbon dioxide equivalent	125.4
Greenhouse gas emissions per capita (Scope 1 and 2)	Metric tons of CO <sub>2</sub> equivalent/person	0.2
Greenhouse gas emissions per square meter (Scope 1 and 2)	Metric tons of CO <sub>2</sub> equivalent/m <sup>2</sup>	0.028
Greenhouse gas emissions (Scope 3) – Business travel	Metric tons of carbon dioxide equivalent	50.6
<b>Waste</b>		
Hazardous waste <sup>8</sup>	Pieces (waste ink cartridges, waste toner cartridges)	67
Hazardous waste generated per capita	Pieces/employee	0.1
Total non-hazardous waste <sup>9</sup>	Metric tons	19.3
Non-hazardous waste per capita	Metric tons/employee	0.03
<b>Paper consumption</b>		
Paper consumption	Kilogram	445.1
Paper consumption per capita	Kg/person	0.7
<b>Energy Consumption</b>		
Total energy consumption	Megawatt hours	281.1
Energy consumption per square meter of floor space	MWh/m <sup>2</sup>	0.06
Energy consumption per capita	MWh/person	0.43
Direct energy consumption	Megawatt hours	93.9
Natural gas consumption	Megawatt hours	18.2
Fuel consumption by company vehicles	Megawatt hours	75.7
Indirect energy consumption	Megawatt hours	187.2
Purchased electricity	Megawatt hours	187.2
<b>Water consumption</b>		
Total water consumption	Cubic meters	947.0
Water consumption intensity per capita	Cubic meters/person	1.5

<sup>5</sup> The scope of the data covers the entire Group.

<sup>6</sup> Due to business characteristics, packaging material data is not applicable.

<sup>7</sup> The main GHG emission in the administrative office building is the GHG generated by electricity consumption, so the GHG emission per unit area is only calculated for the GHG generated by purchased electricity in the administrative office building.

<sup>8</sup> The types of hazardous waste involved in the Group's operations are mainly waste toner cartridges and ink cartridges.

<sup>9</sup> The types of non-hazardous waste involved in the Group's operations mainly include domestic waste, food waste and recyclable waste. They are uniformly treated by a third party, and the data comes from the third-party clearing company.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The following is a summary of sustainable development information in the social context for the Current Year:

Social Scope	Unit	Quantitative values for FY2025
<b>Number of Employees<sup>10</sup></b>		
Total Number of Employees	Persons	651
<b>Number of employees by gender</b>		
Female	Persons	156
Male	Persons	495
<b>Number of employees by type of employee</b>		
Full-time junior employees	Persons	551
Full-time mid-level management	Persons	72
Full-time senior management	Persons	28
<b>Number of employees by employment contract</b>		
Labor contract workers	Persons	620
Labor service contract workers	Persons	31
Interns	Persons	0
<b>Number of employees by age group</b>		
Under 30 years old	Persons	196
30-50 years old	Persons	429
Over 50 years old	Persons	26
<b>Number of employees by region<sup>11</sup></b>		
Beijing	Persons	401
Non-Beijing area	Persons	245
Other regions (including Hong Kong, Macau and Taiwan)	Persons	5
<b>Employee turnover rate<sup>12</sup></b>		
Total Employee Turnover Rate	%	21.5
<b>Employee turnover rate by gender</b>		
Female	%	21.2
Male	%	21.6
<b>Employee turnover rate by age group</b>		
Under 30 years old	%	25.8
30-50 years old	%	19.7
Over 50 years old	%	16.1

<sup>10</sup> The employee-related data covers the whole Group and is the number of employees as of December 31 the Current Year.

<sup>11</sup> The caliber of disclosure is the region where the employee performs their duties.

<sup>12</sup> Employee turnover rate = number of lost employees ÷ (number of lost employees + number of employees at the end of the year) × 100%.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Social Scope	Unit	Quantitative values for FY2025
<b>Employee turnover rate by region</b>		
Beijing	%	17.0
Non-Beijing area	%	26.9
Other regions (including Hong Kong, Macau and Taiwan)	%	54.5
<b>Occupational Health and Safety</b>		
Work-related fatalities (2023, 2024 and 2025)	Persons	0
Work-related death rate (2023, 2024 and 2025)	%	0
Number of working days lost due to work-related injuries	Days	0
<b>Development and Training</b>		
<b>Percentage of employees trained by gender<sup>13</sup></b>		
Female	%	96.8
Male*	%	102.2
<b>Percentage of employees trained by employee category<sup>13</sup></b>		
Full-time junior employees	%	98.6
Full-time mid-level management	%	100.0
Full-time senior management	%	100.0
<b>Average number of training hours for trained employees by gender<sup>14</sup></b>		
Male	Hours	21.0
Female	Hours	18.9
<b>Average number of training hours for trained employees by employment category<sup>14</sup></b>		
Full-time junior employees	Hours	21.2
Full-time mid-level management	Hours	17.6
Full-time senior management	Hours	14.3
<b>Number of suppliers by geographical region</b>		
North China	Company	43
East China	Company	4
South China	Company	6
Southwest China	Company	0
Central China	Company	0
Overseas areas	Company	2
Total number of suppliers	Company	55

<sup>13</sup> The percentage of employees trained for the year is calculated as the number of employees trained in each category ÷ the total number of employees trained. The employee training data statistics cover the entire year, including the training data of those who have left during the year. As a result, the training percentage for male employees and full-time junior employees exceeds 100%.

<sup>14</sup> The average number of employee training hours for the year is calculated as the number of employees trained in each category ÷ the number of employees in each category.

\* The employee training data statistics cover the entire year, including the training data of those who have left during the year. As a result, the training percentage for male employees exceeds 100%.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Appendix II: Index to the Stock Exchange's Environmental, Social and Governance Reporting Code

Environmental Scope		Related Sections	
A1: Emissions	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	4. Green Operation
	A1.1	The types of emissions and respective emission data.	Appendix I: Summary of Sustainable Development Information
	A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendix I: Summary of Sustainable Development Information
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendix I: Summary of Sustainable Development Information
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendix I: Summary of Sustainable Development Information
	A1.5	Description of emissions target(s) set and steps taken to achieve them.	4.1 Waste and Emissions Control 4.3 Environmental Targets and Progress
	A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	4.1 Waste and Emissions Control

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Environmental Scope			Related Sections
A2: Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	4.2 Energy and Water Resource Management
	A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in'000s) and intensity (e.g. per unit of production volume, per facility).	Appendix I: Summary of Sustainable Development Information
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Appendix I: Summary of Sustainable Development Information
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	4.2 Energy and Water Resource Management 4.3 Environmental Targets and Progress
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	4.2 Energy and Water Resource Management 4.3 Environmental Targets and Progress
	A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	The Group's business does not involve packaging materials
A3: Environment and Natural Resources	General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources.	4. Green Development
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	4. Green Development
A4: Climate Change	General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	4.4 Responding to Climate Change
	A4.1	Description of the significant climate related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	4.4 Responding to Climate Change

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Social Scope		Related Sections	
B. Social			
B1: Employment	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	5. Human Resources
	B1.1	Total workforce by gender, employment type, age group and geographical region.	Appendix I: Summary of Sustainable Development Information
	B1.2	Employee turnover rate by gender, age group and geographical region.	Appendix I: Summary of Sustainable Development Information
B2: Health and Safety	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	5.3 Occupational Health and Safety
	B2.1	Number and rate of work-related fatalities occurred.	5.3 Occupational Health and Safety Appendix I: Summary of Sustainable Development Information
	B2.2	Lost days due to work injury.	5.3 Occupational Health and Safety Appendix I: Summary of Sustainable Development Information
	B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	5.3 Occupational Health and Safety

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Social Scope		Related Sections	
B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	5.4 Employee Training and Development
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Appendix I: Summary of Sustainable Development Information
	B3.2	The average training hours completed per employee by gender and employee category.	Appendix I: Summary of Sustainable Development Information
B4: Labor Standards	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.	5.1 Recruitment Management
	B4.1	Description of measures to review employment practices to avoid child and forced labor.	5.1 Recruitment Management
	B4.2	Description of steps taken to eliminate such practices when discovered.	5.1 Recruitment Management
B5: Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	6.1 Supply Chain Management
	B5.1	Number of suppliers by geographical region.	Appendix I: Summary of Sustainable Development Information
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	6.1 Supply Chain Management
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	6.1 Supply Chain Management
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	6.1 Supply Chain Management	

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### Social Scope

### Related Sections

Social Scope	General Disclosure	Related Sections
B6: Product Responsibility	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress.	6.2 Responsible Marketing 6.4 Product Quality and Innovation 6.5 Privacy and Data Security
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Since the services provided by the Group are customized software services, there are no cases where products or services need to be recalled due to health and safety issues.
B6.2	Number of products and service related complaints received and how they are dealt with.	6.3 Customer Satisfaction
B6.3	Description of practices relating to observing and protecting intellectual property rights.	6.6 Intellectual Property Protection
B6.4	Description of quality assurance process and recall procedures.	6.4 Product Quality and Innovation
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	6.5 Privacy and Data Security

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Social Scope			Related Sections
B7: Anti-corruption	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	6.7 Integrity in Corporate Governance
	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases.	6.7 Integrity in Corporate Governance
	B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	6.7 Integrity in Corporate Governance
	B7.3	Description of anti-corruption training provided to directors and employees.	6.7 Integrity in Corporate Governance
B8: Community Investment	General Disclosure	Policies on community inclusion to understand the needs of communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	7. Social Responsibility
	B8.1	Focus areas of contribution.	7. Social Responsibility
	B8.2	Resources contributed to the focus area.	7. Social Responsibility

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Part D: Climate-related Disclosures

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(I) Governance	<p><b>19. An issuer shall disclose information about:</b></p> <p>(a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities.</p> <p>(b) Management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities.</p>	4.4 Responding to Climate Change
(II) Strategy	<p><b>20. Climate-related risks and opportunities</b></p> <p>An issuer shall disclose information to enable an understanding of climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term.</p> <p><b>21. Business model and value chain</b></p> <p>An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain.</p> <p><b>22. Strategy and decision-making</b></p> <p>An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the issuer shall disclose:</p> <p>(a) information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation.</p> <p><b>23. An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a).</b></p>	<p>4.4. Responding to Climate Change</p> <p>4.4 Responding to Climate Change</p> <p>Scoping of the value chain: We have adopted a reasonable information relief, as we are unable to obtain, without incurring undue cost or effort, all reasonable and supportable information to determine the scope of our value chain as of the reporting date.</p> <p>4.4 Responding to Climate Change</p> <p>The Group has not formulated a climate transition plan at this stage; however, we will explore the feasibility of developing and implementing such a plan in the future.</p>

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Part D: Climate-related Disclosures

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<p><b>24. Financial position, financial performance and cash flows</b></p> <p><b>Current financial effect</b></p> <p>An issuer shall disclose qualitative and quantitative information about:</p> <p>(a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and</p> <p>(b) the climate-related risks and opportunities identified in paragraph 24(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.</p>	<p>4.4 Responding to Climate Change</p> <p>Financial Effects Relief—We will further assess the financial effect of climate-related risks and opportunities in the future.</p>
<p><b>25. Anticipated financial effect</b></p> <p>The issuer shall provide qualitative and quantitative disclosures about:</p> <p>(a) how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration.</p> <p>(b) how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.</p>	<p>4.4 Responding to Climate Change</p> <p>Capacity Relief – We currently lack the resources to quantify the anticipated financial effects, but will gradually build this capability.</p>
<p><b>26. Climate resilience</b></p> <p>An issuer shall disclose information that enables an understanding of the resilience of the issuer’s strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the issuer’s identified climate-related risks and opportunities. An issuer shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with an issuer’s circumstances. In providing quantitative information, the issuer may disclose a single amount or a range.</p>	<p>4.4 Responding to Climate Change</p> <p>Reasonable Information Relief— We have not yet disclosed any climate scenario analysis, but we will explore its feasibility in the future.</p>

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Part D: Climate-related Disclosures

(III) Risk Management	<p><b>27. An issuer shall disclose information about:</b></p> <ul style="list-style-type: none"> <li>(a) the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks.</li> <li>(b) the processes the issuer uses to identify, assess, prioritise and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and</li> <li>(c) the extent to which, and how, the processes for identifying, assessing, prioritizing and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process.</li> </ul>	<p>4.4 Responding to Climate Change</p> <p>Reasonable Information and Capabilities Relief – In the future, we will continue to optimize our climate risk assessment tools and cross-departmental data integration mechanisms to gradually refine and disclose the trade-off assessments of climate-related risks and opportunities, as well as the quantitative prioritization for integrating climate risks into our enterprise risk management framework.</p>
(IV) Metrics and Targets	<p><b>28. Greenhouse gas emissions</b></p> <p>An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO<sub>2</sub> equivalent, classified as:</p> <ul style="list-style-type: none"> <li>(a) Scope 1 greenhouse gas emissions;</li> <li>(b) Scope 2 greenhouse gas emissions; and</li> <li>(c) Scope 3 greenhouse gas emissions.</li> </ul> <p><b>29. An issuer shall:</b></p> <ul style="list-style-type: none"> <li>(a) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions;</li> <li>(b) disclose the approach it uses to measure its greenhouse gas emissions.</li> <li>(c) for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 28(b), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer's Scope 2 greenhouse gas emissions; and</li> <li>(d) for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 28(c), disclose the categories included within the issuer's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).</li> </ul>	<p>Appendix I: Summary of Sustainable Development Information</p> <p>4.4 Responding to Climate Change</p> <p>Reasonable Information Relief – We will continue to collect more comprehensive data to gradually expand and improve the disclosure coverage of the three subcategories that have a significant effect on the Group's business.</p>

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Part D: Climate-related Disclosures

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### 30. Climate-related transition risks

An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.

### 31. Climate-related physical risks

An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.

### 32. Climate-related opportunities

An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.

### 33. Capital deployment

An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.

### 34. Internal carbon prices

The issuer shall disclose:

- (a) an explanation of whether and how the issuer is applying a carbon price in decision-making (for example, investment decisions, transfer pricing, and scenario analysis); and
- (b) the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions;

or an appropriate negative statement that the issuer does not apply a carbon price in decision-making.

### 35. Remuneration

An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement. This may form part of the disclosure under paragraph 19(a)(iv).

Reasonable Information Relief

– We will enhance the methods and processes for assessing the financial effect of climate-related risks and opportunities in our future reports.

The Group has identified climate-related risks and will further identify relevant data to optimize disclosure.

Negative Statement – The Group does not currently use internal carbon pricing in its decision-making but will explore the feasibility of implementing it in the future.

Negative Statement – We do not currently factor climate-related considerations into executive remuneration and will explore the possibility of adoption in the future.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Part D: Climate-related Disclosures

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### 36. Industry-based metrics

An issuer is encouraged to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterize participation in an industry.

### 37. Climate-related targets

An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets.

38. An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target.

39. An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance.

40. For each greenhouse gas emissions target disclosed in accordance with paragraphs 37 to 39.

### 41. Applicability of cross-industry metrics and industry-based metrics

In preparing disclosures to meet the requirements in paragraphs 21 to 26 and 37 to 38, an issuer shall refer to and consider the applicability of (i) cross-industry metrics (see paragraphs 28 to 35) and (ii) industry-based metrics (see paragraph 36).

Reasonable Information Relief

– We currently do not disclose any industry metrics, but we will explore their feasibility in the future.

4.4 Responding to Climate Change

Reasonable Information Relief

– We currently do not disclose any cross-industry or industry-based metrics, but we will explore their feasibility in the future.

## DIRECTORS' REPORT

The Directors are pleased to present their report together with the audited consolidated financial statements of the Group for the year ended 31 December 2025.

### PRINCIPAL ACTIVITIES

The Company was incorporated in the Cayman Islands on 8 November 2019 as an exempted company with limited liability under the Companies Act of the Cayman Islands. The Company is an investment holding company, and its subsidiaries established in the PRC are primarily engaged in providing IT solutions, especially technology-driven IT solutions based on self-developed software products. The services we provide to our customers include traditional solution services and innovative solution services. Our customers involve specific industries, such as finance, medical, transportation, logistics as well as general industries.

The principal activities and particulars of the Company's principal subsidiaries are shown under Note 42 to the consolidated financial statements. An analysis of the Group's revenue for the year ended 31 December 2025 by principal activities is set out in the section headed "Management Discussion and Analysis" in this annual report and Note 6 to the consolidated financial statements.

### BUSINESS REVIEW

A review of the Group's business during the year ended 31 December 2025, which includes a discussion of the principal risks and uncertainties faced by the Group, an analysis of the Group's performance using financial key performance indicators, particulars of important events affecting the Group during the year, and an indication of likely future developments in the Group's business, could be found in the sections headed "Chairman's Statement" and "Management Discussion and Analysis" as well as this Directors' report of this annual report. A discussion on relationships with its key stakeholders is included in the sections headed "Management Discussion and Analysis", "Corporate Governance Report" and "Environmental, Social and Governance Report" in this annual report. In addition, a description of the environmental policies and performance of the Company is set out in the section headed "Environmental, Social and Governance Report" in this annual report. These sections form part of this Directors' report.

### RESULTS

The consolidated results of the Group for the year ended 31 December 2025 are set out in the consolidated statement of profit or loss and other comprehensive income on pages 113 to 114 of this annual report.

### FINAL DIVIDEND

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

## DIRECTORS' REPORT

### OTHER INFORMATION

#### Use of Proceeds from the Global Offering

The Shares in issue of the Company were listed on the Main Board of the Stock Exchange on 6 January 2021, whereby 200,000,000 new Shares were issued at the offer price of HK\$4.36 per share by the Company. After deduction of the underwriting fees, commissions and other related costs and expenses, the net proceeds from the Global Offering of the Company amounted to approximately HK\$790.4 million (representing net proceeds of HK\$3.952 per new Share) (the "**IPO Proceeds**").

In order to better utilize the financial resources of the Group and to capture favourable investment opportunities, the Board has reviewed the utilization of the IPO Proceeds and resolved to reallocate not more than HK\$71.0 million of the surplus to pay the equity transfer consideration, to make the capital increase payment and to fulfill or pay capital contribution obligations for the acquisition of Neusoft Yuetong (the "**Re-allocation**"). For further details, please refer to the announcement of the Company dated 20 June 2022.

On 23 September 2024, after due and careful consideration on the prevailing business environment and development needs of the Group, the Board resolved to change the use of the unutilized IPO Proceeds to (i) reallocate the unutilized surplus of approximately HK\$49.2 million for working capital and other general corporate purposes; and (ii) build on the Group's long-standing accumulated capabilities in independent research and development, capabilities in technological innovation, industry insights and customer needs, the Company will further enhance the original plan for developing new solutions and upgrading existing solutions by increasing the related investment plans for the development of innovative universal products and the development of innovative financial products, and will further reallocate the original plan of IPO Proceeds for developing new solutions and upgrading existing solutions: (a) approximately HK\$38.9 million will be utilized to develop innovative universal products; and (b) approximately HK\$20.0 million will be utilized to develop innovative financial products (the "**Further Re-allocation**"). For details, please refer to the announcement of the Company dated 23 September 2024.

