



# 天潤云股份有限公司 TI CLOUD INC.

(incorporated in the Cayman Islands with limited liability)

Stock Code: 2167

## 2025 ANNUAL REPORT



Empowering Customers  
With Technology



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# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### Executive Directors

Wu Qiang (吳強) (*Chief Executive Officer*) (*Chairman*)

Pan Wei (潘威)

Li Jin (李晉) (*resigned on November 21, 2025*  
*with immediate effect*)

### Independent Non-Executive Directors

Weng Yang (翁陽)

Li Pengtao (李鵬濤)

Li Zhiyong (李志勇)

## AUDIT COMMITTEE

Li Zhiyong (李志勇) (*Chairman*)

Li Pengtao (李鵬濤)

Weng Yang (翁陽)

## REMUNERATION COMMITTEE

Li Pengtao (李鵬濤) (*Chairman*)

Li Zhiyong (李志勇)

Wu Qiang (吳強)

## NOMINATION COMMITTEE

Wu Qiang (吳強) (*Chairman*)

Li Pengtao (李鵬濤)

Weng Yang (翁陽)

## THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) COMMITTEE

Wu Qiang (吳強) (*Chairman*)

Pan Wei (潘威)

Weng Yang (翁陽)

## JOINT COMPANY SECRETARIES

Wang Huan (王歡)

Lui Wing Yat Christopher (呂穎一)

## AUTHORIZED REPRESENTATIVES

Wu Qiang (吳強)

Lui Wing Yat Christopher (呂穎一)

## AUDITOR

Ernst & Young

*Certified Public Accountants and*  
*Registered Public Interest Entity Auditor*

27/F, One Taikoo Place

979 King's Road, Quarry Bay, Hong Kong

## REGISTERED OFFICE

Palm Grove Unit 4

265 Smith Road, George Town

P.O. Box 52A Edgewater Way

#1653, Grand Cayman KY1-9006

Cayman Islands

## HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

29/F, No. 1 Building, 2nd Compound

Ronghua South Road

Beijing Economic and

Technological Development Zone

Beijing, PRC

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1918, 19/F

Lee Garden One, 33 Hysan Avenue

Causeway Bay, Hong Kong

## LEGAL ADVISORS

*As to Hong Kong law*

Cooley HK

35/F, Two Exchange Square

8 Connaught Place, Central

Hong Kong

*As to PRC law*

Commerce & Finance Law Offices

12–14th Floor, China World Office 2

No. 1 Jianguomenwai Avenue

Beijing, PRC

## PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Palm Grove Unit 4  
265 Smith Road, George Town  
P.O. Box 52A Edgewater Way  
#1653, Grand Cayman KY1-9006  
Cayman Islands

## HONG KONG BRANCH SHARE REGISTRAR

Tricor Investor Services Limited  
17/F, Far East Finance Centre  
16 Harcourt Road  
Hong Kong

## PRINCIPAL BANKS

Bank of China (Hong Kong) Limited  
China Merchants Bank Co., Ltd.

## STOCK CODE

2167

## COMPANY WEBSITE

<https://www.ti-net.com.cn>

## FIVE-YEAR FINANCIAL SUMMARY

### CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND STATEMENTS OF COMPREHENSIVE LOSS<sup>(1)</sup>

	2025 RMB'000	Year ended December 31,			
		2024 RMB'000	2023 RMB'000	2022 RMB'000	2021 RMB'000
Revenue	549,685	506,355	446,846	383,244	401,897
Gross profit	277,165	262,396	214,776	184,943	182,703
Gross profit margin	50.4%	51.8%	48.1%	48.3%	45.5%
Profit/(Loss) before tax	60,534	35,393	(9,036)	(7,772)	18,486
Profit/(Loss) for the year	60,822	34,000	(8,631)	(7,511)	17,874

### CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION<sup>(1)</sup>

	2025 RMB'000	As of December 31,			
		2024 RMB'000	2023 RMB'000	2022 RMB'000	2021 RMB'000
<b>ASSETS</b>					
Non-current assets	193,502	159,677	129,931	70,290	15,126
Current assets	513,853	485,421	476,675	498,766	286,648
Total assets	707,355	645,098	606,606	569,056	301,774
<b>EQUITY</b>					
Equity attributable to owners of the Company	548,000	507,453	470,365	471,564	221,527
Total equity	548,000	507,453	470,365	471,564	221,527
<b>LIABILITIES</b>					
Non-current liabilities	4,318	2,882	5,570	3,425	2,709
Current liabilities	155,037	134,763	130,671	94,067	77,538
Total liabilities	159,355	137,645	136,241	97,492	80,247
Total equity and liabilities	707,355	645,098	606,606	569,056	301,774

Notes:

- (1) The summary of the condensed consolidated statements of profit or loss and statement of comprehensive loss for the year ended December 31, 2021, and the summary of condensed consolidated statements of financial position as of December 31, 2021 have been extracted from the Prospectus. Such summary is prepared as if the current structure of our Group had been in existence throughout these financial years and is prepared on the basis as set out in Note 2.1 to the audited consolidated financial statements.

# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW

We reached a strategic inflection point in 2025. With the emergence of agentic AI, the customer contact industry is undergoing a fundamental paradigm shift: AI is evolving from an assistive tool into an independent source of productivity. During the Reporting Period, we committed to an “AI-first” strategy, transitioning from providing contact tools to delivering measurable productivity outcomes, and establishing the Group’s second growth curve. Based on an in-depth assessment of industry trends, we believe the competitive focus has shifted from “feature-stacking software systems” to an “AI productivity platform that can deliver sustainable, measurable business outcomes.” Accordingly, our business model is also evolving from traditional “per-seat subscription” toward outcome-based pricing tied to measurable business results.

We officially launched ZENAVA, an AI productivity platform for customer service and marketing scenarios, achieving a paradigm shift from “providing tools” to “delivering measurable productivity”:

- **Scaled growth:** During the Reporting Period, revenue from AI Digital Labor Solutions reached RMB10.0 million, increasing approximately 30-fold from RMB0.3 million in 2024. As of December 31, 2025, annual recurring revenue for this business had reached RMB18.6 million. As the core engine of our AI strategy, ZENAVA demonstrated strong business penetration, with the platform’s daily token usage surpassing 10 billion, reflecting the volume and depth of AI-driven conversations processed by our platform. This milestone demonstrates that we now possess the foundational capability to support large-scale enterprise AI applications.
- **Depth of implementation:** We have successfully delivered AI Digital Labor Solutions to more than 120 enterprise customers, taking on multiple end-to-end business processes, including service consultation, transaction processing, precision marketing, merchant operations, and in-store appointment scheduling.
- **Competitive moat:** The closed-loop decision data accumulated by ZENAVA across hundreds of millions of interactions on a monthly basis is one of our core competitive advantages, making it difficult for competitors to catch up through algorithms alone. Through continuous iteration of our data assets, our AI solutions demonstrate competitive advantages characterized by continuous improvement and an expanding moat.

At the same time, our core SaaS business is undergoing a comprehensive transformation toward AI. Driven by our mission of “reshaping enterprise interactions with AI and delivering measurable productivity improvement,” we continue to promote deep integration of AI technology with our products and operational processes:

- **Empowering human employees:** Through our real-time agent assistant, we empower human agents to achieve significant improvements in service and marketing efficiency.
- **Empowering AI agents:** We provide enterprise-grade customer-contact infrastructure for third-party AI agents, embedding two decades of interaction-layer capabilities into the AI agent ecosystem.
- **Performance:** During the Reporting Period, revenue from AI-Augmented Solutions grew 70.3%, from RMB26.8 million in 2024 to RMB45.7 million in 2025.

## MANAGEMENT DISCUSSION AND ANALYSIS

Benefiting from the strong performance of these two AI business lines, revenue from our AI-related products (AI Digital Labor Solutions and AI-Augmented Solutions) increased by 105.1%, from RMB27.2 million in 2024 to RMB55.8 million in 2025, with the revenue contribution surpassing 10% for the first time. Over the past year, more than 50% of newly signed customers chose our AI solutions, reflecting the market's recognition of both "AI replacing labor" and "human-machine collaboration," and demonstrating the Group's enhanced ability to commercialize AI solutions at scale. Driven by AI, together with structural optimization of the core SaaS business and higher operating efficiency, our net profit grew 78.9%, from RMB34.0 million in 2024 to RMB60.8 million in 2025.