## DIRECTORS' REPORT

The following table sets forth the details of the use of the IPO Proceeds after Further Re-allocation:

	Original allocation of the IPO Proceeds (approximate)		Allocation of IPO Proceeds after the First Re-allocation (approximate)		Further Re-allocation of the Unutilized IPO Proceeds (approximate)		Unutilized amount as of 1 January 2025	Utilized amount during the Reporting Period	Unutilized amount as of 31 December 2025	Expected timeline for the use of unutilized proceeds <sup>(1)</sup>
	Percentage	Amount	Percentage	Amount	Percentage	Amount	HK\$ million	HK\$ million	HK\$ million	
		HK\$ million		HK\$ million		HK\$ million				
<b>For developing new solutions and upgrading existing solutions</b>	<b>80.0%</b>	<b>632.3</b>	<b>72.8%</b>	<b>575.5</b>	<b>69.4%</b>	<b>144.8</b>	<b>117.6</b>	<b>80.8</b>	<b>36.8</b>	
– to develop and upgrade the Group's medical quality control and safety warning system	20.0%	158.1	18.2%	143.9	11.7%	24.4	16.5	5.0	11.5	
– to develop the Group's clinical pathway management system	20.0%	158.1	18.2%	143.9	11.6%	24.2	24.0	15.2	8.8	
– to develop the Group's telemedicine system	10.0%	79.0	9.1%	71.9	3.5%	7.3	4.3	0.4	3.9	By December 2026
– to develop a new solution of intelligent healthcare platform	10.0%	79.0	9.1%	71.9	6.1%	12.7	10.7	3.9	6.8	
– to upgrade the Group's RPA solution	20.0%	158.1	18.2%	143.9	8.3%	17.3	12.6	12.6	–	
– to develop innovative universal products	–	–	–	–	18.6%	38.9	34.8	34.8	–	
– to develop innovative financial products	–	–	–	–	9.6%	20.0	14.7	8.9	5.8	
<b>For enhancing the Group's sales and marketing efforts</b>	<b>10%</b>	<b>79.1</b>	<b>9.1%</b>	<b>72.0</b>	<b>7.0%</b>	<b>14.7</b>	<b>9.5</b>	<b>9.5</b>	<b>–</b>	<b>By December 2026</b>
<b>For working capital and other general corporate purposes</b>	<b>10%</b>	<b>79.0</b>	<b>9.1%</b>	<b>71.9</b>	<b>23.6%</b>	<b>49.2</b>	<b>0.6</b>	<b>0.6</b>	<b>–</b>	<b>By December 2027</b>
<b>Funds proposed to be used for the Neusoft Yuetong Acquisition</b>	<b>–</b>	<b>–</b>	<b>9.0%</b>	<b>71.0</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	
<b>Total</b>	<b>100%</b>	<b>790.4</b>	<b>100%</b>	<b>790.4</b>	<b>100%</b>	<b>208.7</b>	<b>127.7</b>	<b>90.9</b>	<b>36.8</b>	

## DIRECTORS' REPORT

### Notes:

- (1) Due to the Further Re-allocation and the adjustment of arrangements based on the Group's R&D progress, the Company expects the Unutilized IPO Proceeds will be fully utilized by December 2026 except for the Unutilized IPO Proceeds re-allocated for working capital and other general corporate purposes, which are expected to be fully utilized by December 2027. The expected timeline for utilizing the unutilized funds is based on the best estimation of the future market condition made by the Group. It may be subject to change based on the current and future development of market conditions.
- (2) Any discrepancy arising in the decimal figures in the table above is due to the effect of rounded figures.
- (3) The utilization of IPO Proceeds for developing new solutions and upgrading existing solutions after the Further Re-allocation still includes the balance of the relevant unutilized IPO Proceeds of approximately HK\$63.2 million originally planned for office lease, purchase and renovation for IT solutions as disclosed in the Prospectus.

The Company has utilized, and will continue to utilize the IPO Proceeds in accordance with the intended purposes as set out in the Prospectus and the announcements of the Company dated 20 June 2022 and 23 September 2024.

### Use of Proceeds From the 2024 Placing

On 7 May 2024 (after trading hours), the Company entered into the placing agreement with the placing agent, pursuant to which the Company has agreed to place through the placing agent a maximum of 157,302,880 ordinary share(s) of par value of US\$0.000001 each of the Company at the placing price of HK\$0.28 per placing share (the "2024 Placing") to not less than six placees who and whose beneficial owners shall be independent third parties. On 7 May 2024, the closing price of the shares of the Company was HK\$0.34 per share. On 14 May 2024, the Company completed the placement of 157,302,880 shares. The total proceeds and the net proceeds from the 2024 Placing, after deduction of the placing commission and other related expenses, amounted to approximately HK\$44.04 million and HK\$43.60 million, respectively, and the net price per Share was approximately HK\$0.277. The net proceeds from the 2024 Placing will be applied to replenish general working capital of the Group.

Use of the net proceeds from the 2024 Placing during the Reporting Period is set out in the table below:

	The net proceeds from the 2024 Placing	Unutilized amount as of 1 January 2025	Utilized amount during the Reporting Period	Unutilized amount as of 31 December 2025	Expected timeline for the use of unutilized proceeds
	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million

Replenish general working capital of the Group	43.60	33.06	33.06	–	N/A
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The Company has utilized the net proceeds from the 2024 Placing in accordance with the intended purposes as set out in the announcement of the Company dated 7 May 2024.

## DIRECTORS' REPORT

### FINANCIAL SUMMARY

A summary of the published results and assets, liabilities, equity attributable to the owners of the parent and non-controlling interests of the Group for the last five financial years is set out on page 9 of this annual report.

### PROPERTY AND EQUIPMENT

Details of the movements in property and equipment of the Group during the year ended 31 December 2025 are set out in Note 16 to the consolidated financial statements in this annual report.

### SHARE CAPITAL

Details of the movements in share capital of the Company during the year ended 31 December 2025 are set out in Note 34 to the consolidated financial statements in this annual report.

### EQUITY-LINKED AGREEMENTS

During the year ended 31 December 2025, other than the Post-IPO Share Option Scheme as set out in the section under "Post-IPO Share Option Scheme", the Company has not entered into any equity-linked agreement.

### RESERVES

Details of the movement in the reserves of the Group during the year ended 31 December 2025 are set out in the consolidated statement of changes in equity and Note 36 to the consolidated financial statements in this annual report.

### DISTRIBUTABLE RESERVES

As of 31 December 2025, the Company's distributable reserves were RMB395.3 million (2024: RMB643.4 million).

### BORROWINGS

Details of the borrowings are set out in the section headed "Management Discussion and Analysis" in this annual report and Note 32 to the consolidated financial statements.

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company listed securities (including sales of treasury shares) during the Reporting Period.

As of 31 December 2025, the Company had 5,952,800 treasury shares (as defined under the Listing Rules) which are intended to be used for purposes such as employee incentives, sale or transfer to obtain liquid funds, etc. subject to the actual decision(s) making by the Board.

### PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the articles of association of the Company or the laws of Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to its existing shareholders.

## DIRECTORS' REPORT

### DIRECTORS

During the Reporting Period up to the date of this annual report, the Board consists of the following Directors:

#### Executive Directors

Mr. Zhai Shuchun (*Chairman and CEO*)

Ms. Qin Yi

Mr. Li Xiaodong

#### Independent Non-executive Directors

Mr. Tang Baoqi

Ms. Yang Juan

Mr. You Linfeng

### BIOGRAPHICAL DETAILS OF THE DIRECTORS AND THE SENIOR MANAGEMENT

Biographical details of the Directors and the senior management of the Company as of the date of this annual report are set out on pages 12 to 16 in the section headed "Directors and Senior Management" in this annual report.

### DIRECTORS' SERVICE CONTRACTS AND LETTERS OF APPOINTMENT

Each of the executive Directors has entered into a service contract with the Company, and each of the independent non-executive Directors has entered into a letter of appointment with the Company. The service contracts with each of the executive Directors are for an initial fixed term of three years commencing from the date of the service contract. The letters of appointment with each of the independent non-executive Directors are for an initial fixed term of three years commencing from the date of the appointment. The service contracts and the letters of appointment are subject to termination in accordance with their respective terms or by either party giving to the other not less than three-month prior written notice. The appointment of the Directors is subject to the provisions of retirement and rotation of Directors under the Articles.

### CONTRACT WITH CONTROLLING SHAREHOLDER

Save as disclosed in this report, no contract of significance has been entered into between the Company or any of its subsidiaries and the Controlling Shareholders or any of their respective subsidiaries during the year ended 31 December 2025.

### DIRECTOR'S INTERESTS IN TRANSACTION, ARRANGEMENT OR CONTRACT

Save as disclosed in this annual report, no transaction, arrangement or contract of significance in relation to the business of the Group to which the Company or any of its subsidiaries was a party, and in which a Director or his/her connected entity had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year ended 31 December 2025.

## DIRECTORS' REPORT

### COMPENSATION OF DIRECTORS AND SENIOR MANAGEMENT

The emoluments of the Directors and senior management of the Company are decided by the Board with reference to the recommendation given by the Remuneration Committee, having regard to the Group's operating results, individual performance and comparable market statistics.

The remuneration (including salaries, allowances, pension scheme contributions and other benefits) paid to the Directors in aggregate for the year ended 31 December 2025 was approximately RMB4.95 million.

The five highest paid individuals of our Group for the year ended 31 December 2025 included 2 Directors, whose remuneration is included in the aggregate amount we paid to the relevant Directors set out above. The remuneration (including salaries, allowances, pension scheme contributions and other benefits) paid to the remaining 3 highest paid individuals in aggregate for the year ended 31 December 2025 was approximately RMB3.28 million.

For the year ended 31 December 2025, no emoluments were paid by the Group to any Director or any of the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office. None of the Directors has waived any emoluments for the year ended 31 December 2025.

Details of the Directors' emoluments and remunerations of the five highest paid individuals in the Group are set out in Note 11 and Note 12 to the consolidated financial statements in this annual report.

Save as disclosed above, no other payments have been made or are payable, for the year ended 31 December 2025, by the Group to or on behalf of any of the Directors.

### DIRECTORS' AND CONTROLLING SHAREHOLDER'S INTERESTS IN COMPETING BUSINESS

During the Reporting Period, none of the Directors nor the Controlling Shareholders or their respective associates (as defined in the Listing Rules) had any interest in a business that competed or was likely to compete, either directly or indirectly, with the business of the Group.

### PENSION SCHEME

Details of the pension scheme of the Group are set out in Note 3 to the consolidated financial statements in this annual report.

### INDEMNITY OF DIRECTORS

Under the Articles of Association, every Director or other officers of the Company acting in relation to any of the affairs of the Company shall be entitled to be indemnified against all actions, costs, charges, losses, damages and expenses which he may incur or sustain in or about the execution of his duties in his office. The Company has arranged appropriate insurance cover in respect of legal action against its Directors and officers. Such insurance was valid throughout the financial year ended 31 December 2025 and still remains in effect as at the date of this annual report. No indemnity was made by the Company in the Reporting Period and up to the date of this annual report.

# DIRECTORS' REPORT

## MANAGEMENT CONTRACTS

Other than the Directors' service contracts and letters of appointment as disclosed in this annual report, no contract concerning the management and administration of the whole or any substantial part of the business of the Group was entered into or in existence as at the end of the year or at any time during the year ended 31 December 2025.

## LOAN AND GUARANTEE

During the Reporting Period, the Group had not made any loan or provided any guarantee for any loan, directly or indirectly, to the Directors, senior management, its Controlling Shareholders or their respective connected persons.

## DISCLOSURE REQUIRED UNDER RULE 13.18 OF THE LISTING RULES

As at 31 December 2025, there were no matters that gave rise to a disclosure required under Rule 13.18 of the Listing Rules.

## POST-IPO SHARE OPTION SCHEME

On 5 December 2020, the Company adopted the Post-IPO Share Option Scheme, which falls within the ambit of, and is subject to, the regulations under Chapter 17 of the Listing Rules.

The purpose of the Post-IPO Share Option Scheme is to attract, retain and motivate employees, Directors and other participants, and to provide a means of compensating them through the grant of options for their contribution to the growth and profits of the Group, and to allow such employees, Directors and other persons to participate in the growth and profitability of the Group.

Qualified participants of the Post-IPO Share Option Scheme include (i) any employee (whether full time or part time) of the Company or its subsidiaries, including any officer or executive Director, (ii) any independent non-executive Director, and (iii) any consultant of the Company or its subsidiaries as the Board may in its absolute discretion select.

The number of options available for grant under the Post-IPO Share Option Scheme at the beginning of the Reporting Period and at the end of the Reporting Period is 80,000,000 options. There is no service provider sublimit under the Post-IPO Share Option Scheme.

The Shares which may be issued upon exercise of all options to be granted under the Post-IPO Share Option Scheme shall not exceed 80,000,000 Shares, representing approximately 8.02% of the total issued share capital of the Company (excluding treasury shares) on the date of this annual report.

The total number of Shares issued and to be issued upon the exercise of the options granted to or to be granted to each eligible person under the Post-IPO Share Option Scheme (including exercised, cancelled and outstanding options) in any 12-month period shall not exceed 1% of the Shares in issue.

The Post-IPO Share Option Scheme will remain in force for a period of 10 years from 5 December 2020, with the remaining validity period of approximately 4 years and 8 months (as of the date of this report), and the options granted have a 10-year exercise period. Options may be vested over such period(s) as determined by the Board in its absolute discretion subject to compliance with the requirements under any applicable laws, regulations or rules.

Participants are not required to pay any amount to apply for or accept a share option.

## DIRECTORS' REPORT

The exercise price of share options under the Post-IPO Share Option Scheme is determined by the Board, but shall not be less than the higher of (i) the closing price of the Shares as stated in the daily quotation sheet of the Stock Exchange on the date of grant, which must be a business day; (ii) the average closing price of the Shares as stated in the daily quotation sheets of the Stock Exchange for the five business days immediately preceding the date of grant; and (iii) the nominal value of a Share.

No share options have been granted under the Post-IPO Share Option Scheme since its adoption and up to the date of this report.

A summary of the terms of the Post-IPO Share Option Scheme has been set out in the section headed "D. Post-IPO Share Option Scheme" in Appendix IV of the Prospectus.

### INTERESTS OF DIRECTORS AND CHIEF EXECUTIVE IN SECURITIES

As at the date of this annual report, the interests or short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which (a) 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 he/she was taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein; or (c) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

#### Long position in Shares of the Company

Name of Director	Capacity	Number of ordinary shares interested	Approximate percentage of the Company's issued share capital <sup>(1)</sup>
Mr. Zhai	Interest in a controlled corporation	304,500,800	30.33%
Ms. Qin Yi	Beneficial owner	1,604,800	0.16%

Note:

- (1) The percentage represents the number of ordinary shares interested divided by the number of the Company's issued shares as at the date of this annual report, being 1,003,817,280 Shares.

Save as disclosed above and to the best knowledge of the Directors, as at the date of this annual report, none of the Directors or the chief executive of the Company has any interests and/or short positions in the shares, underlying shares or debentures of the Company or 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 he/she was taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

## DIRECTORS' REPORT

### SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES

As at the date of this annual report, to the best knowledge of the Directors, the following corporations/persons had interests of 5% or more in the issued Shares according to the register of interests required to be kept by the Company under section 336 of the SFO:

#### Long position in Shares of the Company

Name	Note	Capacity	Number of ordinary shares interested	Approximate percentage of the Company's issued share capital <sup>(4)</sup>
Nebula SC		Beneficial owner	304,500,800	30.33%
Mr. Zhai	(1)	Interest in a controlled corporation	304,500,800	30.33%
Earnest Kai Holdings Limited	(2)	Beneficial owner	134,400,000	13.39%
Mr. Yuan Yukai		Interest in a controlled corporation	134,400,000	13.39%
Mr. Guo Hao		Beneficial owner	80,000,000	7.97%
Blossoming M Holdings Limited	(3)	Beneficial owner	72,457,600	7.22%
Ms. Guo Yumei		Interest in a controlled corporation	72,457,600	7.22%

#### Notes:

- (1) Mr. Zhai is deemed to be interested in the entire interests held by Nebula SC, a company wholly owned by him. Mr. Zhai is the director of Nebula SC.
- (2) Mr. Yuan Yukai is deemed to be interested in the entire interests held by Earnest Kai Holdings Limited, a company wholly-owned by him.
- (3) Ms. Guo Yumei is deemed to be interested in the entire interests held by Blossoming M Holdings Limited, a company wholly-owned by her.
- (4) The percentage represents the number of ordinary shares interested divided by the number of the Company's issued shares as at the date of this annual report, being 1,003,817,280 Shares.
- (5) Pursuant to section 336 of the SFO, Shareholders are required to submit forms of disclosure of interests (the "Forms of Disclosure of Interests") if certain conditions are met. Full details of the relevant requirements are available on the website of The Stock Exchange of Hong Kong Limited. When a substantial shareholder's shareholding changes, unless certain conditions are satisfied, there is no obligation to notify the Company or the Stock Exchange. Therefore, the latest shareholding of a substantial shareholder in the Company may differ from that reported to the Company and the Stock Exchange. The above statement regarding substantial shareholders' number of ordinary shares interested is prepared based on the information contained in the latest forms of disclosure of interests available on the Stock Exchange's website as at the date of this annual report. The Company may not have sufficient information on the details of such interests and is unable to verify the accuracy of the information set out in the form of disclosure of interests.

Save as disclosed above and to the best knowledge of the Directors, as at the date of this annual report, no person had registered an interest or a short position in the Shares or underlying Shares as recorded in the register of interests required to be kept by the Company under section 336 of the SFO.

## DIRECTORS' REPORT

### ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Save as disclosed by this report, at no time during the year ended 31 December 2025 was the Company, its holding company, or any of the Company's and its holding company's subsidiaries, a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in, or debt securities including debentures of, the Company or any other body corporate.

### MAJOR CUSTOMERS AND SUPPLIERS

During the Reporting Period, the Group's largest customer accounted for approximately 12.2% of the Group's total revenue from continuing operations. The Group's five largest customers accounted for approximately 46.9% of the Group's total revenue from continuing operations.

During the Reporting Period, the Group's largest supplier accounted for approximately 22.4% of the Group's total purchases. The Group's five largest suppliers accounted for 58.4% of the Group's total purchases.

None of the Directors or any of their close associates (as defined under the Listing Rules) or any Shareholders (which, to the best knowledge of the Directors, owns more than 5% of the Company's issued share capital) has any beneficial interest in the Group's five largest suppliers or the Group's five largest customers.

### TAX RELIEF AND EXEMPTION OF HOLDERS OF LISTED SECURITIES

The Directors are not aware of any tax relief or exemption available to the Shareholders by reason of their holding of the Shares.

### EMPLOYEES, TRAINING AND REMUNERATION POLICIES

As of 31 December 2025, the Group had 651 employees. The staff costs including Directors' emoluments were approximately RMB176.0 million in 2025.

Remuneration of the Group's employees includes basic salary, bonuses and cash subsidies. We determine our employees' compensation based on each employees' performance, qualifications, position and seniority.

We adopted the Post-IPO Share Option Scheme on 5 December 2020, which falls within the ambit of, and is subject to, the regulations under Chapter 17 of the Listing Rules. The purpose of the Post-IPO Share Option Scheme is to provide incentives and rewards to eligible persons for their contribution to, and continuing efforts to promote the interest of the Group.

We recognize the importance of keeping the Directors updated with the latest information on duties and obligations of a director of a company whose shares are listed on the Stock Exchange and the general regulatory and environmental requirements for such listed company. To meet this goal, we are committed to our employees' continuing education and development. We provide preemployment and regular continuing trainings to our employees, which we believe are effective in equipping them with the skill set and work ethics that we require. Also, we continuously provide comprehensive trainings to our technical staff, equipping them with knowledge and skills to perform a variety of functions on different projects and allowing us to quickly find qualified and suitable replacement internally in the event of employee's demission.

## DIRECTORS' REPORT

### RETIREMENT BENEFITS SCHEME

The employees of the subsidiaries based in Chinese Mainland are members of the state-managed retirement benefits scheme operated by the PRC government. The employees of the subsidiaries based in Chinese Mainland are required to contribute a certain percentage of their payroll to the retirement benefits scheme to fund the benefits and the only obligation of the Group with respect to this retirement benefits scheme is to make the required contributions under the scheme. In addition, the Group participates in a defined contribution scheme (the "MPF Scheme") available to its Hong Kong employees in compliance with the Mandatory Provident Fund Schemes Ordinance. The Group's and employees' contributions to the MPF Scheme are based on a specified percentage of the employees' basic salaries and are required to be paid in accordance with the relevant rules.

There are no forfeited contributions available to the Group as an employer to reduce the current level of contributions.

### RELATED PARTY TRANSACTIONS

Details of the related party transactions of the Group for the year ended 31 December 2025 are set out in Note 38 to the consolidated financial statements contained herein. Among such related party transactions during the Reporting Period, the compensation paid to the Directors of the Company constituted connected transactions of the Company which are fully exempt according to Rule 14A.95 of the Listing Rules.

During the Reporting Period, the Group had no related party transaction that constitutes a connected transaction or continuing connected transaction subject to independent Shareholders' approval, annual review and all disclosure requirements in Chapter 14A of the Listing Rules.

### SUFFICIENCY OF PUBLIC FLOAT

According to the information that is publicly available to the Company and within the knowledge of the Board, as at the date of this annual report, the Company has maintained the public float as required under the Listing Rules.

### AUDIT COMMITTEE

The Company's consolidated annual results for the year ended 31 December 2025 have been reviewed by the Audit Committee of the Company.

### AUDITORS

For the year ended 31 December 2023, CCTH CPA Limited acted as the auditor of the Company. On 26 June 2024, an ordinary resolution was passed at the 2024 annual general meeting (the "2024 AGM") to appoint Forvis Mazars CPA Limited as the auditor of the Company with effect from the conclusion of the 2024 AGM and until the conclusion of the next annual general meeting of the Company. For the year ended 31 December 2025, Forvis Mazars CPA Limited acted as the auditor of the Company. A resolution for re-appointment of Forvis Mazars CPA Limited as the auditor of the Company will be proposed at the 2026 AGM.