Overall, our revenue increased by 8.6% from RMB506.4 million in 2024 to RMB549.7 million in 2025, primarily due to the increase in revenue generated from AI-related solutions.

We have built a broad, high-quality, and loyal customer base across multiple industries, including technology, insurance, automotive, education, healthcare, FMCG, and manufacturing. By continuously creating measurable business value for our customers, we have established long-term, stable partnerships. During the Reporting Period, we maintained solid retention and, through in-depth engagement, helped customers improve service efficiency, optimize cost structures, and achieve their growth goals, reinforcing our commitment to mutual growth with our customers. We evaluate customer operating quality through both customer retention rate (defined as the proportion of existing customers from the immediately preceding period that remain our customers in the current period) and dollar-based net retention rate. Although retention and net retention slightly declined year over year due to budget tightening and the natural churn of some low-value customers, they remain within a healthy range, and expansion among high-value customers is becoming more pronounced. In 2025, the customer retention rate and dollar-based net retention rate for our SaaS customers were 75.5% and 108.4%, respectively (versus 77.9% and 111.2% in 2024).

### INDUSTRY INSIGHTS: CONTACT CENTERS ARE THE FIRST TO MOVE INTO AN "AI-DRIVEN" PARADIGM

Our management believes customer contact centers have become a primary use case for large language model commercialization. This paradigm shift is underpinned by four reinforcing dynamics:

- **Conversation is productivity:** The core workflow of customer contact involves high-frequency, intensive natural-language interaction, which naturally matches the capability profile of large language models. The maturity of real-time speech processing and low-latency inference enables AI to assume the primary role in conversations, systematically alleviating efficiency bottlenecks in traditional manual handling processes.
- **Closed-loop business processes and explicit ROI:** Customer service and marketing tasks have clear start/end points and quantifiable outcome metrics. This makes it easier to translate AI agent output directly into measurable operational benefits and cost savings, significantly shortening enterprise procurement decision cycles.
- **High-density data-driven feedback loop:** The large volumes of unstructured voice and text data accumulated daily in contact centers provide valuable corpora for model fine-tuning and knowledge engineering.
- **End-to-end workflow automation:** Customer contact work is highly digitized. AI agents can seamlessly access internal enterprise systems such as ERP and CRM, and reliably handle the full process from data collection to task execution and result write-back, achieving true end-to-end automation.

# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS OVERVIEW

We offer a broad array of AI-native and cloud-native customer contact solutions to create exceptional customer experiences for enterprise clients and expand the frontiers of artificial intelligence applications, thereby achieving measurable business impact.

### Our Offerings

We classify our products and solutions into four categories: (i) AI Digital Labor Solutions, (ii) AI-Augmented Solutions, (iii) Cloud Contact Center Solutions (collectively, the “**SaaS Model**”), and (iv) VPC and Other Solutions.

### *AI Digital Labor Solutions*

Built on an agentic architecture, our AI digital employees operate with full autonomy across a closed loop of perception, decision and execution. Unlike traditional rule-based bots, AI digital employees are capable of handling end-to-end tasks in complex business interaction scenarios, delivering measurable productivity improvements while fundamentally reshaping the enterprise labor structure.

*Core value 1: End-to-end automated delivery.* Through deep integration with enterprise back-end systems (ERP, CRM, and other core business systems), AI digital employees achieve a leap from “semantic understanding” to “business operations.” In high-frequency scenarios such as customer service consultation, proactive marketing, and existing-customer operations, AI digital employees can independently complete complex transaction flows such as order changes and returns, account opening and applications, and benefit redemption – delivering a “zero human intervention” closed loop for standardized business processes.

*Core value 2: Structural reshaping of ROI.* We help enterprises shift contact centers from “labor-intensive” to “compute-intensive,” significantly reducing the marginal cost per interaction and providing near-infinite elasticity for service scaling. Meanwhile, AI digital employees eliminate performance inconsistencies that arise when human agents handle high volumes over extended periods, ensuring consistently high-quality output at all times.

### *Flagship product: ZENAVA*

In 2025, we launched ZENAVA, an AI productivity platform for customer service and marketing. Unlike fixed-rule automation tools, ZENAVA centers on “AI employees,” enabling natural conversation, tool invocation to execute tasks, and continuous iteration through operations – helping enterprises deliver more efficient and scalable customer service and marketing execution. ZENAVA has already been deployed across industries including consumer retail, automotive, software & IT services, hotels, and tourism, becoming a new perceivable and measurable productivity solution that helps enterprises drive incremental revenue, restructure costs, and improve service experience.

# MANAGEMENT DISCUSSION AND ANALYSIS

Case 1: A leading payments giant – A cost reduction & efficiency improvement engine under high concurrency

- **Background & pain points:** Annual transaction volume exceeded RMB1 trillion. Business growth far outpaced service capacity; the traditional manual model faced extremely high labor costs and regulatory compliance pressure.
- **AI implementation:** Introduced ZENAVA voice agents and built a 24/7 service matrix; 50 AI voice agents effectively assumed the workload of 75 traditional human roles.
- **Results:** Reduced annual operating costs by approximately RMB9 million. While sustaining rapid business growth, the solution effectively curbed complaint rates and achieved a closed loop from regulatory risk reduction to financial returns.

Case 2: A top Smart Lock brand – “AI installation & after-sales end-to-end digital employees” for smart home

- **Background & pain points:** Smart lock installation appointments and after-sales inquiries (e.g., battery replacement, network setup) generated significant volumes of standardized demand; manual handling was inefficient and resulted in a poor user experience.
- **AI implementation:** Deployed ZENAVA AI digital employees, including both text and voice agents. In voice interaction scenarios, AI employees can naturally collect information as a human agent would, create installation tickets, and automatically follow up after completion; in the after-sales context, through multi-turn dialogue combined with images, ZENAVA AI employees can accurately identify issues and guide users to resolve standardized problems quickly.
- **Results:** Independent AI handling rate increased to 86%, saving over 50% of labor costs.

# MANAGEMENT DISCUSSION AND ANALYSIS

## *AI-Augmented Solutions*

Our AI-augmented solutions enable contact centers to transition from the “human era” to the “intelligent era,” providing enterprises with a flexible and progressive AI upgrade path. This solution both enhances human performance and serves as infrastructure to empower a broader AI agent ecosystem, mainly including:

- **Real-time agent assistant (AI Copilot):** Centered on a collaboration paradigm of “human-led, AI-assisted,” AI Copilot provides millisecond-level decision support for human agents, across the full interaction lifecycle: automatically summarizing customer profiles before the conversation, providing real-time scripts, knowledge recommendations, and emotion alerts during the conversation, and automatically generating business summaries and analysis after the conversation. With real-time AI empowerment, enterprises can ensure consistently high-quality interaction output, significantly improving first-contact resolution (FCR) and lead conversion rate. This product is designed to narrow the performance gap among human agents and elevate each agent to top-performer standards.
- **Cloud contact platform capabilities for AI Agents:** Positioned as the customer-contact hub for the AI agent ecosystem, our cloud contact platform provides third-party agents with high-concurrency, low-latency, secure, and compliant interaction interfaces, enabling external AI agents to connect to our conversational foundation reliably and securely, reach end users, and complete closed-loop tasks.
- **Intelligent NLP bots:** Focused on intent recognition, semantic understanding, and intelligent routing in high-frequency business scenarios. By accurately intercepting simple repetitive inquiries, the system can automatically distribute traffic, freeing human resources to handle more complex and high-value customer needs.

## *Cloud Contact Center Solutions*

We deliver cloud-native customer contact services in a SaaS model. Customers can build contact capabilities without upfront software or hardware investment. Services are deployed in a public cloud environment on a subscription basis and customers can adjust the number of seats flexibly according to their business needs. This category covers products such as call centers and online customer service, aiming to help enterprises conduct customer interactions efficiently anytime, anywhere, and improve service efficiency and operational quality with intelligent tools.