## DIRECTORS' REPORT

### Donations

Charitable donations made by the Group during the year amounted to RMB300,000.

### COMPLIANCE WITH LAWS AND REGULATIONS

The Group's business operations are subject to various laws and regulations in the software industry, financial information technology, information security and privacy as well as medical big data, which mainly include the Cyber Security Law of the PRC (《中華人民共和國網絡安全法》), the Data Security Law of the PRC (《中華人民共和國數據安全法》), the Personal Information Protection Law of the PRC (《中華人民共和國個人信息保護法》), the Cryptography Law of the PRC (《中華人民共和國密碼法》), the Administrative Measures for Software Products (《軟件產品管理辦法》), the Administrative Measures for Medical Quality (《醫療質量管理辦法》), the Labor Law of the PRC (《中華人民共和國勞動法》), the Labor Contract Law of the PRC (《中華人民共和國勞動合同法》) and other applicable regulations, policies and normative legal documents promulgated in accordance with or in respect of such laws and regulations. The Group carries out business in accordance with relevant laws and regulations. In addition, the Group has successively obtained ISO9001, ISO9000, ISO20000, ISO27001, CMMI5 and other quality management system certifications and industry certifications. Should there be any changes in the applicable laws, regulations and normative legal documents regarding its principal business, the Group will promptly notify relevant departments to ensure that the quality and safety of its products and services meet the latest requirements. For the year ended 31 December 2025, the Group is in compliance with the applicable laws and regulations in all material respects.

### EVENTS AFTER THE REPORTING PERIOD

On 4 February 2026, the Company entered into a placing agreement with Dongxing Securities (Hong Kong) Company Limited (the "**Placing Agent**"), pursuant to which the Company has conditionally agreed to place (the "**Placing**") through the Placing Agent, on a best effort basis, a maximum of 60,000,000 shares at the placing price of HK\$0.30 per placing share. The Placing has been completed on 11 February 2026, and a total of 60,000,000 shares of the Company have been placed to the placee. The net proceeds from the Placing are HK\$17,909,270, which will be used to replenish general working capital of the Group. For details, please refer to the announcements of the Company dated 4 February 2026 and 11 February 2026.

Save as disclosed above, no significant event of the Group has occurred subsequent to 31 December 2025 and up to the date of this annual report.

For and on behalf of the Board

**Zhai Shuchun**

*Chairman*

27 March 2026

## INDEPENDENT AUDITOR'S REPORT

**FORVIS MAZARS CPA LIMITED**

富睿瑪澤會計師事務所有限公司

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Email 電郵: [info.hk@forvismazars.com](mailto:info.hk@forvismazars.com)Website 網址: [www.forvismazars.com/hk](http://www.forvismazars.com/hk)**To the shareholders of Newlink Technology Inc.***(incorporated in the Cayman Islands with limited liability)***OPINION**

We have audited the consolidated financial statements of Newlink Technology Inc. (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 113 to 194, which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

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

**BASIS FOR OPINION**

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

**KEY AUDIT MATTERS**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

# INDEPENDENT AUDITOR'S REPORT

## KEY AUDIT MATTERS (CONTINUED)

### Key audit matters

### How our audit addressed the key audit matters

#### Revenue recognition – Software development services

*Refer to Note 3, Note 4 and Note 6 to the consolidated financial statements*

Revenue from software development services is recognised over time because the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced. For contracts with a fixed price, the Group recognises revenue using input method based on the actual direct costs incurred relative to the total expected costs to be incurred to satisfy the performance obligations of an individual contract. For contracts with a fixed price billed based on time incurred, the Group recognises revenue using the output method to the extent that the Group has a right to invoice the customer. Total expected costs and their corresponding contract revenue require estimations from the management based on the understanding of the performance of the contract, quotations from suppliers and subcontractors and the Group's historical experience.

We identified the revenue recognition of software development services as a key audit matter due to the significant management judgements are involved in estimating the progress towards complete satisfaction of the services.

Our key audit procedures in relation to revenue recognition included:

- Discussing and understanding the policies, internal controls and financial settlement procedures for cost and revenue recognition;
- Discussing and understanding the status of the selected projects and underlying assumptions applied in the latest budgeted cost;
- Testing on a sample basis the actual costs incurred, billing invoices and timesheet and comparing with the contract sum and budgeting costs to ensure that the costs are directly attributable to the contracts tested;
- Reviewing the key contract information (including contract price, payment terms and list of work for each task) to the relevant contracts;
- Evaluating management's budgets and reconciling the significant cost elements to signed contracts;
- Comparing the gross profit margin of similar projects; and
- Evaluating the reasonableness of management costs and revenue recognition by analytical procedure and comparing the gross profit margins of various revenues.

# INDEPENDENT AUDITOR'S REPORT

## KEY AUDIT MATTERS (CONTINUED)

### Key audit matters

### How our audit addressed the key audit matters

#### Expected credit losses assessment of trade receivables and contract assets

*Refer to Note 3, Note 4, Note 23, Note 24 and Note 39 to the consolidated financial statements*

As at 31 December 2025, the Group's trade receivables and contract assets amounting to RMB190,405,000 and RMB90,867,000 respectively (net of allowance for expected credit loss of RMB101,601,000 and RMB685,000 respectively), accounted for about 25% and 12% of the Group's total assets in the consolidated statement of financial position, respectively.

The Group adopt a loss rate approach to calculate expected credit loss ("ECL") in trade receivables and contract assets. The loss rates are based on groupings of various industries that have similar loss patterns (i.e. by customer type and rating).

The Group develops loss-rate statistics on the basis of the amount expected to be written off over the life of the financial assets by reference to the credit rating of the customers, and then adjust these loss trends for current conditions and expectations about the future. For instance, if forecast economic conditions are expected to deteriorate over the next year which can lead to an increased number of defaults, the determined loss-rate is adjusted. At each reporting date, the loss-rate statistics are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation among the loss-rate statistics, forecast economic conditions and ECL is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's expected default data and forecast of economic conditions may also not be representative of a customer's actual default in the future.

We identified the ECL assessment on trade receivables and contract assets as a key audit matter due to the significant management's judgements and estimates are involved.

Our key audit procedure in relation to ECL assessment of trade receivables and contract assets included:

- Obtaining an understanding of the Group's policies and procedures related to the internal controls of the ECL assessment;
- Evaluating the objectivity, capabilities and competence of the independent professional qualified valuer (the "Valuer");
- Reviewing the valuation report of the Valuer and holding discussions with the management and the Valuer to understand and assess the valuation methodology, underlying assumptions and relevant forward-looking information applied;
- Inquiring with management for the reasons of variances by comparing the aging of trade receivable and contract assets with previous periods;
- Assessing whether the trade receivables and contract assets were appropriately grouped for collective assessment by checking the nature and aging profiles of the trade receivables and contract assets, on a sample basis;
- Conducting sensitivity analysis on key assumptions to assess which changes (individually or collectively) would lead to different conclusions; and
- Considering the adequacy of the Group's disclosures in respect of ECL assessment of trade receivables and contract assets.

# INDEPENDENT AUDITOR'S REPORT

## KEY AUDIT MATTERS (CONTINUED)

### Key audit matters

### How our audit addressed the key audit matters

#### Impairment assessment of non-current assets

*Refer to Note 3, Note 4, Note 18 and Note 19 to the consolidated financial statements*

As at 31 December 2025, the carrying amounts of the Group's non-current assets include right-of-use assets, property and equipment, intangible assets and goodwill amounting to RMB8,590,000, RMB10,724,000, RMB63,697,000 and RMB36,724,000 respectively. Any impairment identified in respect of these non-current assets may have material impact on the consolidated financial statements.

The carrying amounts of these non-current assets (excluding goodwill) are required to be tested for impairment when there are indicators of impairment, or when there is a favourable change in the estimates used to determine the recoverable amount, in which case any previously recognised impairment loss may be reversed. Goodwill is tested for impairment annually, and impairment losses recognised on goodwill is not reversed.

For the purpose of assessing impairment, the Group identifies cash-generating units ("CGUs") to which these non-current assets belong. When internal and external information (including but not limited to historical performance and management's forecasts of future business plans and market developments) indicates the existence of impairment indicators for the relevant CGUs, the management engaged the Valuer to assess the recoverable amount of those CGUs which is determined based on value-in-use calculation using discounted cash flow projections.

We identified the impairment assessment on non-current assets as a key audit matter due to the significant management's judgements and estimates involved in the impairment assessment.

Our key audit procedure in relation to impairment assessment of non-current assets included:

- Obtaining an understanding and evaluating the internal controls of impairment assessment implemented by the management;
- Assessing the appropriateness of management's judgments in determining the CGUs to which these non-current assets belong;
- Discussing the process and basis used to identify indicators of impairment of CGUs, where such indicators were identified, assessing whether management had performed impairment testing in accordance with the requirements of HKFRS Accounting Standards;
- Evaluating the competence, capabilities and objectivity of the Valuer;
- Assessing the reasonableness of the valuation methods, key assumptions and related data adopted by the Valuer;
- Performing sensitivity analysis on key assumptions to assess the extent of changes (individually or in combination) that would lead to different conclusions and evaluate whether there are any indications of management bias in the selection of key assumptions; and
- Considering the adequacy of the Group's disclosure in respect of the impairment assessment.

# INDEPENDENT AUDITOR'S REPORT

## OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the 2025 annual report of the Company, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

## RESPONSIBILITIES OF THE DIRECTORS AND THOSE CHARGE WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

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

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

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

## INDEPENDENT AUDITOR'S REPORT

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

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

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

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

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

## INDEPENDENT AUDITOR'S REPORT

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

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

**Forvis Mazars CPA Limited**

*Certified Public Accountants*

Hong Kong, 27 March 2026

The engagement director on the audit resulting in this independent auditor's report is:

**Chan Chi Wai**

Practising Certificate number: P05708

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2025

	Note	2025 RMB'000	2024 RMB'000
<b>REVENUE</b>	6	<b>308,729</b>	278,822
Cost of sales and services rendered	9	<b>(265,298)</b>	(239,953)
<b>GROSS PROFIT</b>		<b>43,431</b>	38,869
Other income and gains	7	<b>8,405</b>	12,054
Changes in fair value of investment properties	15	<b>(1,572)</b>	–
Changes in fair value of equity investments at fair value through profit or loss	21	<b>(25,508)</b>	(11,326)
Changes in fair value of contingent consideration	33	<b>1,576</b>	–
Allowance for expected credit losses on trade receivables, contract assets and other receivables, net	9	<b>(56,504)</b>	(1,595)
Impairment losses on property and equipment, right-of-use assets and intangible assets	9, 18	<b>(17,800)</b>	–
Reversal of impairment losses on investment in an associate	9, 20	–	1,838
Selling and distribution expenses		<b>(20,642)</b>	(16,166)
Administrative expenses		<b>(52,508)</b>	(45,790)
Research and development expenses	9	<b>(61,153)</b>	(71,524)
Other expenses		<b>(1,976)</b>	(691)
Finance costs	8	<b>(1,543)</b>	(1,969)
Share of results of an associate	20	<b>(2,473)</b>	232
<b>LOSS BEFORE TAX</b>	9	<b>(188,267)</b>	(96,068)
Income tax (expense) credit	10	<b>(46)</b>	3,049
<b>LOSS FOR THE YEAR</b>		<b>(188,313)</b>	(93,019)
<b>LOSS FOR THE YEAR ATTRIBUTABLE TO:</b>			
Owners of the Company		<b>(187,937)</b>	(92,463)
Non-controlling interests		<b>(376)</b>	(556)
<b>LOSS FOR THE YEAR</b>		<b>(188,313)</b>	(93,019)
		<b>RMB cents</b>	RMB cents
<b>LOSS PER SHARE</b>			
Basic and diluted	14	<b>(20.04)</b>	(10.44)

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

	Note	2025 RMB'000	2024 RMB'000
<b>LOSS FOR THE YEAR</b>		<b>(188,313)</b>	(93,019)
<b>OTHER COMPREHENSIVE (LOSS) INCOME</b>			
<i>Items that will not be reclassified to profit or loss</i>			
Revaluation surplus on transfer of owned properties to investment properties	15	–	9
Exchange difference arising on translation from functional currency to presentation currency of the Company		<b>(8,539)</b>	6,790
		<b>(8,539)</b>	6,799
<i>Item that may be reclassified subsequently to profit or loss</i>			
Exchange differences arising on translation of foreign operations		<b>(791)</b>	610
<b>OTHER COMPREHENSIVE (LOSS) INCOME FOR THE YEAR, NET OF TAX</b>		<b>(9,330)</b>	7,409
<b>TOTAL COMPREHENSIVE LOSS FOR THE YEAR</b>		<b>(197,643)</b>	(85,610)
<b>TOTAL COMPREHENSIVE LOSS FOR THE YEAR ATTRIBUTABLE TO:</b>			
Owners of the Company		<b>(197,267)</b>	(85,054)
Non-controlling interests		<b>(376)</b>	(556)
		<b>(197,643)</b>	(85,610)

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025

	Note	2025 RMB'000	2024 RMB'000 (Restated)
<b>NON-CURRENT ASSETS</b>			
Investment properties	15	9,692	11,264
Property and equipment	16	10,724	15,280
Right-of-use assets	17	8,590	12,160
Intangible assets	18	63,697	100,169
Goodwill	19	36,724	36,724
Investment in an associate	20	3,896	6,369
Equity investments at fair value through profit or loss	21	13,300	23,438
Contract assets	24	–	676
Long-term deposits and prepayments	25	8,555	7,849
Deferred tax assets	31	381	505
		<b>155,559</b>	214,434
<b>CURRENT ASSETS</b>			
Inventories	22	1,414	1,831
Trade receivables	23	190,405	159,087
Contract assets	24	90,867	108,479
Equity investments at fair value through profit or loss	21	11,873	28,157
Prepayments, deposits and other receivables	25	8,119	12,435
Amount due from a related party	26	2,228	6,842
Pledged deposits	27	829	3,317
Restricted bank balances	27	3,273	1,435
Bank balances and cash	27	283,711	346,805
		<b>592,719</b>	668,388
<b>CURRENT LIABILITIES</b>			
Trade payables	28	121,445	60,856
Contract liabilities	29	17,711	15,656
Other payables and accruals	30	26,081	12,835
Dividend payable	37(b)	6	7
Interest-bearing bank borrowings	32	30,000	20,000
Lease liabilities	17	5,112	3,505
Contingent consideration	33	–	21,000
Tax payable		490	2
		<b>200,845</b>	133,861
<b>NET CURRENT ASSETS</b>		<b>391,874</b>	534,527
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>547,433</b>	748,961

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025

	Note	2025 RMB'000	2024 RMB'000
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities	17	5,638	9,033
Deferred tax liabilities	31	–	490
		<b>5,638</b>	9,523
<b>NET ASSETS</b>			
		<b>541,795</b>	739,438
<b>CAPITAL AND RESERVES</b>			
Share capital	34	7	7
Reserves	35, 36	541,994	739,261
Equity attributable to owners of the Company		<b>542,001</b>	739,268
Non-controlling interests		<b>(206)</b>	170
<b>TOTAL EQUITY</b>			
		<b>541,795</b>	739,438

The consolidated financial statements on pages 113 to 194 were approved and authorised for issue by the Board of Directors on 27 March 2026 and are signed on its behalf by:

**Zhai Shuchun**  
Director

**Qin Yi**  
Director

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

	Attributable to owners of the Company												Total RMB'000
	Share capital RMB'000 (Note 34)	Share premium* RMB'000 (Note 35)	Merger reserve* RMB'000 (Note 36(a))	Special reserve* RMB'000 (Note 36(b))	Statutory surplus reserve* RMB'000 (Note 36(c))	Exchange fluctuation reserve* RMB'000 (Note 36(d))	Property revaluation reserve* RMB'000 (Note 36(e))	Treasury share* RMB'000 (Note 36(f))	Transaction with non-controlling interest reserve* RMB'000 (Note 36(g))	Retained profits* RMB'000	Sub-total RMB'000	Non-controlling interests RMB'000	
At 1 January 2024	5	710,081	27,468	(4,847)	14,043	26,139	420	-	-	13,662	786,971	1,933	788,904
Loss for the year	-	-	-	-	-	-	-	-	-	(92,463)	(92,463)	(556)	(93,019)
Other comprehensive income (loss)													
Revaluation surplus on transfer of owned properties to investment properties	-	-	-	-	-	-	9	-	-	-	9	-	9
Exchange differences on translation from functional currency to presentation currency of the Company	-	-	-	-	-	6,790	-	-	-	-	6,790	-	6,790
Exchange differences arising from translation of foreign operations	-	-	-	-	-	610	-	-	-	-	610	-	610
Total comprehensive income (loss) for the year	-	-	-	-	-	7,400	9	-	-	(92,463)	(85,054)	(556)	(85,610)
<b>Transactions with owners:</b>													
<i>Contributions and distributions</i>													
Transfer from retained profits	-	-	-	-	2,391	-	-	-	-	(2,391)	-	-	-
Issue of share capital	2	39,659	-	-	-	-	-	-	-	-	39,661	-	39,661
Repurchase of issued shares	-	-	-	-	-	-	-	(2,317)	-	-	(2,317)	-	(2,317)
	2	39,659	-	-	2,391	-	-	(2,317)	-	(2,391)	37,344	-	37,344
<i>Changes in ownership interests</i>													
Capital contribution from non-controlling shareholder of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	300	300
Change in ownership interest in a subsidiary without change in control	-	-	-	-	-	-	-	-	7	-	7	(1,507)	(1,500)
Total transactions with owners	2	39,659	-	-	2,391	-	-	(2,317)	7	(2,391)	37,351	(1,207)	36,144
At 31 December 2024	7	749,740	27,468	(4,847)	16,434	33,539	429	(2,317)	7	(81,192)	739,268	170	739,438
At 1 January 2025	7	749,740	27,468	(4,847)	16,434	33,539	429	(2,317)	7	(81,192)	739,268	170	739,438
Loss for the year	-	-	-	-	-	-	-	-	-	(187,937)	(187,937)	(376)	(188,313)
Other comprehensive loss													
Exchange differences on translation from functional currency to presentation currency of the Company	-	-	-	-	-	(8,539)	-	-	-	-	(8,539)	-	(8,539)
Exchange differences arising from translation of foreign operations	-	-	-	-	-	(791)	-	-	-	-	(791)	-	(791)
Total comprehensive loss for the year	-	-	-	-	-	(9,330)	-	-	-	(187,937)	(197,267)	(376)	(197,643)
<b>Transactions with owners:</b>													
<i>Contributions and distributions</i>													
Transfer from retained profits	-	-	-	-	55	-	-	-	-	(55)	-	-	-
Total transactions with owners	-	-	-	-	55	-	-	-	-	(55)	-	-	-
At 31 December 2025	7	749,740	27,468	(4,847)	16,489	24,209	429	(2,317)	7	(269,184)	542,001	(206)	541,795

\* These reserve accounts comprise the reserves of RMB541,994,000 (2024: RMB739,261,000) in the consolidated statement of financial position at the end of the reporting period.

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

	Note	2025 RMB'000	2024 RMB'000 (Restated)
<b>OPERATING ACTIVITIES</b>			
Cash (used in) generated from operations	37(a)	(12,791)	22,855
Income taxes refunded (paid)		76	(15)
<b>NET CASH (USED IN) FROM OPERATING ACTIVITIES</b>		<b>(12,715)</b>	22,840
<b>INVESTING ACTIVITIES</b>			
Interest received		5,452	9,077
Proceeds from disposal of property and equipment		2	106
Purchase of property and equipment		(860)	(835)
Purchase of equity investment at fair value through profit or loss		–	(31,783)
Payment for consideration payable	33	(19,424)	–
Purchase of intangible assets		(30,907)	(29,459)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>(45,737)</b>	(52,894)
<b>FINANCING ACTIVITIES</b>			
Dividend paid	37(b)	–	(21)
Interest paid		(894)	(722)
New bank borrowings raised	37(b)	30,000	20,000
Repayment of amounts borrowed	37(b)	(20,000)	(8,005)
Interest element of rental payments	37(b)	(649)	(1,247)
Repayments of principal portion of lease liabilities	37(b)	(4,955)	(6,633)
Issue of share capital		–	39,661
Payment for acquisition of non-controlling interests		–	(1,500)
Capital contribution from non-controlling shareholders of subsidiary		–	300
Shares repurchased		–	(2,317)
<b>NET CASH FROM FINANCING ACTIVITIES</b>		<b>3,502</b>	39,516
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(54,950)</b>	9,462
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>		<b>346,805</b>	330,195
Effect on exchange rate changes on cash and cash equivalents		(8,144)	7,148
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<b>283,711</b>	346,805

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 1. GENERAL INFORMATION

Newlink Technology Inc. (the “Company”) was incorporated and registered as an exempted company with limited liability in the Cayman Islands under the Companies Law of the Cayman Islands on 8 November 2019 with its shares listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 6 January 2021. The address of the Company’s registered office is PO Box 309, Uglan House, Grand Cayman, KY1-1104, Cayman Islands. The address of the Company’s principal place of business in Hong Kong was changed from room 2910, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong to Unit 06 on 20th Floor of Harbour Centre, No.25 Harbour Road, Wan Chai, Hong Kong with effect from 31 March 2025, and the headquarters and principal place of business in the People’s Republic of China (hereafter, the “PRC”) is 5/F., Tower A, Xueqing Jiachuang Building, Xueqing Road, Haidian District, Beijing, the PRC.