## *VPC and Other Solutions*

- **VPC solutions:** Deployed in a virtual private cloud environment for customers with stringent security requirements (typically large state-owned enterprises and multinational companies). VPC projects are often delivered in a project-based model and may include customized services.
- **Other services and product sales:** To meet the temporary needs of existing customers, we provide other services and sell supporting products.

# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS OUTLOOK

Historically, when software served primarily as an assistive tool for corporate employees, TI Cloud focused on providing operational software tools for enterprise customer service and marketing teams to enhance their productivity and process standardization.

The advent of the Agentic AI era marks a paradigm shift in the customer contact domain. To this end, TI Cloud has introduced an organizational model centered on “Business Experts supported by AI Employees,” which is being increasingly adopted and recognized by enterprise clients. In this paradigm of “Led by humans, executed by AI Agents,” AI Agents are no longer simple auxiliary tools but “AI Employees” capable of independently planning, executing, and optimizing business processes. These AI digital employees will work side by side with our clients’ full-time employees. They can understand customer needs, independently handle inquiries and marketing tasks, and proactively complete work alongside human colleagues, creating value on their own. AI Agents are becoming a “new workforce” that our enterprise clients can flexibly configure and call upon on-demand. Human employees, in turn, transition from executing routine tasks to planning strategy and overseeing AI performance. In the future, we are committed to providing AI digital employees for our enterprise clients’ customer contact scenarios, becoming the preferred business partner of our enterprise clients.

As AI Agents enter the acceleration phase, TI Cloud will implement the following strategies to drive market expansion and strengthen our competitiveness in the AI era:

- Establish a “scenario → data → model → value” AI growth flywheel in multiple customer market verticals. In the field of customer contact, a successful AI growth model does not stem from a single technological breakthrough but from a closed-loop growth flywheel. Similarly, a successful AI Agent product is not a general-purpose solution but a specialized digital employee designed to address a specific business need. We believe this growth flywheel, composed of four key elements, namely scenario definition, data accumulation, model optimization, and customer value creation, is the key path for AI Agents to achieve large-scale commercialization in the customer contact domain.
- Transform “conversational AI Agents” into TI Cloud’s core product, and invest our main R&D resources into AI-related technology, especially in the practical application of model fine-tuning, knowledge engineering, and natural human-machine integration based on industry scenarios. Meanwhile, we will actively explore the latest AIGC and Agentic AI technology both domestically and internationally, and continue to advance the application of “AI + customer contact solutions.”
- Effectively strengthen our sales and marketing capabilities, advancing AI Agents from concept to a proven productivity solution for customer contact. This involves clearly defining the contact scenarios for clients in different industries, enabling us to provide digital employees for more enterprise clients. In the future, we will continue to expand our sales coverage in the Bohai Rim, East China, Pearl River Delta, and Chengdu-Chongqing regions and implement the Account-Based Marketing methodology to enhance customer acquisition efficiency.

# MANAGEMENT DISCUSSION AND ANALYSIS

## FINANCIAL REVIEW

### Revenue

Our revenue increased by 8.6% from RMB506.4 million in 2024 to RMB549.7 million in 2025, primarily attributable to an increase in revenue generated from AI-related solutions.

### Revenue by businesses

In 2025, we derived our revenue from providing (i) AI Digital Labor Solutions, (ii) AI-Augmented Solutions, (iii) Cloud Contact Center Solutions, and (iv) VPC and Other Solutions. The following table sets forth a breakdown of our revenue by businesses for the periods indicated.

	2025		2024		Year-on-year change
	RMB'000	Percentage of total	RMB'000	Percentage of total	
SaaS Model	517,438	94.1%	474,428	93.7%	9.1%
AI Digital Labor Solutions	10,033	1.8%	333	0.1%	2,920.0%
AI-Augmented Solutions	45,728	8.3%	26,857	5.3%	70.3%
Cloud Contact Center Solutions	461,677	84.0%	447,238	88.3%	3.2%
VPC and Other Solutions	32,247	5.9%	31,927	6.3%	1.0%
<b>Total</b>	<b>549,685</b>	<b>100.0%</b>	<b>506,355</b>	<b>100.0%</b>	<b>8.6%</b>

In 2025, we generated a revenue of RMB517.4 million from the SaaS model, representing an increase of 9.1% from RMB474.4 million in 2024. In the same period, we served a total number of 3,019 group clients under the SaaS model, decreasing by 13.6% from 3,496 in 2024, as a result of our increased focus on high-value clients.