The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the “Group”) are principally engaged in the business of software development and maintenance in the PRC. The principal activities of its principal subsidiaries are set out in note 42 to the consolidated financial statements.

In the opinion of the directors of the Company, the immediate holding company and the ultimate holding company of the Company is Nebula SC Holdings Limited, a company incorporated in British Virgin Islands, while the ultimate beneficial owner of the Company is Mr. Zhai Shuchun, an executive director of the Company.

## 2. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards, which collective term includes all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”), accounting principles generally accepted in Hong Kong and the applicable disclosure requirements of the Companies Ordinance. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

All amounts have been rounded to the nearest thousand, unless otherwise indicated.

These consolidated financial statements have been prepared on a basis consistent with the accounting policies adopted in the 2024 consolidated financial statements except for the adoption of the revised HKFRS Accounting Standards that are relevant to the Group and effective from the current year. A summary of the principal accounting policies adopted by the Group is set out below.

### Adoption of revised HKFRS Accounting Standard

The Group has applied, for the first time, the following revised HKFRS Accounting Standard that is relevant to the Group:

Amendments to HKAS 21

Lack of Exchangeability

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 2. BASIS OF PREPARATION (CONTINUED)

### Adoption of revised HKFRS Accounting Standard (continued)

#### ***Amendments to HKAS 21: Lack of Exchangeability***

The amendments require an entity to apply a consistent approach to assessing whether a currency is exchangeable into another currency and, when it is not, to determining the exchange rate to use and the disclosures to provide.

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

## 3. PRINCIPAL ACCOUNTING POLICIES

### **Basis of measurement**

The measurement basis used in the preparation of these consolidated financial statements is historical cost, except for investment properties and certain financial instruments that are measured at fair value, which are measured at fair value as explained in the accounting policies set out below.

### **Basis of consolidation**

The consolidated financial statements comprise the financial statements of the Company and all of its subsidiaries. The financial statements of the subsidiaries are prepared for the same reporting year as that of the Company using consistent accounting policies.

All intra-group balance, transactions, income and expenses and profits and losses resulting from intra-group transactions are eliminated in full. The results of subsidiaries are consolidated from the date on which the Group obtains control and continue to be consolidated until the date that such control ceases.

Non-controlling interests are presented, separately from owners of the Company, in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position. The non-controlling interests in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in event of liquidation, are measured initially either at fair value or at the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. This choice of measurement basis is made on an acquisition-by-acquisition basis. Other types of non-controlling interests are initially measured at fair value, unless another measurement basis is required by HKFRS Accounting Standards.

### ***Allocation of total comprehensive income***

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income is attributed to the owners of the Company and the non-controlling interest even if this results in the non-controlling interest having a deficit balance.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### **Basis of consolidation (continued)**

#### ***Changes in ownership interest***

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in "transactions with non-controlling interest reserve" and attributed to the owners of the Company.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest determined at the date when control is lost and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests at the date when control is lost. The amounts previously recognised in other comprehensive income in relation to the disposed subsidiary are accounted for on the same basis as would be required if the parent had directly disposed of the related assets or liabilities. Any investment retained in the former subsidiary and any amounts owed by or to the former subsidiary are accounted for as a financial asset, associate, joint venture or others as appropriate from the date when control is lost.

#### **Subsidiaries**

A subsidiary is an entity that is controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control.

In the Company's statement of financial position which is presented within these notes, an investment in subsidiary is stated at cost less impairment loss. The carrying amount of the investment is reduced to its recoverable amount on an individual basis, if it is higher than the recoverable amount. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

#### **Associates**

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies.

The Group's investment in associate is accounted for under the equity method of accounting, except when the investment or a portion thereof is classified as held for sale. Under the equity method, the investment is initially recorded at cost and adjusted thereafter for the post-acquisition changes in the Group's share of the investee's net assets and any impairment loss relating to the investment. Except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee, the Group discontinues recognising its share of further losses when the Group's share of losses of the investee equals or exceeds the carrying amount of its interest in the investee, which includes any long term interests that, in substance, form part of the Group's net investment in the investee.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### Associates (continued)

Unrealised profits and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's interest in the investees, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

### Goodwill

Goodwill arising on an acquisition of a business is measured at the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree (if applicable) and the fair value of any previously held equity interest in the acquiree over the acquisition date amounts of the identifiable assets acquired and the liabilities assumed of the acquired business.

Goodwill on acquisition of business is recognised as a separate asset and is carried at cost less accumulated impairment losses, which is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. For the purpose of impairment test and determination of gain or loss on disposal, goodwill is allocated to cash-generating units ("CGUs"). An impairment loss on goodwill is not reversed.

On the other hand, any excess of the acquisition date amounts of identifiable assets acquired and the liabilities assumed of the acquired business over the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree, if any, after reassessment, is recognised immediately in profit or loss as an income from bargain purchase.

### Property and equipment

Property and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of an item of property and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Repairs and maintenance are charged to profit or loss during the year in which they are incurred.

Depreciation is provided to write off the cost less accumulated impairment losses of property and equipment over their estimated useful lives as set out below from the date on which they are available for use and after taking into account their estimated residual values, using the straight-line basis. Where parts of an item of property and equipment have different useful lives, the cost or valuation of the item is allocated on a reasonable basis and depreciated separately:

Buildings	Over the shorter of the term of lease, or 20 years
Electronic equipment and furniture	5 years
Leasehold improvements	Over the unexpired term of lease

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in profit or loss in the year in which the item is derecognised.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### **Property and equipment (continued)**

When an existing property becomes an investment property, any difference at the date of change in use between the carrying amount and the fair value of the property is accounted for in the same way as a revaluation in accordance with HKAS 16.

### **Investment properties**

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at fair value, adjusted to exclude any prepaid or accrued operating lease income.

Gains or losses arising from changes in the fair value of investment properties are included in profit or loss for the year in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year in which the property is derecognised.

The basis on determining the fair value of the investment properties is detailed in the note 15 of the consolidated financial statements.

### **Intangible assets (other than goodwill)**

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

### **Software licenses**

Purchased software is stated at cost less any impairment losses and amortised on the straight-line basis over its estimated useful life of 5 years.

### **Research and development costs**

Expenditure on research activities is recognised as expense in the year in which it is incurred.

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### **Intangible assets (other than goodwill) (continued)**

#### ***Research and development costs (continued)***

Deferred development costs are stated at cost less any impairment losses and are amortised using the straight-line basis over the commercial lives of the underlying products not exceeding 3 years, commencing from the date when the products are put into commercial production.

### **Financial instruments**

#### ***Financial assets***

##### *Recognition and derecognition*

Financial assets are recognised when and only when the Group becomes a party to the contractual provisions of the instruments.

A financial asset is derecognised when and only when (i) the Group's contractual rights to future cash flows from the financial asset expire or (ii) the Group transfers the financial asset and either (a) it transfers substantially all the risks and rewards of ownership of the financial asset, or (b) it neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset but it does not retain control of the financial asset.

Financial assets (except for trade receivables without a significant financing component) are initially recognised at their fair value plus, in the case of financial assets not carried at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial assets. Such trade receivables are initially measured at their transaction price.

On initial recognition, a financial asset is classified as (i) measured at amortised cost; (ii) debt investment measured at fair value through other comprehensive income ("FVOCI"); (iii) equity investment measured at FVOCI; or (iv) measured at FVPL.

The classification of financial assets at initial recognition depends on the Group's business model for managing the financial assets and the financial asset's contractual cash flow characteristics. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing them, in which case all affected financial assets are reclassified on the first day of the first annual reporting period following the change in the business model.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### Financial instruments (continued)

#### Financial assets (continued)

##### Recognition and derecognition (continued)

##### 1) Financial assets measured at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVPL:

- (i) it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- (ii) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses arising from impairment, derecognition or through the amortisation process are recognised in profit or loss.

The Group's financial assets at amortised cost include long-term deposits, trade receivables, deposits and other receivables, amount due from a related party, pledged deposits, restricted bank balances and bank balances and cash.

##### 2) Financial assets at FVPL

These investments include financial assets that are not measured at amortised cost or FVOCI, including financial assets held for trading, financial assets designated upon initial recognition as at FVPL, financial assets resulting from a contingent consideration arrangement in a business combination to which HKFRS 3 applies and financial assets that are otherwise required to be measured at FVPL. They are carried at fair value, with any resultant gain and loss recognised in profit or loss, which includes any dividend or interest earned on the financial assets. Dividend or interest income is presented separately from fair value gain or loss.

A financial asset is classified as held for trading if it is:

- (i) acquired principally for the purpose of selling it in the near term;
- (ii) part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking on initial recognition; or
- (iii) a derivative that is not a financial guarantee contract or not a designated and effective hedging instrument.

Financial assets are designated at initial recognition as at FVPL only if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains or losses on them on different bases.

The Group's financial assets mandatorily measured at FVPL include listed equity investments and unlisted equity investments.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### Financial instruments (continued)

#### **Financial liabilities**

##### *Recognition and derecognition*

Financial liabilities are recognised when and only when the Group becomes a party to the contractual provisions of the instruments.

A financial liability is derecognised when and only when the liability is extinguished, that is, when the obligation specified in the relevant contract is discharged, cancelled or expires.

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

##### *Classification and measurement*

Financial liabilities are initially recognised at their fair value plus, in the case of financial liabilities not carried at FVPL, transaction costs that are directly attributable to the issue of the financial liabilities.

The Group's financial liabilities include trade payables, other payables and accruals, dividend payable and interest-bearing bank borrowings. All financial liabilities, except for financial liabilities at FVPL, are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest method, unless the effect of discounting would be insignificant, in which case they are stated at cost.

Financial liabilities at FVPL include financial liabilities held for trading, financial liabilities designated upon initial recognition as at FVPL and financial liabilities that are contingent consideration of an acquirer in a business combination to which HKFRS 3 applies. They are carried at fair value, with any resultant gain and loss (including interest expenses) recognised in profit or loss, except for the portion of fair value changes of financial liabilities designated at FVPL that are attributable to the credit risk of the liabilities which is presented in other comprehensive income unless such treatment would create or enlarge an accounting mismatch in profit or loss. The amounts presented in other comprehensive income shall not be subsequently transferred to profit or loss. Upon derecognition, the cumulative gain or loss is transferred directly to accumulated profits or losses. Interest expenses are presented separately from fair value gain or loss.

##### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### Financial instruments (continued)

#### **Impairment of financial assets**

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

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

#### *General approach*

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

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

The Group considers a financial asset in default when contractual payments are 180 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

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

Stage 1	Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECL.
Stage 2	Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECL.
Stage 3	Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECL.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### Financial instruments (continued)

#### **Impairment of financial assets (continued)**

##### *Simplified approach*

For trade receivables and contract assets that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECL. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECL at each reporting date. The Group has used a loss rate approach and develops loss-rate statistics on the basis of the amount expected to be written off over the life of the financial assets by reference to the credit rating of the customers, and then adjust these loss trends for current conditions and expectations about the future.

For trade receivables and contract assets that contain a significant financing component, the Group chooses as its accounting policy to adopt the simplified approach in calculating ECL with policies as described above.

### Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents represent short-term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, net of bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks which are not restricted as to use.

### Revenue recognition

#### **Rental income**

Rental income from commercial properties is recognised when the properties are let out and on the straight-line basis over the lease terms while rental income from car parks are recognised on an accrual basis.

#### **Revenue from contracts with customers within HKFRS 15**

##### Nature of goods or services

The nature of the goods or services provided by the Company is as follows:

- Software development services: Provision of IT solution service including design, procurement and installation
- Technical and maintenance services: Provision of maintenance service business
- Sale of standard software: Trading of software business

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### Revenue recognition (continued)

#### **Revenue from contracts with customers within HKFRS 15 (continued)**

##### *Identification of performance obligations*

At contract inception, the Group assesses the goods or services promised in a contract with a customer and identifies as a performance obligation each promise to transfer to the customer either:

- (a) a good or service (or a bundle of goods or services) that is distinct; or
- (b) a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

A good or service that is promised to a customer is distinct if both of the following criteria are met:

- (a) the customer can benefit from the good or service either on its own or together with other resources that are readily available to the customer (i.e. the good or service is capable of being distinct); and
- (b) the Group's promise to transfer the good or service to the customer is separately identifiable from other promises in the contract (i.e. the promise to transfer the good or service is distinct within the context of the contract).

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

##### Software development services

The performance obligation is satisfied over time as services are rendered and payment is generally due within 30 to 180 days upon issuance of invoice and receipt of acceptance from customers on milestones as agreed by both parties. A certain percentage of payment is retained by customers until the end of the retention period.

##### Technical and maintenance services

The performance obligation is satisfied over time as services are rendered and the credit period granted to the customers is normally due upon completion of the service, which is normally for periods of one year or less, or are billed based on the actual time/work incurred, which are due within 30 to 180 days from the date of billing.

##### Sale of standard software

The performance obligation is satisfied upon acceptance of software and payment is generally due within 30 to 180 days from acceptance by customers, except for new customers, where payment in advance is normally required.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### Revenue recognition (continued)

#### **Revenue from contracts with customers within HKFRS 15 (continued)**

##### *Timing of revenue recognition*

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer. An asset is transferred when (or as) the customer obtains control of that asset.

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

- (a) the customer simultaneously receives and consumes the benefits provided by the Group’s performance as the Group performs;
- (b) the Group’s performance creates and enhances an asset that the customer controls as the Group performs; or
- (c) the Group’s performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

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

##### Software development services

Revenue from software development services is recognised over time, using an appropriate method to measure progress towards complete satisfaction of the services. For the contracts with a fixed price, the Group uses the input method, which the Group recognises revenue based on the proportion of the actual costs incurred relative to the estimated total costs for satisfaction of the services. For the contracts with a fixed amount billed for each hour of service provided which is recognised under output method, the Group uses the practical expedient to recognise revenue in the amount to which the Group has a right to invoice.

Contracts for bundled sales of software development service and technical and maintenance services (i.e., training, upgrade, service-type warranties) are comprised of separate performance obligations because the promises to transfer the software and provide those services are capable of being distinct and separately identifiable. Accordingly, the transaction price is allocated based on the relative stand-alone selling prices of each performance obligation.

##### Technical and maintenance services

Revenue from the technical and maintenance services is recognised over the scheduled period on a straight-line basis or based on the actual time/work incurred.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### Revenue recognition (continued)

#### **Revenue from contracts with customers within HKFRS 15 (continued)**

##### *Timing of revenue recognition (continued)*

##### *Sale of standard software*

Revenue from the sale of standard software is recognised at the point in time when the right to use the software is transferred to the customer, generally upon the acceptance by the customers.

Contracts for bundled sales of standard software, installation, technical and maintenance services (i.e., training, upgrade) are comprised of separate performance obligations because these promises are capable of being distinct and separately identifiable. Accordingly, the transaction price is allocated based on the relative stand-alone selling prices of each performance obligation.

##### *Measurement of progress towards complete satisfaction of a performance obligation – Input method*

The progress towards complete satisfaction of a performance obligation is measured based on input method, which is to recognise revenue on the basis of the Group's efforts or inputs to the satisfaction of a performance obligation relative to the total expected inputs to the satisfaction of that performance obligation, that best depict the Group's performance in transferring control of goods or services.

##### *Variable consideration*

If the consideration promised in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the promised goods or services to a customer. The variable consideration is estimated by using either the expected-value or the most-likely-amount method whichever is better to predict the entitled amount. The estimated variable consideration is then included in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised of the contract will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

##### *Allocation of transaction price: stand-alone selling prices*

For the software development service and technical and maintenance services contracts, the services are normally transferred to the customer in different accounting periods. Therefore, if applicable, the transaction price has to be allocated to the performance obligations based on their relative stand-alone selling prices, which are estimated at contract inception based on observable prices (if available) or the adjusted-market or expected-cost-plus-margin approach.

### **Interest income**

Interest income from financial assets is recognised using the effective interest method. For financial assets measured at amortised cost that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the assets while it is applied to the amortised cost (i.e. the gross carrying amount net of loss allowance) in case of credit-impaired financial assets.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### Contract assets and contract liabilities

If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, the contract is presented as a contract asset, excluding any amounts presented as a receivable. Conversely, if a customer pays consideration, or the Group has a right to an amount of consideration that is unconditional, before the Group transfers a good or service to the customer, the contract is presented as a contract liability when the payment is made or the payment is due (whichever is earlier). A receivable is the Group's right to consideration that is unconditional or only the passage of time is required before payment of that consideration is due.

For a single contract or a single set of related contracts, either a net contract asset or a net contract liability is presented. Contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

### Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The functional currency of the Company and certain overseas subsidiaries incorporated outside the PRC is United States Dollar ("US\$") and the functional currency of the subsidiaries incorporated in the PRC is Renminbi ("RMB"). Since the Group's main operation is carried out in the PRC, the amounts shown in the consolidated financial statements are presented in RMB.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

The results and financial position of all the group entities that have a functional currency different from the presentation currency ("foreign operations") are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented, are translated at the closing rate at the end of the reporting period.
- Income and expenses for each statement of profit or loss are translated at average exchange rate.
- All resulting exchange differences arising from the above translation and exchange differences arising from a monetary item that forms part of the Group's net investment in a foreign operation are recognised as a separate component of equity.
- On the disposal of a foreign operation, which includes a disposal of the Group's entire interest in a foreign operation, a disposal involving the loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest is no longer equity-accounted for, the cumulative amount of the exchange differences relating to the foreign operation that is recognised in other comprehensive income and accumulated in the separate component of equity is reclassified from equity to profit or loss when the gain or loss on disposal is recognised.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### **Impairment of non-financial assets, other than goodwill**

At the end of each reporting period, the Group reviews internal and external sources of information to assess whether there is any indication that its property and equipment, intangible assets, right-of-use asset, investment in an associate and investment in subsidiaries may be impaired or impairment loss previously recognised no longer exists or may be reduced. If any such indication exists, the recoverable amount of the asset is estimated, based on the higher of its fair value less costs of disposal and value in use. In addition, the Group tests its intangible assets that have indefinite useful lives and intangible assets that are not yet available for use for impairment by estimating their recoverable amount on an annual basis and whenever there is an indication that those assets may be impaired. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the smallest group of assets that generates cash flows independently (i.e. CGU).

If the recoverable amount of an asset or a CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately.

A reversal of impairment loss is limited to the carrying amount of the asset or CGU that would have been determined had no impairment loss been recognised in prior years. Reversal of impairment loss is recognised as income in profit or loss immediately.

The accounting policy for recognition of the impairment loss for goodwill is stated in the accounting policy for goodwill in the earlier part of this note.

### **Borrowing costs**

Borrowing costs incurred, net of any investment income on the temporary investment of the specific borrowings, that are directly attributable to the acquisition, construction or production of qualifying assets, i.e. assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

### **Share capital**

Where any group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's owners until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's owner.

### **Leases**

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### Leases (continued)

#### **As lessee**

The Group applies the recognition exemption to short-term leases and low-value asset leases. Lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

The Group has elected not to separate non-lease components from lease components, and accounts for each lease component and any associated non-lease components as a single lease component.

The Group accounts for each lease component within a lease contract as a lease separately. The Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component.

Amounts payable by the Group that do not give rise to a separate component are considered to be part of the total consideration that is allocated to the separately identified components of the contract.

The Group recognises a right-of-use asset and a lease liability at the commencement date of the lease.

*The right-of-use asset is initially measured at cost, which comprises*

- (a) the amount of the initial measurement of the lease liability;
- (b) any lease payments made at or before the commencement date, less any lease incentives received;
- (c) any initial direct costs incurred by the Group; and
- (d) an estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Subsequently, the right-of-use asset is measured at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of the lease liability. Depreciation is provided on a straight-line basis over the shorter of the lease term and the estimated useful lives of the right-of-use asset (unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise a purchase option – in which case depreciation is provided over the estimated useful life of the underlying asset) as follows:

Office premises	2 to 5 years
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# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### Leases (continued)

#### *As lessee (continued)*

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date of the contract.

The lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

- (a) fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- (b) variable lease payments that depend on an index or a rate;
- (c) amounts expected to be payable under residual value guarantees;
- (d) exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- (e) payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease.

The lease payments are discounted using the interest rate implicit in the lease, or where it is not readily determinable, the incremental borrowing rate of the lessee.

Subsequently, the lease liability is measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made.

The lease liability is remeasured using a revised discount rate when there are changes to the lease payments arising from a change in the lease term or the reassessment of whether the Group will be reasonably certain to exercise a purchase option.

The lease liability is remeasured by using the original discount rate when there is a change in the residual value guarantee, the in-substance fixed lease payments or the future lease payments resulting from a change in an index or a rate (other than floating interest rate). In case of a change in future lease payments resulting from a change in floating interest rates, the Group remeasures the lease liability using a revised discount rate.

The Group recognises the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. If the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the remeasurement in profit or loss.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### Leases (continued)

#### *As lessee (continued)*

A lease modification is accounted for as a separate lease if

- (a) the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- (b) the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

When a lease modification is not accounted for as a separate lease, at the effective date of the lease modification,

- (a) the Group allocates the consideration in the modified contract on the basis of relative stand-alone price as described above.
- (b) the Group determines the lease term of the modified contract.
- (c) the Group remeasures the lease liability by discounting the revised lease payments using a revised discount rate over the revised lease term.
- (d) for lease modifications that decrease the scope of the lease, the Group accounts for the remeasurement of the lease liability by decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease and recognising any gain or loss relating to the partial or full termination of the lease in profit or loss.
- (e) for all other lease modifications, the Group accounts for the remeasurement of the lease liability by making a corresponding adjustment to the right-of-use asset.

#### *As lessor*

The Group classifies each of its leases as either a finance lease or an operating lease at the inception date of the lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset. All other leases are classified as operating leases.

The Group accounts for each lease component within a lease contract as a lease separately from non-lease components of the contract. The Group allocates the consideration in the contract to each lease component on a relative stand-alone price basis.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### Leases (continued)

#### **As lessor – operating lease**

The Group applies the derecognition and impairment requirements in HKFRS 9 to the operating lease receivables.

A modification to an operating lease is accounted for as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

### Employee benefits

#### **Short term employee benefits**

Salaries, annual bonuses, paid annual leave, and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

#### **Pension scheme (defined contribution plans)**

The Group's employer contributions vest fully with the employees when contributed into the Mandatory Provident Fund ("MPF") Scheme in Hong Kong, except for the Group's employer voluntary contributions, which are refunded to the Group when the employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the MPF Scheme.

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

#### **Housing fund – The PRC**

The Group contributes on a monthly basis to a defined contribution housing fund plan operated by the local municipal government. Contributions to this plan by the Group are expensed as incurred.

#### **Termination benefits**

Termination benefits are recognised when, and only when, the Group demonstrably commits itself to terminate employment or to provide benefits as a result of voluntary redundancy by having a detailed formal plan which is without realistic possibility of withdrawal.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### Taxation

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to item recognised in other comprehensive income. In this case, the tax is also recognised in other comprehensive income.

The charge for current income tax is based on the results for the year as adjusted for items that are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, any deferred tax arising from initial recognition of goodwill; or other asset or liability in a transaction other than a business combination that at the time of the transaction affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences is not recognised.

For the purposes of measuring deferred tax assets and liabilities arising from investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. If the presumption is rebutted, deferred tax assets and liabilities arising from such investment properties are measured based on the expected manner as to how the property will be recovered.

The deferred tax liabilities and assets are measured at the tax rates that are expected to apply to the period when the asset is recovered or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, tax losses and credits can be utilised.

Deferred tax is provided on temporary differences arising on investment in subsidiaries and associates, except where the timing of the reversal of the temporary differences is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### Related parties

A related party is a person or entity that is related to the Group.

- (a) A person or a close member of that person's family is related to the Group if that person:
  - (i) has control or joint control over the Group;
  - (ii) has significant influence over the Group; or
  - (iii) is a member of the key management personnel of the Group or of the parent of the Group.
- (b) An entity is related to the Group if any of the following conditions applies:
  - (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) Both entities are joint ventures of the same third party.
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.
  - (vi) The entity is controlled or jointly controlled by a person identified in (a).
  - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
  - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

### Related parties (continued)

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

- (a) that person's children and spouse or domestic partner;
- (b) children of that person's spouse or domestic partner; and
- (c) dependants of that person or that person's spouse or domestic partner.

In the definition of a related party, an associate includes subsidiaries of the associate and a joint venture includes subsidiaries of the joint venture.

### Future changes in HKFRS Accounting Standards

At the date of authorisation of these consolidated financial statements, the HKICPA has issued the following new/revised HKFRS Accounting Standards that are not yet effective for the current year, which the Group has not early adopted.

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

<sup>[1]</sup> Effective for annual periods beginning on or after 1 January 2026

<sup>[2]</sup> Effective for annual periods beginning on or after 1 January 2027

<sup>[3]</sup> The effective date to be determined

The directors do not anticipate that the adoption of the new/revised HKFRS Accounting Standards in future periods will have any material impact on the Group's financial position and performance.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and assumptions concerning the future and judgements are made by the management in the preparation of the consolidated financial statements. They affect the application of the Group's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. Where appropriate, revisions to accounting estimates are recognised in the period of revision and future periods, in case the revision also affects future periods.

### **Key sources of estimation uncertainty**

#### ***Provision for ECLs on trade receivables and contract assets***

The Group uses a loss rate approach to calculate ECLs for trade receivables and contract assets. The loss rates are based on groupings of various industries that have similar loss patterns (i.e., by customer type and rating).

The Group develops loss-rate statistics on the basis of the amount expected to be written off over the life of the financial assets by reference to the credit rating of the customers, and then adjust these loss trends for current conditions and expectations about the future. For instance, if forecast economic conditions (i.e., gross domestic products) are expected to deteriorate over the next year which can lead to an increased number of defaults, the determined loss-rate is adjusted. At each reporting date, the loss-rate statistics are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation among the loss-rate statistics, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's expected default data and forecast of economic conditions may also not be representative of a customer's actual default in the future. The information about the ECLs on the Group's trade receivables and contract assets is disclosed in note 39 to the consolidated financial statements.

#### ***Revenue recognition on software development contracts***

For the contracts with a fixed price, the Group recognises revenue from software development services based on the actual direct costs incurred relative to the total expected costs to be incurred to satisfy the performance obligations of an individual contract. Total expected costs and their corresponding contract revenue require estimations from the management based on understanding of the performance of the contract, quotations from suppliers and subcontractors, and the Group's historical experience. Due to the nature of the activity undertaken in the contracts, the date at which the activity is entered into and the date at which the activity is completed usually fall into different accounting periods. Hence, the Group reviews and revises the estimates of both contract revenue and contract costs in the budget prepared for each contract as the contract progresses. Where the actual contract revenue is less than expected or actual contract costs are more than expected, a provision for onerous contract may arise.

In addition, when the Group determines the transaction price, the Group considers factors such as whether there is any financing component. The Group considers whether the payment schedule is commensurate with the Group's performance and whether the delayed payment is for financing purposes.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

### Key sources of estimation uncertainty (continued)

#### **Capitalisation of development costs**

Expenditure on research activities is recognised as expense in the year in which it is incurred. Expenditure incurred on projects to develop new products (“development costs”) are capitalised in accordance with the accounting policy for research and development costs under intangible assets. The determination of whether development costs meet the criteria for capitalisation under HKAS 38 involves judgement by the management, particularly in assessing technical feasibility and probable future economic benefits such as expected future cash generation of the assets, discount rates to be applied and the expected period of benefits.

#### **Impairment of goodwill**

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the CGU to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows. Details of the estimates used to calculate the recoverable amount are detailed in note 19 to the consolidated financial statements.

#### **Useful lives and impairment of property and equipment, intangible assets and right-of-use assets**

The directors review the residual value, useful lives and depreciation or amortisation method of property and equipment, intangible assets and right-of-use assets at the end of each reporting period, through careful consideration with regards to expected usage, wear-and-tear and potential technical obsolescence to usage of the assets.

The Group assesses whether there are any indicators of impairment of property and equipment, intangible assets and right-of-use assets at the end of each reporting period. The property and equipment, intangible assets and right-of-use assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. The intangible assets are tested for impairment annually when they are not yet available for use.

An impairment exists when the carrying value of an asset or a CGU exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm’s length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or CGU and choose a suitable discount rate in order to calculate the present value of those cash flows.

#### **Fair value of equity investments**

As described in note 21 and note 41 to the consolidated financial statements, the valuation techniques applied by various external parties for the level 3 assets have been agreed with the management of the Company. The management determined whether valuation techniques and assumptions applied are appropriate to the circumstances of the Group. The estimation of fair value of level 3 assets included some assumptions not supported by observable market prices or rates. Change in assumption could affect the reported fair value of the assets in the consolidated statement of financial position.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

### Key sources of estimation uncertainty (continued)

#### *Discount rates for calculating lease liabilities – as lessee*

Where the Group cannot readily determine the interest rate implicit in a lease, it uses an incremental borrowing rate (“IBR”) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group “would have to pay”, which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when it needs to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary’s functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary’s stand-alone credit rating).

## 5. OPERATING SEGMENT INFORMATION

The Group’s operating activities are attributable to a single operating and reporting segment focusing primarily on the provision of IT solution services in the PRC. This operating segment has been identified on the basis of internal management reports reviewed by the chief operating decision-makers (the “CODM”), being the executive directors of the Company. The CODM mainly reviews revenue derived from the provision of software development services, technical and maintenance services and sale of standard software, which are measured in accordance with the Group’s accounting policies. The financial information reported to the CODM is reflected through the overall operating performance of the Group for resource allocation and performance evaluation. Accordingly, no segment information is presented.

### Geographical information

During the year, the Group operated within one geographical segment because all of its revenue was generated in the PRC and all of its long-term assets/capital expenditure were located/incurred in the PRC. Accordingly, no geographical segment information is presented.

### Information about major customers

Revenue from customers individually contributing 10% or more of the total revenue of the Group during the years ended 31 December 2025 and 2024 is as follows:

	2025 <i>RMB’000</i>	2024 <i>RMB’000</i>
Customer 1	*	55,589
Customer 2	*	33,266
Customer 3	<b>35,837</b>	30,671
Customer 4	<b>37,649</b>	*

\* The corresponding revenue of the customer is not disclosed as the revenue individually did not account for 10% or more of the Group’s revenue for the respective year.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 6. REVENUE

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Revenue from contracts with customers within HKFRS 15</b>		
Software development services	274,484	243,195
Technical and maintenance services	29,939	26,982
Sale of standard software	4,306	8,645
	<b>308,729</b>	278,822
<b>Timing of revenue recognition</b>		
Goods transferred at a point in time	4,306	8,645
Services transferred over time	304,423	270,177
	<b>308,729</b>	278,822

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

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:		
Software development services	7,981	5,861
Technical and maintenance services	1,578	2,844
	<b>9,559</b>	8,705

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 7. OTHER INCOME AND GAINS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Bank interest income	5,452	9,077
Rental income	619	795
Value Added Tax ("VAT") refunds and other tax subsidies (Note)	1,991	1,558
Others	343	624
	<b>8,405</b>	12,054

Note: Refunds of VAT on software products represent the refund upon payment of VAT with respect to the portion of any effective VAT rate in excess of 3% in respect of software product sales of the Group pursuant to the principles of the State Council document entitled "Certain Policies to Encourage the Development of Software Enterprise and the IC Industry" and the approval of the state taxation authorities.

### 8. FINANCE COSTS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interest expense on interest-bearing bank borrowings	894	722
Interest on lease liabilities	649	1,247
	<b>1,543</b>	1,969

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 9. LOSS BEFORE TAX

This is arrived at after charging (crediting):

	Note	2025 RMB'000	2024 RMB'000
Cost of inventories sold		3,778	7,246
Cost of sales and services rendered		261,520	232,707
		<b>265,298</b>	239,953
Research and development expenses:			
Amortisation of deferred development costs (Note (i))		37,941	37,211
Amortisation of software licenses (Note (i))		9,244	10,523
Current year expenditure		13,968	23,790
		<b>61,153</b>	71,524
Employee benefit expense (including directors' and chief executives' remuneration):			
Wages and salaries	11	146,741	126,670
Pension scheme contributions (defined contribution scheme)		26,226	23,232
Termination benefits		3,017	2,649
		<b>175,984</b>	152,551
Auditors' remuneration:			
Audit fee		2,175	1,492
Non-audit fee		450	450
		<b>2,625</b>	1,942
Gross rental income from investment properties		(619)	(795)
Less: direct operating expenses for investment properties that generated rental income during the year		165	132
Net rental income		<b>(454)</b>	(663)
Depreciation of property and equipment	16	2,409	2,198
Depreciation of right-of-use assets	17	5,145	6,868
Amortisation of intangible assets (Note (i))	18	54,179	51,651
Impairment losses on property and equipment	16	3,000	–
Impairment losses on right-of-use assets	17	1,600	–
Impairment losses on intangible assets	18	13,200	–
Allowance for ECL on trade receivables	39	56,723	1,561
Reversal of allowance for ECL on other receivables		(50)	–
(Reversal of) allowance for ECL on contract assets	39	(169)	34
Reversal of impairment losses on investment in an associate		–	(1,838)
Foreign exchange differences, net		55	(252)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 9. LOSS BEFORE TAX (CONTINUED)

Note:

- (i) The total amortisation of intangible assets of RMB54,179,000 (2024: RMB51,651,000) for the year is included in cost of sales, selling and distribution expenses, administrative expenses and research and development expenses amounting to RMB3,206,000, RMB1,230,000, RMB2,558,000 and RMB47,185,000 (2024: RMB1,003,000, RMB888,000, RMB2,026,000 and RMB47,734,000) respectively. The amortisation of deferred development costs and software licenses classified under research and development expenses is included in the amortisation of intangible assets.

## 10. INCOME TAX EXPENSE (CREDIT)

The amount of taxation in the consolidated statement of profit or loss and other comprehensive income represents:

	2025 RMB'000	2024 RMB'000
Current income tax		
Hong Kong	–	–
PRC Enterprise Income Tax (“EIT”)	412	17
	412	17
Deferred tax (Note 31)	(366)	(3,066)
	46	(3,049)

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

### (i) Cayman Islands

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and accordingly is not subject to income tax.

### (ii) Hong Kong

Hong Kong Profits Tax has been provided at the rate of 16.5% (2024: 16.5%) on the Group’s estimated assessable profits arising from Hong Kong during the year. The Group incurred a loss for taxation purposes for the years ended 31 December 2025 and 2024.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 10. INCOME TAX EXPENSE (CREDIT) (CONTINUED)

### (iii) The PRC

Pursuant to the PRC on EIT Law and the respective regulations, the subsidiaries in the PRC are subject to income tax at a statutory rate of 25% during the year, except for certain subsidiaries which obtained the "High and New Technology Enterprise" qualification with preferential tax rate of 15% (2024: 15%).

The income tax credit for the year can be reconciled to the loss before tax at the statutory rate of the PRC (i.e., 25%) where the main operating entity is domiciled to the tax expense at the effective tax rate, and a reconciliation of the applicable rate (i.e., the statutory tax rate) to the effective tax rate, are as follows:

	2025 RMB'000	2024 RMB'000
Loss before tax	<b>(188,267)</b>	(96,068)
Tax at the statutory tax rate	<b>(47,067)</b>	(24,017)
Effect of different tax rates for subsidiaries operating in other jurisdictions	<b>2,076</b>	2,017
Tax effect of expenses not deductible for tax purposes	<b>19,541</b>	1,613
Tax effect of income not taxation for tax purpose	<b>(1,757)</b>	(3,689)
Unrecognised temporary differences	<b>5,289</b>	(8,797)
Unrecognised tax losses	<b>16,472</b>	51,191
Super deduction for research and development expenses <sup>#</sup>	<b>(3,510)</b>	(11,933)
Effect of preferential tax rate on subsidiaries	<b>8,384</b>	(9,434)
Share of results of an associate	<b>618</b>	–
Income tax expense (credit) for the year	<b>46</b>	(3,049)

<sup>#</sup> According to the relevant laws and regulations promulgated by the State Tax Bureau of the PRC, enterprises engaging in research and development activities are entitled to claim 200% (2024: 200%) of the research and development expenses as tax deductible expense.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 11. INFORMATION ABOUT THE BENEFITS OF DIRECTORS

### (a) Directors' and chief executive's remuneration

The remuneration of each director and chief executive for the years ended 31 December 2025 and 2024, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is set out below:

#### For the year ended 31 December 2025

Name	Fees RMB'000	Salaries, allowances and benefits in kind RMB'000	Discretionary bonus RMB'000	Pension scheme contributions RMB'000	Total RMB'000
<b>Executive directors:</b>					
Mr. Zhai Shuchun (Chief Executive Officer)	-	2,375	-	158	2,533
Ms. Qin Yi	-	1,786	-	132	1,918
Mr. Li Xiaodong	-	131	-	37	168
	-	4,292	-	327	4,619
<b>Independent non-executive directors:</b>					
Mr. Tang Baoqi	110	-	-	-	110
Ms. Yang Juan	110	-	-	-	110
Mr. You Linfeng	110	-	-	-	110
	330	-	-	-	330

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 11. INFORMATION ABOUT THE BENEFITS OF DIRECTORS (CONTINUED)

### (a) Directors' and chief executive's remuneration (continued)

For the year ended 31 December 2024

Name	Fees <i>RMB'000</i>	Salaries, allowances and benefits in kind <i>RMB'000</i>	Discretionary bonus <i>RMB'000</i>	Pension scheme contributions <i>RMB'000</i>	Total <i>RMB'000</i>
Executive directors:					
Mr. Zhai Shuchun (Chief Executive Officer)	–	1,458	–	128	1,586
Ms. Qin Yi	–	669	–	101	770
Mr. Li Xiaodong	–	121	–	26	147
	–	2,248	–	255	2,503
Independent non-executive directors:					
Mr. Tang Baoqi	110	–	–	–	110
Ms. Yang Juan	110	–	–	–	110
Mr. You Linfeng	110	–	–	–	110
	330	–	–	–	330

The discretionary bonuses for both years were determined with reference to the performance against corporate objectives, the profit of the Group and the achievement of individual performance targets.

There was no arrangement under which a director or chief executive waived or agreed to waive any remuneration during the years ended 31 December 2025 and 2024.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 11. INFORMATION ABOUT THE BENEFITS OF DIRECTORS (CONTINUED)

### (b) Loans, quasi-loans and other dealings in favour of directors

There are no loans, quasi-loans or other dealings in favour of the directors of the Company or their connected entities that were entered into or subsisted during the year (2024: Nil).

### (c) Directors' material interests in transactions, arrangements or contracts

After consideration, the directors are of the opinion that no transactions, arrangements and contracts of significance in relation to the Company's business to which the Company was a party and in which a director of the Company or connected entities of the director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year (2024: Nil).

## 12. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees of the Group during the year included two directors (2024: two directors), details of whose emoluments are set out in note 11 above. Details of the remuneration for the year of the remaining three (2024: three) highest paid employees who are neither a director nor chief executive of the Group are as follows:

	2025 RMB'000	2024 RMB'000
Salaries, allowances and benefits in kind	1,826	1,694
Pension scheme contributions	232	274
Bonus	1,222	744
	<b>3,280</b>	<b>2,712</b>

The number of the highest paid employees who are not the director of the Company whose remuneration fell within the following bands is as follows:

	Number of employees	
	2025	2024
Nil to HK\$1,000,000 (equivalent to RMB916,000) (2024: equivalent to RMB913,000)	–	2
HK\$1,000,001 to HK\$1,500,000 (equivalent to RMB916,001 to RMB1,372,000) (2024: equivalent to RMB913,001 to RMB1,369,000)	3	1

During the years ended 31 December 2025 and 2024, no highest paid employees waived or agreed to waive any remuneration and no remuneration was paid by the Group to any of the directors or the five highest paid employees as an inducement to join or upon joining the Group or as compensation for loss of office.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 13. DIVIDENDS

No dividends in respect of the years ended 31 December 2025 and 2024 have been paid or declared by the Group during the years ended 31 December 2025 and 2024.

### 14. LOSS PER SHARE

The calculation of the basic loss per share attributable to owners of the Company is based on the following data:

<b>Loss</b>	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
Loss for the year attributable to owners of the Company for the purpose of calculation of basic and diluted loss per share	<b>(187,937)</b>	(92,463)
<b>Number of shares</b>	<b>2025</b>	2024
Weighted average number of ordinary shares for the purpose of calculation of basic and diluted loss per share	<b>937,864,480</b>	885,706,579

No diluted loss per share has been presented for both years as there were no potential dilutive ordinary shares in issue.

### 15. INVESTMENT PROPERTIES

	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
<b>At fair value</b>		
At beginning of the year	<b>11,264</b>	11,105
Transferred from property and equipment	–	159
Decrease in fair value recognised in profit or loss	<b>(1,572)</b>	–
<b>At the end of the reporting period</b>	<b>9,692</b>	11,264

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 15. INVESTMENT PROPERTIES (CONTINUED)

- (a) The Group's investment properties, which consist of commercial properties and car parks together with their respective land use rights, are situated at No. 88 Jitai 5th Road, High-Tech Zone, Chengdu, Sichuan, the PRC.

The Group leases out certain of its investment properties in Chengdu under operating leases with average lease terms of 2 years (2024: 2 years) and with options to renew upon expiry at new terms.

Accounting policy of the rental income from operating leases are set out in note 3 to the consolidated financial statements.

Although the Group is exposed to changes in the residual value at the end of the current leases, the Group typically enters into new operating leases and therefore will not immediately realise the reduction in residual value at the end of these leases. Expectations about the future residual values are reflected in the fair value of the properties.

Below is a maturity analysis of undiscounted lease payments to be received from the leasing of investment properties.

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Year 1	390	411

### (b) Fair value measurement and valuation process

The Group's property interests held under operating leases to earn rentals purposes are measured using the fair value model and are classified and accounted for as investment properties.

In determining the fair value of the relevant properties and car parks at 31 December 2025, the Group engages an independent qualified professional valuer, Asia-Pacific Consulting and Appraisal Limited, to perform the valuation. The management of the Company works closely with the independent qualified professional valuer to establish the appropriate valuation techniques and inputs to the model. The valuations have been arrived at using direct comparison approach. In estimating the fair value of the properties, the highest and best use of the properties is their current use.

At 31 December 2024, the directors had reviewed and determined their fair values of the relevant properties and cars parks with reference to recent market price of similar properties and car parks. No valuation had been performed by independent professional qualified valuer.

The revaluation gave rise to a loss arising from changes in fair value of RMB1,572,000 (2024: Nil) which had been included in the consolidated statement of profit or loss during the year ended 31 December 2025.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 15. INVESTMENT PROPERTIES (CONTINUED)

### (b) Fair value measurement and valuation process (continued)

The following table gives information about how the fair values of the investment properties are determined (in particular, the valuation techniques and key inputs used), as well as the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements are observable.

Investment properties	Fair value as at 31 December		Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable inputs	Relationship unobservable inputs to fair value
	2025 RMB'000	2024 RMB'000				
Office properties located in Chengdu, the PRC	8,527	9,664	Level 3	Direct comparison approach	Market unit rate, taking into account the recent transaction prices for similar properties adjusted for nature, location and conditions of the property, which ranged from RMB10,870 to RMB12,646 per square metre ("sqm") (2024: RMB12,606 to RMB14,810 per sqm).	A decrease in the market unit rate used would result in a decrease in fair value, and vice versa.
Car parks located in Chengdu, the PRC	1,165	1,600	Level 3	Direct comparison approach	Market unit rate, taking into account the recent transaction prices for similar properties adjusted for nature, location and conditions of the property, which ranged from RMB102,062 to RMB123,711 each (2024: RMB130,000 to RMB210,000).	A decrease in the market unit rate used would result in a decrease in fair value, and vice versa.

There was no transfers into or out of level 3 fair value hierarchy during the years ended 31 December 2025 and 2024.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 16. PROPERTY AND EQUIPMENT

	Buildings RMB'000	Electronic equipment and furniture RMB'000	Leasehold improvements RMB'000	Total RMB'000
Reconciliation of carrying amount – year ended 31 December 2024				
At beginning of the year	11,833	4,358	721	16,912
Additions	–	458	377	835
Disposals	–	(122)	–	(122)
Transferred to investment properties	(150)	–	–	(150)
Depreciation	(615)	(1,179)	(404)	(2,198)
Exchange difference	–	2	1	3
At the end of the reporting period	11,068	3,517	695	15,280
Reconciliation of carrying amount – year ended 31 December 2025				
At beginning of the year	11,068	3,517	695	15,280
Additions	–	747	113	860
Disposals	–	(2)	–	(2)
Depreciation	(619)	(1,316)	(474)	(2,409)
Impairment losses (note 18)	(2,381)	(543)	(76)	(3,000)
Exchange difference	–	(3)	(2)	(5)
At the end of the reporting period	8,068	2,400	256	10,724
At 31 December 2024				
Cost	12,220	8,701	6,599	27,520
Accumulated depreciation	(1,152)	(5,184)	(5,904)	(12,240)
Net carrying amount	11,068	3,517	695	15,280
At 31 December 2025				
Cost	12,220	10,005	6,706	28,931
Accumulated depreciation and impairment losses	(4,152)	(7,605)	(6,450)	(18,207)
Net carrying amount	8,068	2,400	256	10,724

During the year ended 31 December 2024, a Group's owned property with net carrying amount of RMB150,000 were transferred to investment property upon commencement of an operation lease to independent third parties. Fair value of the owner-occupied properties at the date of transfer amounted to RMB159,000, and a surplus on revaluation of RMB9,000 was credited to property revaluation reserve. No such transfers occurred during the current year.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 17. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

	<b>Office premises RMB'000</b>
<hr/>	
Reconciliation of carrying amount – year ended 31 December 2024	
At beginning of the year	29,357
Depreciation	(6,868)
Early termination of the leases	(10,343)
Exchange difference	14
	<hr/>
At the end of the reporting period	12,160
<hr/>	
<b>Reconciliation of carrying amount – year ended 31 December 2025</b>	
At beginning of the year	12,160
Additions	3,195
Depreciation	(5,145)
Impairment loss ( <i>note 18</i> )	(1,600)
Exchange difference	(20)
	<hr/>
<b>At the end of the reporting period</b>	<b>8,590</b>
<hr/>	
At 31 December 2024	
Cost	18,162
Accumulated depreciation	(6,002)
	<hr/>
Net carrying amount	12,160
<hr/>	
<b>At 31 December 2025</b>	
Cost	21,357
Accumulated depreciation and impairment losses	(12,767)
	<hr/>
<b>Net carrying amount</b>	<b>8,590</b>
<hr/>	

The Company leases various office premises for its daily operations. Lease terms range from 2 to 5 years (2024: 2 to 5 years). During the year ended 31 December 2024, the Group early terminated several lease contracts and derecognised the cost of RMB16,971,000 and accumulated depreciation of RMB6,628,000.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 17. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONTINUED)

### Restrictions or covenants

The lease imposes a restriction that, unless the approval is obtained from the lessor, the right-of-use asset can only be used by the Company and the Company is prohibited from selling or pledging the underlying assets. The Company is also required to keep those properties in a good state of repair and return the properties in their original condition at the end of the leases.

### Lease liabilities

The carrying amount of lease liabilities at the end of the reporting period are as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Classified as:		
Current liabilities	5,112	3,505
Non-current liabilities	5,638	9,033
	<b>10,750</b>	12,538

The Group has recognised the following amounts for the year:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Lease payments:		
Short-term leases	832	652
Expenses recognised in profit or loss	832	652
Total cash outflow for leases	<b>6,436</b>	8,532

### Commitments under leases

At 31 December 2025, the Group was committed to RMB1,134,000 (2024: RMB483,000) for short-term leases.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 18. INTANGIBLE ASSETS

	Software licenses <i>RMB'000</i>	Deferred development costs <i>RMB'000</i>	Total <i>RMB'000</i>
Reconciliation of carrying amount – year ended 31 December 2024			
At beginning of the year	38,327	84,034	122,361
Additions – acquired	10,548	–	10,548
Additions – internal development	–	18,911	18,911
Amortisation	(14,440)	(37,211)	(51,651)
At the end of reporting period	34,435	65,734	100,169
<b>Reconciliation of carrying amount – year ended 31 December 2025</b>			
At beginning of the year	<b>34,435</b>	<b>65,734</b>	<b>100,169</b>
Additions – acquired	<b>11,817</b>	–	<b>11,817</b>
Additions – internal development	–	<b>19,090</b>	<b>19,090</b>
Impairment losses	<b>(6,935)</b>	<b>(6,265)</b>	<b>(13,200)</b>
Amortisation	<b>(15,156)</b>	<b>(39,023)</b>	<b>(54,179)</b>
<b>At the end of reporting period</b>	<b>24,161</b>	<b>39,536</b>	<b>63,697</b>
At 31 December 2024			
Cost	85,602	143,595	229,197
Accumulated amortisation	(51,167)	(77,861)	(129,028)
Net carrying amount	34,435	65,734	100,169
<b>At 31 December 2025</b>			
Cost	<b>97,419</b>	<b>162,685</b>	<b>260,104</b>
Accumulated amortisation and impairment losses	<b>(73,258)</b>	<b>(123,149)</b>	<b>(196,407)</b>
<b>Net carrying amount</b>	<b>24,161</b>	<b>39,536</b>	<b>63,697</b>

Software licenses represent rights to extract software for the production of IT software solution in the PRC, which are amortised on a straight-line basis over 5 years.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 18. INTANGIBLE ASSETS (CONTINUED)

Deferred development costs represent costs incurred at the development phase of internal projects on software development, which mainly consists of hardware and software tools, staff cost and depreciation of property and equipment etc., which are capitalised and, if available for use, amortised under the straight-line basis over 3 years. This asset is tested for impairment where an indicator of impairment appears and, if not yet available for use, tested annually.

The Group had intangible assets with carrying amounts RMB45,320,000 (2024: RMB80,398,000) and RMB18,377,000 (2024: RMB19,771,000) which are attributable to i) Beijing Newlink CGU derived from 北京新紐科技有限公司 and ii) Neusoft Yuetong CGU derived from 北京東軟越通軟件技術有限公司 (“Neusoft Yuetong”) respectively.

At the end of the reporting period, the management performs impairment assessments of the non-financial assets, including property and equipment, right-of-use assets, intangible assets and goodwill in aggregate of RMB78,865,000 (2024: RMB106,562,000) and RMB56,575,000 (2024: RMB58,542,000) attributable to Beijing Newlink CGU and Neusoft Yuetong CGU when the financial performance had unfavourable conditions which indicate that the carrying amounts of these assets may not be recoverable and its recoverable amount was determined by the management based on value-in-use (“VIU”) calculation using discounted cash flow projections.

### Beijing Newlink CGU

For the purposes of impairment testing, property and equipment of RMB13,164,000 (2024: RMB14,959,000), right-of-use assets of RMB7,181,000 (2024: RMB11,925,000) and intangible assets of RMB58,520,000 (2024: RMB79,678,000), which included those with indefinite useful lives of RMB7,167,000 (2024: RMB5,560,000), are allocated to the Beijing Newlink CGU.

The recoverable amount of the Beijing Newlink CGU calculated based on VIU was determined based on valuations performed by an independent qualified professional valuer, Asia-Pacific Consulting and Appraisal Limited. Such calculations use cash flow projections based on financial forecasts approved by the management covering a four-year period. Management considers the length of the forecast period is appropriate because it generally reflects the potential economic benefit life of the deferred development costs. The key assumptions used in the VIU calculations of the Beijing Newlink CGU are as follows:

	2025	2024
Revenue growth rate	-20% to 20%	-40% to 25%
Gross profit margin	19% to 24%	33% to 43%
Pre-tax discount rate	15%	15%

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 18. INTANGIBLE ASSETS (CONTINUED)

### Beijing Newlink CGU (Continued)

As at 31 December 2025, based on the result of the assessment, the management determined that the recoverable amount of the Beijing Newlink CGU based on VIU approach is RMB61,065,000 and impairment losses of RMB3,000,000 (2024: Nil), RMB1,600,000 (2024: Nil) and RMB13,200,000 (2024: Nil) have been charged to the Beijing Newlink CGU's property and equipment, right-of-use assets and intangible assets respectively.

The sensitivity analysis below has been determined based on the exposure to the pre-tax discount rate and revenue growth rate, representing the key inputs to the determination to the recoverable amount. If the pre-tax discount rate was increased by 1%, while other parameters remain constant, the aggregate impairment losses on Beijing Newlink CGU would increase by RMB4,000,000. If the revenue growth rate was decreased by 5%, while other parameters remain constant, the aggregate impairment losses on Beijing Newlink CGU would increase by RMB2,000,000.

### Neusoft Yuetong CGU

The impairment test of the non-current assets together with the goodwill within the Neusoft Yuetong CGU are detailed in Note 19 to the consolidated financial statements.

## 19. GOODWILL

	2025 RMB'000	2024 RMB'000
<b>COST AND NET CARRYING AMOUNT</b>		
At 31 December	<b>36,724</b>	36,724

Goodwill acquired through the acquisition of 100% equity interests in Neusoft Yuetong in July 2022. For the impairment assessment purpose, goodwill of RMB36,724,000 (2024: RMB36,724,000), property and equipment of RMB129,000 (2024: RMB166,000), right-of-use assets of RMB1,345,000 (2024: RMB1,881,000) and intangible assets of RMB18,377,000 (2024: RMB19,771,000) are allocated to Neusoft Yuetong CGU.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 19. GOODWILL (CONTINUED)

The recoverable amounts of the Neusoft Yuetong CGU calculated based on VIU were determined based on valuations performed by an independent qualified professional valuer, Asia-Pacific Consulting and Appraisal Limited. Such calculations use cash flow projections based on financial forecasts approved by the management covering a five-year period. Cash flows beyond the forecast period are extrapolated using an estimated terminal growth rate. The key assumptions used in the VIU calculations of the Neusoft Yuetong CGU are as follows:

	2025	2024
Revenue growth rate	2% to 10%	5% to 19%
Pre-tax discount rate	16%	16%
Terminal growth rate	2%	2%

The management determined the forecast based on past performance and its expectation of future market development. The discount rate used is pre-tax and reflects the time value of money and risks specific to the Neusoft Yuetong CGU for which the future cash flow estimates have not been adjusted.

Goodwill arose because the consideration paid for the acquisitions effectively included amount in relation to the benefits originated from revenue growth, future market development and the assembled workforce of the acquired businesses. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. None of the goodwill recognised is expected to be deductible for income tax purposes.

According to the VIU calculation, the recoverable amount is RMB66,000,000 which is higher than the carrying amount of the Neusoft Yuetong CGU and no impairment on the goodwill and other non-financial assets was recognised as at 31 December 2025 and 2024. The possible change in the key assumptions on which the management has based its determination of the recoverable amount of Neusoft Yuetong CGU would not cause an impairment loss.

## 20. INVESTMENT IN AN ASSOCIATE

	2025 RMB'000	2024 RMB'000
Unlisted share, at cost	5,397	5,397
Share of post-acquisition results of associate, net of dividends received	(1,029)	1,444
Impairment losses	(472)	(472)
<b>Share of net assets</b>	<b>3,896</b>	<b>6,369</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 20. INVESTMENT IN AN ASSOCIATE (CONTINUED)

Details of the associate at the end of the report the period is as follow:

Name	Place of incorporation/ registration/ and business	Registered capital	Percentage of paid-up capital		Principal activity
			2025	2024	
北京和順慧康科技有限公司 Beijing Heshun Huikang Technology Co., Ltd. ("Beijing Heshun")#	The PRC	RMB22,000,000	50%	50%	Software development and maintenance

# English translation for identification purpose only

The above associate is accounted for using the equity method in the consolidated financial statements.

### Relationship with the associate

With reference to the Article of Association of Beijing Heshun, the Group can only appoint 2 out of 5 directors, the Group has determined that it has no control nor joint control over Beijing Heshun on the strategic financial and operating decisions relating to the economic activities of Beijing Heshun. Therefore, the investment in Beijing Heshun is classified as the associate.

Based on a contractual agreement between the Group and another two investors of Beijing Heshun, only the shareholder of Beijing Heshun who has made the capital injection to Beijing Heshun is entitled to exercise its voting right in the shareholder's meeting and entitle to the dividends. The Group and another investor paid up its capital in an equal amount. As a result, the Group share the results of Beijing Heshun at 50% during the year ended 31 December 2025 and 2024.

### Assessment of the impairment losses of investment in an associate

At 31 December 2025, no impairment loss (2024: a reversal of impairment loss of RMB 1,838,000) was recognised for the investment in an associate because the associate has sufficient assets for the Group to fully recover its investment therein after considering the share of results of its profit or loss of the associate during the year.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 20. INVESTMENT IN AN ASSOCIATE (CONTINUED)

### Financial information of individually material associate

The following table shows the information relating to Beijing Heshun, the material associate of the Group. The summarised financial information represents amounts shown in the financial statements of Beijing Heshun prepared using the same accounting policies as those adopted by the Group.

	At 31 December 2025 RMB'000	At 31 December 2024 RMB'000
<i>Gross amount</i>		
Current assets	11,478	17,201
Non-current assets	3,085	3,651
Current liabilities	(6,771)	(8,114)
Equity	7,792	12,738
<i>Reconciliation</i>		
Gross amount of equity	7,792	12,738
Group's ownership interests and voting rights	50%	50%
Group's share of equity and carrying amount of interests	3,896	6,369
	Year ended 31 December 2025 RMB'000	Year ended 31 December 2024 RMB'000
<i>Gross amount</i>		
Revenue	10,664	24,354
(Loss) Profit for the year and total comprehensive (loss) income for the year	(4,947)	463

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 21. EQUITY INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Note	2025 RMB'000	2024 RMB'000
Unlisted equity investments, at fair value			
Beijing Fuhuajixin Business Incubator Company Limited ("Fuhuajixin")	(i)	13,300	17,600
Advanced Biomed Inc. ("Biomed")	(ii)	–	5,838
		<b>13,300</b>	23,438
Listed equity investments, at fair value			
Listed in Hong Kong		2,633	27,383
Listed outside Hong Kong		9,240	774
		<b>11,873</b>	28,157
	(iii)	<b>25,173</b>	51,595

Notes:

- (i) The Group has unlisted equity investment in Fuhuajixin which is engaged in providing services for the incubation of technological innovation enterprises in China. At 31 December 2025 and 2024, the fair value of the unlisted equity investment of Fuhuajixin was derived based on market approach. The valuation was carried out by Asia-Pacific Consulting and Appraisal Limited, an independent firm of qualified professional valuer not connected with the Group.

At 31 December 2025, the related party, Beijing Fuhuajixin Investment Management Company Limited, an entity controlled by Mr. Zhai Guanhua (the chief financial officer and a close member of Mr. Zhai Shuchun), has 50% (2024: 50%) shareholdings and the Group has 19.8% (2024: 19.8%) shareholdings in Fuhuajixin.

- (ii) On 6 March 2025, the common stock of Biomed approved for listing on the Nasdaq Capital Market at a public offering price of US\$4 per share. The listed equity investment is measured in accordance with the quoted market closing price in the Nasdaq at 31 December 2025.
- (iii) For the year ended 31 December 2025, included in profit or loss is an amount of RMB25,508,000 (2024: RMB11,326,000) fair value loss relating to the equity investments measured at FVPL held at the end of the reporting period. The valuation technique and significant inputs used in the measurement of the fair values of these investments are set out in note 41 to the consolidated financial statements.

### 22. INVENTORIES

	2025 RMB'000	2024 RMB'000
Finished goods	1,414	1,831

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 23. TRADE RECEIVABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade receivables	292,006	203,965
Less: allowance for ECLs	(101,601)	(44,878)
	<b>190,405</b>	159,087

Trade receivables represented the outstanding invoiced values for software development services, technical and maintenance services and sale of standard software receivable from the customers.

The Group's trading terms with its customers are mainly on credit. For software development services, the credit period granted to the customers is normally 30 to 180 days upon issuance of invoice and receipt of acceptance from customers during the course of contracts. The forms of acceptance evidenced the satisfaction from the customers of the progress of completion. For technical and maintenance services, the credit period granted to the customers is normally due upon completion of the service or 30 to 180 days from the date of billing. For the sale of standard software, the credit period granted to the customers is normally 30 to 180 days after the goods were accepted by the customers, except for new customers, where payment in advance is normally required.

The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise the credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a number of the largest state-owned financial institutions, hospitals, state-owned companies and large listed companies in the PRC, there is certain concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

The following is an ageing analysis of the trade receivables as at the end of the reporting periods, based on the recognition date of gross trade receivables and net of allowance for ECLs:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 90 days	70,270	28,412
91 to 180 days	8,958	9,475
181 days to 365 days	36,790	38,490
1 year to 2 years	45,423	39,232
2 years to 3 years	18,313	31,737
Over 3 years	10,651	11,741
	<b>190,405</b>	159,087

Information about the Group's exposure to credit risks and loss allowance for trade receivables is included in note 39 to the consolidated financial statements.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 24. CONTRACT ASSETS

The movements (excluding those arising from increases and decreases both occurred within the same year) of contract assets from contracts with customers within HKFRS 15 during the year are as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
At 1 January	109,155	119,863
Transferred to trade receivables	(96,731)	(118,851)
Recognition of revenue	78,274	108,177
Reversal of (Allowance) for ECL	169	(34)
<b>At 31 December</b>	<b>90,867</b>	109,155
Classified as:		
Current assets	90,867	108,479
Non-current assets	–	676
	<b>90,867</b>	109,155

Contract assets are initially recognised for revenue earned from software development services as the receipt of consideration is conditional on the successful acceptance by the customers. Upon completion of the contracts and acceptance by the customer, the amounts recognised as contract assets are reclassified to trade receivables.

At 31 December 2025, none of the contract assets are expected to be recovered after 12 months (2024: *RMB676,000*).

Information about the Group's exposure to credit risks and loss allowance for contract assets is included in note 39 to the consolidated financial statements.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 25. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Prepayments	9,899	9,622
Rental deposits	1,398	1,580
Deposits and other receivables	5,377	9,082
	<b>16,674</b>	20,284
Classified as:		
Current assets	8,119	12,435
Non-current assets	8,555	7,849
	<b>16,674</b>	20,284

Information about the Group's exposure to credit risks and loss allowance for deposits and other receivables is included in note 39 to the consolidated financial statements.

### 26. AMOUNT DUE FROM A RELATED PARTY

The amount due from Beijing Guanruitong E-Commerce Technology Company Limited ("Guanruitong") is unsecured, interest-free and repayable on demand, except for the amount due of RMB4,614,000 as at 31 December 2024 was unsecured, carried interest rate of three-year fixed deposits of People's Bank of China and repayable in three instalments which was fully settled during the year ended 31 December 2025.

Name of related company	Note	Due from		
		Greatest balance during the year <i>RMB'000</i>	Balance at 31 December 2025 <i>RMB'000</i>	Balance at 31 December 2024 <i>RMB'000</i>
Guanruitong	(1)			
Non-interest-bearing		2,228	2,228	2,228
Interest-bearing		4,614	–	4,614
			<b>2,228</b>	6,842

Note:

(1) Entity controlled by Mr. Zhai Shuchun, the controlling shareholder and executive director of the Company.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 27. BANK BALANCES AND CASH, PLEDGED DEPOSITS AND RESTRICTED BANK BALANCES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i> (Restated)
Bank balances and cash, pledged deposits and restricted bank balances	<b>287,813</b>	351,557
Less: Pledged deposits	<b>(829)</b>	(3,317)
Less: Restricted bank balances	<b>(3,273)</b>	(1,435)
Cash and cash equivalents	<b>283,711</b>	346,805
Denominated in:		
RMB	<b>84,403</b>	129,327
US\$	<b>187,898</b>	195,221
Singapore dollar ("SGD")	<b>712</b>	–
Hong Kong dollar ("HKD")	<b>14,800</b>	27,009
	<b>287,813</b>	351,557

The pledged bank deposits are secured for general banking and trade finance facilities, including the issuance of bank acceptance bills, granted to the Group by banks.

Included in the bank balances and cash are the following amounts which are subject to foreign exchange control regulations and not freely transferable:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Bank balances in PRC banks	<b>81,188</b>	129,111

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 28. TRADE PAYABLES

The aging analysis of trade payables at the end of the reporting periods, based on the invoice date, is as follows:

	2025 RMB'000	2024 RMB'000
Within 3 months	57,278	18,959
3 to 6 months	213	286
6 months to 1 year	30,076	16,396
Over 1 year	33,878	25,215
	<b>121,445</b>	60,856

The credit term granted by the trade creditors is generally 120 days (2024: 120 days).

### 29. CONTRACT LIABILITIES

The movements (excluding those arising from increases and decreases both occurred within the same year) of contract liabilities from contracts with customers within HKFRS 15 during the year are as follows:

	2025 RMB'000	2024 RMB'000
At 1 January	15,656	14,412
Recognised as revenue	(9,559)	(8,705)
Receipt of advances or recognition of receivables	11,614	9,949
<b>At 31 December</b>	<b>17,711</b>	15,656

At 31 December 2025, none of the contract liabilities are expected to be recognised as revenue after more than 12 months (2024: Nil).

#### Unsatisfied or partially unsatisfied performance obligations

Some of the performance obligations that are unsatisfied (or partially unsatisfied) at 31 December 2025 (2024: some) are part of contracts that have an original expected duration of one year or less.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 29. CONTRACT LIABILITIES (CONTINUED)

#### Unsatisfied or partially unsatisfied performance obligations (Continued)

The amount of transaction price allocated to the remaining performance obligations that are unsatisfied (or partially unsatisfied) at 31 December 2025 is as follows:

	2025 RMB'000	2024 RMB'000
<i>Expected timing of revenue recognition:</i>		
Within 1 year	123,023	100,705
More than 1 year but within 2 years	58,809	33,174
	<b>181,832</b>	133,879

The amounts disclosed above do not include variable consideration that is constrained.

### 30. OTHER PAYABLES AND ACCRUALS

	2025 RMB'000	2024 RMB'000
Other payables	2,699	1,795
Accrued staff costs	16,611	924
Other tax payables	6,771	10,116
	<b>26,081</b>	12,835

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 31. DEFERRED TAXATION

The movement for the year in the Group's net deferred tax position was as follows:

	2025 RMB'000	2024 RMB'000
At beginning of year	15	(3,051)
Credit to profit or loss (Note 10)	366	3,066
<b>At end of the reporting period</b>	<b>381</b>	15

Recognised deferred tax assets and liabilities at the end of the reporting period represent the following:

	Assets		Liabilities	
	2025 RMB'000	2024 RMB'000	2025 RMB'000	2024 RMB'000
Allowance for ECLs	381	505	-	-
Intangible assets	-	-	-	(490)
<b>Net deferred tax assets (liabilities)</b>	<b>381</b>	505	-	(490)

Pursuant to the PRC Enterprise Income Tax Law, a 10% withholding tax is levied on dividends distributed to foreign investors by the foreign investment enterprises established in the PRC. The requirement is effective from 1 January 2008 and applies to earnings accumulated after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between the PRC and jurisdiction of the foreign investors.

For the Group's PRC subsidiaries, the applicable rate is 5% (2024: 5%). Deferred tax liability is provided on the basis that the undistributed earnings of the Group's entities are expected to be distributed in the foreseeable future.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 31. DEFERRED TAXATION (CONTINUED)

As at 31 December 2025, no deferred tax liability has been recognised for withholding taxes that would be payable on the unremitted earnings that are subject to withholding taxes of the Group's subsidiaries established in the PRC. In the opinion of the directors, the Group's earnings will be retained in the PRC for the expansion of the Group's operation, so it is not probable that these subsidiaries will distribute such earnings in the foreseeable future. The total amount of temporary difference associated with the investments in subsidiaries in the PRC for which deferred tax liabilities have not been recognised was RMB19,914,000 (2024: RMB22,969,000) as at 31 December 2025.

The Group has not recognised deferred tax assets in respect of the tax losses, as set out below, because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom. The tax losses can be carried forward for five years, except for certain subsidiaries which are qualified to enjoy the benefit of tax losses carried forward for ten years or with no expiry date, from the year in which the losses arose for offsetting against future taxable income. The expiry years of tax losses with no deferred tax assets recognised at the end of the reporting date are as follows:

	2025 RMB'000	2024 RMB'000
<b>Tax losses expiring in:</b>		
2026	114	114
2027	3,252	3,252
2028	7,039	7,039
2029	8,999	8,999
2030	10,437	788
2031	1,347	1,347
2032	2,819	2,819
2033	48,907	48,907
2034	73,316	73,316
2035	83,844	–
No expiry date	14,413	6,996
	<b>254,487</b>	<b>153,577</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 32. INTEREST-BEARING BANK BORROWINGS

	2025			2024		
	Effective interest rate	Maturity in	RMB'000	Effective interest rate	Maturity in	RMB'000
<b>Current</b>						
Bank loans	3.2% – 3.6%	2026	30,000	3.85%	2025	20,000

At 31 December 2025 and 2024, the bank loans are unsecured, unguaranteed, interest-bearing and repayable within 1 year.

The maturity of the interest-bearing borrowings and analysis of the amount due based on scheduled payment dates set out in the loan agreements (ignoring the effect of any repayment on demand clause) are as follows:

	2025 RMB'000	2024 RMB'000
The carrying amounts of the above borrowings are repayable:		
Within one year	30,000	20,000

## 33. CONTINGENT CONSIDERATION

	2025 RMB'000	2024 RMB'000
At beginning of year	21,000	21,000
Change in fair value	(1,576)	–
Settlement during the year	(19,424)	–
<b>At end of the reporting period</b>	<b>–</b>	<b>21,000</b>

On 14 July 2022, the Group acquired 100% equity interest in Neusoft Yuetong which is principally engaged in offering SaaS platform service to financial institutions and IT value-industries.

The contingent consideration represents the balance arising from the acquisition of Neusoft Yuetong which requires the Group to pay the sellers on the remaining consideration up to RMB31,515,000 in cash.

The final amount of consideration depends on whether the actual net profit and revenue from principal business of Neusoft Yuetong and its subsidiary (collectively known as “Neusoft Yuetong Group”) for the calendar years 2022, 2023 and 2024 (“Guarantee Year”) meet specified targets and is payable following the end of the Guarantee Year of 2024.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 33. CONTINGENT CONSIDERATION (CONTINUED)

The financial performance of Neusoft Yuetong Group were not met the specified targets during the Guarantee Year. On 13 June 2025, a shareholders meeting of Neusoft Yuetong was held and the performance compensation amounting to RMB12,091,000 was agreed (the "Final Performance Compensation Amount"). The final consideration payable is determined and agreed to be RMB19,424,000, being the difference of RMB31,515,000 and the Final Performance Compensation Amount. The contingent consideration was written down to RMB19,424,000, which was settled in August 2025, by recognising a change in fair value of RMB1,576,000 to profit or loss.

### 34. SHARE CAPITAL

	2025			2024		
	No. of shares	US\$	Equivalent to RMB'000	No. of shares	US\$	Equivalent to RMB'000
<b>Authorised:</b>						
Ordinary shares of US\$0.000001 each	50,000,000,000	50,000		50,000,000,000	50,000	
<b>Issued and fully paid:</b>						
At the beginning of the year	943,817,280	944	7	786,514,400	787	5
New shares issued	-	-	-	157,302,880	157	2
<b>At the end of the reporting period</b>	<b>943,817,280</b>	<b>944</b>	<b>7</b>	<b>943,817,280</b>	<b>944</b>	<b>7</b>

### 35. SHARE PREMIUM

	2025	2024
	RMB'000	RMB'000
At beginning of the year	749,740	710,081
Issue of share capital	-	39,659
<b>At the end of the reporting period</b>	<b>749,740</b>	<b>749,740</b>

The share premium represents the difference between the par value of the shares issued and the consideration receivable, net of its issuance cost. Under the Companies Law of the Cayman Islands, it is distributable to the Company's shareholders provided that the Company is able to pay its debts as they fall due in the ordinary course of business.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 36. RESERVES

### (a) Merger reserve

The merger reserve represents the difference between the aggregate of the paid-up share capital of the subsidiaries and the consideration paid by the Group for the business combination under common control.

### (b) Special reserve

The amount of RMB4,847,000 included in special reserve represents the disposal of Beijing Jiafutong Network Technology Co., Ltd. to Guanruitong which is controlled by Mr. Zhai Shuchun, the controlling shareholder and executive director of the Company.

### (c) Statutory surplus reserve

In accordance with the Company Law of the PRC and the respective articles of association of the subsidiaries of the Group, each of the companies that is domiciled in the PRC is required to allocate 10% of its profit after tax, as determined in accordance with PRC generally accepted accounting principles, to the statutory surplus reserve until the reserve reaches 50% of the registered capital. The transfer to this reserve must be made before the distribution of a dividend to shareholders.

Statutory surplus reserve is non-distributable except in the event of liquidation and, subject to certain restrictions set out in the relevant PRC regulations, can be used to offset accumulated losses or be capitalised as paid-up capital.

### (d) Exchange fluctuation reserve

The translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

### (e) Property revaluation reserve

The property revaluation reserve was set up to deal with the surplus or deficit arising from the revaluation of properties when the existing properties become investment properties in accordance with the accounting policies adopted for property and equipment as set out in note 3 to the consolidated financial statements.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 36. RESERVES (CONTINUED)

#### (f) Treasury shares

In 2024, the Company repurchased its own ordinary shares through the Stock Exchange but not yet cancelled as follows:

Month of repurchase	No. of ordinary shares	Price per share		Net consideration HK\$'000
		Highest HK\$	Lowest HK\$	
December 2024	5,952,800	0.430	0.365	2,473

In 2024, the Company repurchased a total of 5,952,800 issued ordinary shares of the Company in the market with aggregate consideration net of related expenses of HK\$2,473,000 (equivalent to RMB2,317,000). The treasury shares repurchased by the Company were yet cancelled as at 31 December 2025 and 2024. As a result, the nominal value of these shares was not deducted from the issued share capital of the Company. The total consideration paid for these shares repurchased was included in "treasury shares" under the consolidated statement of changes in equity. None of the Company's subsidiaries purchased, sold or redeemed any of the Company's listed securities in 2025 and 2024.

#### (g) Transactions with non-controlling interests reserve

Transactions with non-controlling interests reserve has been set up and is dealt with in accordance with the accounting policies adopted for the changes in the Group's ownership interest in a subsidiary which do not result in change in control as set out in note 3 to the consolidated financial statements.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 37. OTHER CASH FLOW INFORMATION

### (a) Cash (used in) generated from operations

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i> (Restated)
<b>OPERATING ACTIVITIES</b>		
Loss before tax	<b>(188,267)</b>	(96,068)
Finance costs	<b>1,543</b>	1,969
Interest income	<b>(5,452)</b>	(9,077)
Share of results of an associate	<b>2,473</b>	(232)
Changes in fair value of equity investments at FVPL	<b>25,508</b>	11,326
Depreciation of property and equipment	<b>2,409</b>	2,198
Depreciation of right-of-use assets	<b>5,145</b>	6,868
Amortisation of intangible assets	<b>54,179</b>	51,651
Impairment losses on property and equipment	<b>3,000</b>	–
Impairment losses on right-of-use assets	<b>1,600</b>	–
Impairment losses on intangible assets	<b>13,200</b>	–
Loss on disposal of property and equipment	–	16
Loss on early termination of the leases	–	127
Allowance for ECL on trade receivables	<b>56,723</b>	1,561
(Reversal of) allowance for ECL on contract assets	<b>(169)</b>	34
Reversal of allowance for ECL on other receivables	<b>(50)</b>	–
Reversal of impairment loss on investment in an associate	–	(1,838)
Changes in fair value of investment properties	<b>1,572</b>	–
Change in fair value of contingent consideration	<b>(1,576)</b>	–
Foreign exchange differences, net	<b>(276)</b>	252
Changes in working capital:		
Increase in long-term deposits and prepayments	<b>(706)</b>	(5,638)
Decrease in inventories	<b>417</b>	338
(Increase) decrease in trade receivables	<b>(88,041)</b>	58,092
Decrease in contract assets	<b>18,457</b>	10,674
Decrease (Increase) in prepayments, deposits and other receivables	<b>4,366</b>	(1,836)
Decrease in amount due from related parties	<b>4,614</b>	5,474
Decrease (Increase) in pledged deposits	<b>2,488</b>	(3,221)
Increase in restricted bank balances	<b>(1,838)</b>	(1,172)
Increase (Decrease) in trade payables	<b>60,589</b>	(10,947)
Increase in contract liabilities	<b>2,055</b>	1,244
Increase in other payables and accruals	<b>13,246</b>	1,060
<b>Cash (used in) generated from operations</b>	<b>(12,791)</b>	22,855

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 37. OTHER CASH FLOW INFORMATION (CONTINUED)

### (b) Changes in liabilities arising from financing activities

	Dividend payables <i>RMB'000</i>	Lease liabilities <i>RMB'000</i>	Interest- bearing bank borrowings <i>RMB'000</i>
At 1 January 2024	28	29,373	8,005
Net cash flows ( <i>Note</i> )	(21)	(7,880)	11,995
Interest on lease liabilities	–	1,247	–
Early termination of the leases	–	(10,216)	–
Exchange difference, net	–	14	–
At 31 December 2024 and 1 January 2025	7	12,538	20,000
New lease entered	–	3,195	–
Net cash flows ( <i>Note</i> )	–	(5,604)	10,000
Interest on lease liabilities	–	649	–
Exchange difference, net	(1)	(28)	–
<b>At 31 December 2025</b>	<b>6</b>	<b>10,750</b>	<b>30,000</b>

Note:

- (1) The net cash flows from lease liabilities represent the payment of principal element and interest of lease liabilities.
- (2) The net cash flows from Interest-bearing bank borrowings make up the net amount of proceeds from bank borrowings and repayments of bank borrowings.

### (c) Major non-cash transactions

During the year ended 31 December 2025, the Group acquired assets by means of lease arrangements in respect of office premises with a total capital value at the inception of the leases of RMB3,195,000 (2024: Nil).

During the year ended 31 December 2024, the Group had early terminated the leases which derecognised the right-of-use assets and lease liabilities of RMB10,343,000 and RMB10,216,000, in respect of lease arrangements for office premises.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 38. RELATED PARTY TRANSACTIONS

In addition to the transactions disclosed elsewhere in these consolidated financial statements, during the year, the Group had the following transactions with related parties:

Related parties	Related party relationship	Nature of transaction	2025 RMB'000	2024 RMB'000
Guanruitong	Entity controlled by the controlling shareholder	Interest income related to disposal of a subsidiary	-	149
Beijing Heshun	Associate	Software development services	-	578

## 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's financial instruments expose it to foreign currency risk, interest rate risk, credit risk, liquidity risk and equity price risk. The directors generally adopt conservative strategies on its risk management and limits the Group's exposure to these risks to a minimum. The directors reviews and agrees policies for managing each of these risks and they are summarised below:

### Foreign currency risk

The Group mainly operates in PRC with majority of business transactions being denominated in RMB.

Certain financial assets of the Group are denominated in currencies other than the functional currency and therefore, exposed to foreign currency risk. The net carrying amounts of those financial assets and liabilities are analysed as follows:

	2025 RMB'000	2024 RMB'000
Financial assets		
HKD	14,800	27,009
SGD	712	-

The Group is not exposed to any significant foreign exchange rate risk as the HKD is pegged against the US\$ (i.e. being the functional currency of several entities within the Group).

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

### Interest rate risk

The Group's exposure to market risk for changes in interest rates relates primarily to the Group's interest-bearing bank borrowings and bank balances at 31 December 2025 (*2024: the Group's interest-bearing bank borrowings, bank balances and amount due from a related party*).

The Group has not used any interest rate hedging policy to mitigate its exposure associated with interest rate risk. However, the management of the Group monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

As at 31 December 2025, if variable interest rate had been increased/decreased by 50 basis points (*2024: 50 basis points*) with other variables held constant, the Group's net loss (*2024: net loss*) for the year would have been decreased/increased (*2024: decreased/increased*) by RMB396,000 (*2024: RMB618,000*).

### Credit risk

The Group's credit risk is primarily attributable to trade receivables, contract assets, amount due from a related party, long-term deposits, deposits and other receivables, bank balances, pledged deposits and restricted bank balances. The carrying amount of financial assets recognised on the consolidated statement of financial position, which is net of loss allowance, represents the Group's exposure to credit risk without taking into account the value of any collateral held or other credit enhancements.

### Trade receivables and contract assets

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. The Group does not hold any collateral or other credit enhancements over its trade receivable and contract asset balances. Trade receivables and contract assets are non-interest-bearing.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The default risk of the industry in which customers operate also has an influence on credit risk but to a lesser extent. Credit quality of a customer is assessed based on an extensive credit rating and individual credit limit assessment which is mainly based on the Group's own trading records.

At the end of the reporting period, the Group had a concentration of credit risk as 12% (*2024:14%*) and 31% (*2024: 44%*) of the total trade receivables from third parties was due from the Group's largest third party debtor and the five largest third party debtors respectively.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

### Credit risk (Continued)

#### *Trade receivables and contract assets (Continued)*

The Group's customer base consists of a wide range of clients and the trade receivables and contract assets are categorised by common risk characteristics that are representative of the customers' abilities to pay all amounts due in accordance with the contractual terms.

An impairment analysis is performed at each reporting date using a loss rate approach to measure ECL under simplified approach. The Group develops loss-rate statistics on the basis of the amount expected to be written off over the life of the financial assets by reference to the credit rating of the customers, and also adjusted these loss trends for current conditions and expectations about the future. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of future recovery.

For the contract assets, the loss rates for the measurement of the ECL of the contract assets are based on those of the trade receivables as the contract assets and the trade receivables are from the same customer bases, and groupings of various industries with similar loss patterns (i.e., customer type and rating). These loss trends determined by referencing to credit rating data are then adjusted for current conditions and expectations about the future. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

In determining the ECL of the trade receivables and contract assets as at 31 December 2025 and 2024, the Group engages an independent qualified professional valuer, Asia-Pacific Consulting and Appraisal Limited, to perform the ECL estimations. The grouping is regularly reviewed by management to ensure relevant information about specific debtors is updated.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

### Credit risk (continued)

#### Trade receivables and contract assets (continued)

Generally, trade receivables and contract assets are written off when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of future recovery.

The information about the exposure to credit risk and ECL for trade receivables and contract assets using a provision matrix is summarised below.

#### Trade receivables

As at 31 December 2025

	Expected loss rate %	Gross carrying amount RMB'000	Loss allowance RMB'000	Credit-impaired
<b>Non credit-impaired</b>				
Sovereign and public finance	35%	3,272	1,146	No
High tech industry	18%	164,867	29,901	No
Finance	28%	3,493	964	No
Media: Advertising, Printing and Publishing	4%	13,063	462	No
Healthcare and pharmaceuticals	74%	4,847	3,588	No
Bank	12%	42,160	5,236	No
		231,702	41,297	
<b>Credit-impaired</b>				
Sovereign and public finance	100%	443	443	Yes
High tech industry	100%	49,317	49,317	Yes
Healthcare and pharmaceuticals	100%	823	823	Yes
Transportation and consumer	100%	5,564	5,564	Yes
Bank	100%	4,157	4,157	Yes
		60,304	60,304	
		292,006	101,601	

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

### Credit risk (continued)

#### Trade receivables and contract assets (continued)

Trade receivables (continued)

As at 31 December 2024

	Expected loss rate %	Gross carrying amount RMB'000	Loss allowance RMB'000	Credit-impaired
<b>Non credit-impaired</b>				
Sovereign and public finance	35%	2,950	1,032	No
High tech industry	23%	145,487	33,549	No
Finance	10%	4,894	501	No
Transportation and consumer	78%	5,607	4,370	No
Healthcare and pharmaceuticals	19%	3,390	643	No
Bank	11%	41,637	4,783	No
		203,965	44,878	

#### Contract assets

As at 31 December 2025

	Expected loss rate %	Gross carrying amount RMB'000	Loss allowance RMB'000	Credit-impaired
<b>Non credit-impaired</b>				
Sovereign and public finance	0.30%	13,862	41	No
High tech industry	0.97%	40,048	389	No
Finance	0.73%	6,852	50	No
Media: Advertising, printing and publishing	3.72%	242	9	No
Transportation and consumer	1.57%	3,121	49	No
Healthcare and pharmaceuticals	1.08%	5,530	60	No
Metals and mining	1.81%	3,873	70	No
Bank	0.09%	18,024	17	No
		91,552	685	

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

#### Credit risk (continued)

#### Trade receivables and contract assets (continued)

Contract assets (continued)

As at 31 December 2024

	Expected loss rate %	Gross carrying amount RMB'000	Loss allowance RMB'000	Credit-impaired
<b>Non credit-impaired</b>				
Sovereign and public finance	0.30%	8,752	26	No
High tech industry	0.96%	53,410	514	No
Finance	0.74%	5,283	39	No
Media: Advertising, printing and publishing	3.55%	10	–*	No
Transportation and consumer	1.58%	3,130	50	No
Healthcare and pharmaceuticals	1.38%	9,118	126	No
Metals and mining	1.84%	4,043	74	No
Bank	0.09%	26,263	25	No
		<b>110,009</b>	<b>854</b>	

\* Less than RMB1,000

As at 31 December 2025, the Group recognised loss allowance of RMB101,601,000 (2024: RMB44,878,000) and RMB685,000 (2024: RMB854,000) on the trade receivables and contract assets respectively. The movement in the loss allowance for trade receivables and contract assets is summarised below.

	2025 RMB'000	2024 RMB'000
At beginning of year	45,732	44,137
Increase in allowance, net	56,554	1,595
<b>At end of year</b>	<b>102,286</b>	45,732

A group of customers (where there are objective evidence of credit impairment) have been identified by the Group as having a significantly elevated credit risk as a result of credit impairment of the debtors, including financial difficulties, ongoing legal disputes, and prolonged payment delays. At the end of the reporting period, loss allowance of RMB60,304,000 (2024: Nil) has been provided on a specific basis. No such specific loss allowance was recognised in the prior year as there was no objective evidence of credit impairment for these customers at that time.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

### Credit risk (continued)

#### ***Amount due from a related party***

The Group considers that the amount due from a related party have low credit risk based on the counterparty's strong capacity to meet its contractual cash flow obligations in the near term and low risk of default. Impairment on amount due from the related party is measured on 12-month ECL (Stage 1) and reflects the short maturities of the exposures. At 31 December 2025 and 2024, the directors considered the ECL of this financial asset to be insignificant and no loss allowance is recognised.

#### ***Long-term deposit, deposits and other receivables***

The Group performs impairment assessment on Long-term deposit, deposits and other receivables based on 12-month ECL (Stage 1). The credit risk of the Group's long-term deposit, deposits and other receivables from default of the counterparties, with maximum exposure equal to the carrying amounts of these receivables. Individual credit limits are set based on the assessments of credit quality.

In estimating the ECL and in determining whether there is a significant increase in credit risk since initial recognition and whether the financial asset is credit-impaired, the Group has taken into account the historical actual credit loss experience and adjusted for forward-looking factors that are specific to the debtors and general economic conditions of the industry in which the counterparties operate, in estimating the probability of default of these financial assets, as well as the loss upon default in each case. There was no change in the estimation techniques or significant assumptions made during the year.

As at 31 December 2025 and 2024, no loss allowance on these financial assets was determined as the directors considered that the default rate and expected credit loss were immaterial.

#### ***Bank balances, pledged deposits and restricted bank balances***

The Group considers the credit risk in respect of bank balances, pledged deposits and restricted bank balances is minimal because the counterparties are creditworthy global financial institutions and state-controlled financial institutions in the PRC and Hong Kong, which management considers they are without significant credit risk. At 31 December 2025 and 2024, the directors considered the ECL of these financial assets to be insignificant and no loss allowance is recognised.

### Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of internally generated cash flows from operation and interest-bearing bank borrowings. The Group regularly reviews its major funding positions to ensure that it has adequate financial resources in meeting its financial obligations.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

#### Liquidity risk (Continued)

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

	2025			Total RMB'000
	On demand or within 1 year RMB'000	Over 1 year but within 2 years RMB'000	Over 2 years RMB'000	
Trade payables	121,445	–	–	121,445
Other payables and accruals*	2,699	–	–	2,699
Interest-bearing bank borrowings	30,429	–	–	30,429
Lease liabilities	5,476	3,982	1,913	11,371
	<b>160,049</b>	<b>3,982</b>	<b>1,913</b>	<b>165,944</b>

	2024			Total RMB'000
	On demand or within 1 year RMB'000	Over 1 year but within 2 years RMB'000	Over 2 years RMB'000	
Trade payables	60,856	–	–	60,856
Other payables and accruals*	1,795	–	–	1,795
Interest-bearing bank borrowings	20,376	–	–	20,376
Lease liabilities	4,424	3,858	5,770	14,052
	<b>87,451</b>	<b>3,858</b>	<b>5,770</b>	<b>97,079</b>

\* excluding accrued staff costs and other tax payables

#### Equity price risk

The Group is exposed to price risks arising from equity investments held under financial assets at FVPL amounted to RMB25,173,000 (2024: RMB51,595,000). The management has performed analysis of the nature of market risk associated with the investment. The sensitivity analysis has been determined based on the exposure to equity price risk. At the end of the reporting period, if the equity price to the valuation model had been 5% (2024: 5%) higher/lower while all other variables were held constant, the Group's net loss would be decreased/increased by RMB1,259,000 (2024: RMB2,580,000) due to change in the fair value of financial assets at FVPL.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

### Equity price risk (Continued)

The sensitivity analysis has been determined assuming that the reasonably possible changes in the stock market index or other relevant risk variables had occurred at the end of the reporting period and had been applied to the exposure to equity price risk in existence at that date. It is also assumed that the fair values of the Group's investments would change in accordance with the historical correlation with the relevant stock market index or the relevant risk variables, and that all other variables remain constant. The stated changes represent management's assessment of reasonably possible changes in the relevant stock market index or the relevant risk variables over the period until the next annual end of the reporting period.

## 40. CAPITAL MANAGEMENT

The Group's objective on managing capital are to safeguard the Group's ability to continue as going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Group monitors its capital, which comprises all equity components, using a gearing ratio which is calculated on the basis of total borrowings as a ratio of the total equity. The gearing ratio at the end of the reporting period was as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interest-bearing bank borrowings	30,000	20,000
Total equity	541,795	739,438
Gearing ratio	5.5%	2.7%

## 41. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

### (a) Assets and liabilities measured at fair value

The follow table presents financial instruments measured at fair value in the consolidated statement of financial position in accordance with the fair value hierarchy. The hierarchy groups financial instruments into the three levels based on the relative reliability of significant inputs used in measuring the fair value of these financial instruments. The fair value hierarchy has the following levels:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liabilities either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 41. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

#### (a) Assets and liabilities measured at fair value (Continued)

The level in the fair value hierarchy within which the financial instruments is categorised in its entirety is based on the lowest level of input that is significant to the fair value measurement.

31 December 2025	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
<b>Assets measured at fair value</b>				
Financial assets at FVPL				
Listed equity investments	11,873	–	–	11,873
Unlisted equity investments	–	–	13,300	13,300
	11,873	–	13,300	25,173
<hr/>				
31 December 2024	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
<b>Assets measured at fair value</b>				
Financial assets at FVPL				
Listed equity investments	28,157	–	–	28,157
Unlisted equity investments	–	–	23,438	23,438
	28,157	–	23,438	51,595
<hr/>				
<b>Liabilities measured at fair value</b>				
Financial liabilities at FVPL				
Contingent consideration	–	–	21,000	21,000

For the years ended 31 December 2025 and 2024, there were no transfers amongst level 1 and level 2 fair value measurements.

The movement in the Level 3 of contingent consideration since 1 January 2025 was a fair value decrease of RMB1,576,000 (2024: Nil) and settlement of RMB19,424,000 (2024: Nil).

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 41. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

### (a) Assets and liabilities measured at fair value (Continued)

#### Reconciliation of Level 3 fair value measurements

	Financial assets at FVPL RMB'000	Financial liabilities at FVPL RMB'000
At 1 January 2024	30,100	21,000
Change in fair value	(6,873)	–
Exchange adjustments	211	–
At 31 December 2024 and 1 January 2025	23,438	21,000
Change in fair value	(4,300)	(1,576)
Transfer out of Level 3	(5,838)	–
Settlement	–	(19,424)
<b>At 31 December 2025</b>	<b>13,300</b>	<b>–</b>

For the year ended 31 December 2025, included in profit or loss is an amount of RMB4,300,000 (2024: RMB6,873,000) fair value loss relating to the unlisted equity investments measured at FVPL held at the end of the reporting period. During the year, the unlisted equity investments of RMB5,838,000 (2024: Nil) was transferred out from Level 3 to Level 1 as result of the success of the listing on the Nasdaq Capital Market.

#### Quantitative information of the significant unobservable inputs and description of valuation techniques used in Level 3 fair value measurement

The financial instruments measured at fair value in the consolidated statement of financial position on a recurring basis are grouped into the fair value hierarchy. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation techniques and inputs used).

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 41. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

### (a) Assets and liabilities measured at fair value (Continued)

**Quantitative information of the significant unobservable inputs and description of valuation techniques used in Level 3 fair value measurement (Continued)**

Financial assets	Fair value as at 31 December		Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable inputs
	2025 RMB'000	2024 RMB'000			
<b>Financial assets at FVPL</b>					
Unlisted equity investments - Fuhuajiaxin	13,300	17,600	Level 3	Market approach - in this approach considers prices recently paid for similar assets, with adjustments made to market prices to reflect condition and utility of the appraised assets relative to the market comparable.	Price-to-sales ratio, taking into account management's experience and knowledge of market conditions of the comparable companies with their revenue from the same or similar industry, ranging from 4.11x to 7.38x (2024: 3.23x to 7.01x). <i>(Note 1)</i>
					Discount for lack of marketability of 15.6% (2024: 15.6%). <i>(Note 1)</i>
Unlisted equity investments - Biomed*	-	5,838	Level 3	Market approach - in this approach considers public offering price which is to be listed on Nasdaq Capital Market	The initial public offering ("IPO") price of US\$ 4.00 per share
<b>Financial liabilities at FVPL</b>					
Contingent consideration	-	21,000	Level 3	Performance compensation calculation method - based on the financial performance during all Guarantee Years	Net assets and total actual net profits for the Guarantee Years

\* On 6 March 2025, the common stock of Biomed approved for listing on the Nasdaq Capital Market at a public offering price of US\$4 per share. The fair value measurement was transferred from Level 3 to Level 1 under HKFRS 13 when the quoted prices in active markets for Biomed can be obtained through Nasdaq Capital Market upon successful Listing.

*Note 1:* An increase in the price-to-sales ratio used in isolation would result in an increase in the fair value measurement of the unlisted equity investments, and vice versa. A 5% increase in the price-to-sales ratio in Fuhuajiaxin (2024: *Fuhuajiaxin*), holding all other variables constant, would increase the carrying amount of the shares by RMB665,000 (2024: *RMB980,000*). An increase in the discount for lack of marketability used in isolation would result in a decrease in the fair value measurement of the unlisted equity investments, and vice versa.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 41. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

### (b) Assets and liabilities not measured at fair value

The carrying amounts of financial assets and liabilities not measured at fair value are carried at amounts not materially different from their fair values as at 31 December 2025 and 2024.

## 42. PRINCIPAL SUBSIDIARIES

The following are the principal subsidiaries indirectly held by the Company at 31 December 2025 and 2024.

Name of subsidiaries	Place of incorporation/ establishment and operation	Issued and fully paid up capital/ registered capital	Equity interests attributable to the Group Indirect	Principal activities
Newlink Technology Holdings (Hong Kong) Limited	Hong Kong	HKD1	100%	Investment holding
紐領科技(北京)有限公司 Newlink Technology (Beijing) Co., Ltd.*	The PRC	US\$15,000,000	100%	Investment holding
北京新紐科技有限公司 Beijing Newlink Technology Company Limited*	The PRC	RMB102,030,405	100%	Software development and maintenance
北京新紐益訊科技有限公司 Beijing Newlink Yixun information Technology Company Limited* (formerly known as 北京新紐醫訊科技有限公司)	The PRC	RMB30,000,000	100%	Software development and maintenance
海南新紐科技有限公司 Hainan Newlink Technology Co., Ltd.*	The PRC	RMB10,000,000	100%	Software development and maintenance
北京東軟越通軟件技術有限公司 Neusoft Yuetong*	The PRC	RMB41,952,884	100%	Software development and maintenance
東軟越通軟件技術(大連)有限公司 Neusoft Yuetong Software Technology (Dalian) Yuetong Software Technology (Dalian)	The PRC	RMB5,000,000	100%	Software development and maintenance
山西新紐智訊科技有限公司 Shanxi Newlink Zhixun Technology Co., Ltd.*	The PRC	RMB700,000	70%	Software development and maintenance

\* English translation for identification purpose only

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 43. EVENTS AFTER THE REPORTING PERIOD

### Placing of new Shares under general mandate

On 4 February 2026, the Company and an independent placing agent (the "Placing Agent") entered into a placing agreement, pursuant to which the Company has conditionally agreed to place through the Placing Agent, on a best effort basis, a maximum of 60,000,000 placing shares at the placing price of HK\$0.30 per placing share (the "Placing"). The Placing was completed on 11 February 2026 and a total of 60,000,000 placing shares were placed to the placee, an independent third party, at the placing price of HK\$0.30 per placing share. The net proceeds from the Placing, amounted to HK\$17,909,000, will be applied to replenish general working capital of the Group. For details of the Placing, please refer to the Company's announcements dated 4 February 2026 and 11 February 2026 respectively.

## 44. COMPARATIVE FIGURES

Conforming to the current year's presentation, the balances of RMB1,435,000 that was included in bank balances and cash have been reclassified to restricted bank balances at 31 December 2024. The revised presentation reflects more appropriately the nature of this item. This reclassification has no significant effect on the reported financial position or results of the Group.

In respect of the consolidated statement of cash flows, the cash and cash equivalent was reduced by RMB263,000 at the beginning of year in relation to the opening balance of restricted bank balances while the movement of restricted bank balances of RMB1,172,000 for the year ended 31 December 2024 was reclassified as cash flows under operating activities. As a result, the balance of cash and cash equivalents at end of year was reduced by RMB1,435,000 in order to align with the current year presentation.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 45. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Pursuant to the Companies Ordinance, the statement of financial position of the Company and the movements in its reserves is set out below:

	Note	2025 RMB'000	2024 RMB'000
<b>Non-current assets</b>			
Investment in a subsidiary		–*	–*
Equity investment at FVPL		–	5,838
		–	5,838
<b>Current assets</b>			
Equity investments at FVPL		11,873	28,157
Prepayments, deposits and other receivables		268	346
Amounts due from subsidiaries		253,946	485,939
Bank balances and cash		200,804	219,153
		466,891	733,595
<b>Current liabilities</b>			
Other payables and accruals		1,359	1,335
Dividend payable		6	7
Amounts due to subsidiaries		11,090	11,272
		12,455	12,614
<b>Net current assets</b>		<b>454,436</b>	720,981
<b>Total assets less current liabilities</b>		<b>454,436</b>	726,819
<b>Net assets</b>		<b>454,436</b>	726,819
<b>Capital and reserves</b>			
Share capital		7	7
Reserves	45(a)	454,429	726,812
<b>Total equity</b>		<b>454,436</b>	726,819

\* Less than RMB1,000

The statement of financial position was approved and authorised for issue by the Board of Directors on 27 March 2026 and are signed on its behalf by:

**Zhai Shuchun**  
Director

**Qin Yi**  
Director

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 45. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (CONTINUED)

### (a) Movements of the reserves

	Share premium RMB'000	Exchange fluctuation reserve RMB'000	Treasury shares RMB'000	Accumulated losses RMB'000	Total RMB'000
At 1 January 2024	710,081	61,821	–	(26,857)	745,045
<b>Loss for the year</b>	–	–	–	(79,482)	(79,482)
Other comprehensive income					
Exchange differences on translation from functional currency to presentation currency	–	23,907	–	–	23,907
Total comprehensive income (loss) for the year	–	23,907	–	(79,482)	(55,575)
<b>Transactions with owners:</b>					
<i>Contributions and distributions</i>					
Issue of share capital	39,659	–	–	–	39,659
Repurchase of issued shares	–	–	(2,317)	–	(2,317)
At 31 December 2024 and 1 January 2025	749,740	85,728	(2,317)	(106,339)	726,812
<b>Loss for the year</b>	–	–	–	(248,079)	(248,079)
Other comprehensive loss					
Exchange differences on translation from functional currency to presentation currency	–	(24,304)	–	–	(24,304)
Total comprehensive loss for the year	–	(24,304)	–	(248,079)	(272,383)
<b>At 31 December 2025</b>	<b>749,740</b>	<b>61,424</b>	<b>(2,317)</b>	<b>(354,418)</b>	<b>454,429</b>