In 2025, we generated a revenue of RMB32.2 million from the VPC and other solutions, representing a slight increase of 1.0% from RMB31.9 million in 2024. In the same period, we served 89 VPC clients, as compared to 91 in 2024.

### Cost of sales

Our cost of sales increased by 11.7% from RMB244.0 million in 2024 to RMB272.5 million in 2025. The increase was mainly driven by the increase in our revenue during the same period.

## MANAGEMENT DISCUSSION AND ANALYSIS

The following table sets forth our cost of sales by businesses both in absolute amount and as a percentage of our total cost for the periods indicated.

	For the Year Ended December 31,				
	2025		2024		Year-on- Year change
	RMB'000	Percentage of total	RMB'000	Percentage of total	
SaaS Model	256,238	94.0%	227,977	93.4%	12.4%
AI Digital Labor Solutions	5,944	2.2%	209	0.1%	2,757.0%
AI-Augmented Solutions	15,592	5.7%	10,017	4.1%	55.7%
Cloud Contact Center Solutions	234,702	86.1%	217,751	89.3%	7.8%
VPC and Other Solutions	16,282	6.0%	15,982	6.6%	1.9%
<b>Total</b>	<b>272,520</b>	<b>100.0%</b>	<b>243,959</b>	<b>100.0%</b>	<b>11.7%</b>

### Gross profit and gross profit margin

As a result of the foregoing, we recorded (i) a gross profit of RMB262.4 million and RMB277.2 million in 2024 and 2025, respectively, and (ii) a gross profit margin of 51.8% and 50.4% in 2024 and 2025, respectively.

The following table sets forth a breakdown of our gross profit and gross profit margin by businesses for the periods indicated.

	For the Year Ended December 31,			
	2025		2024	
	Gross profit RMB'000	Gross profit margin	Gross profit RMB'000	Gross profit margin
SaaS Model	261,200	50.5%	246,451	51.9%
AI Digital Labor Solutions	4,089	40.8%	124	37.4%
AI-Augmented Solutions	30,136	65.9%	16,840	62.7%
Cloud Contact Center Solutions	226,975	49.2%	229,487	51.3%
VPC and Other Solutions	15,965	49.5%	15,945	49.9%
<b>Total</b>	<b>277,165</b>	<b>50.4%</b>	<b>262,396</b>	<b>51.8%</b>

# MANAGEMENT DISCUSSION AND ANALYSIS

## Other income and gains

Our other income and gains decreased by 5.1% from RMB11.8 million in 2024 to RMB11.2 million in 2025, primarily due to a decrease in bank interest income.

The following table sets forth a breakdown of the components of our other income and gains in absolute amount and as a percentage of our total other income and gains for the periods indicated.

	For the Year Ended December 31,			
	2025		2024	
	RMB'000	Percentage of total	RMB'000	Percentage of total
<b>Other Income:</b>				
Bank interest income	6,731	60.0%	8,126	68.7%
Investment income from financial investments at amortised cost	811	7.2%	485	4.1%
Investment income from financial investments at fair value through profit or loss	769	6.9%	1,298	11.0%
Government grant	1,539	13.7%	1,793	15.1%
Others	463	4.1%	42	0.4%
<b>Gains:</b>				
Fair value gains on financial investments at fair value through profit or loss	685	6.1%	0	0.0%
Foreign exchange gains, net	226	2.0%	0	0.0%
Gain on early termination of leases	2	0.0%	84	0.7%
<b>Total</b>	<b>11,226</b>	<b>100%</b>	<b>11,828</b>	<b>100%</b>

## Selling and distribution expenses

Our selling and distribution expenses stayed relatively stable at RMB111.4 million in 2024 and RMB111.5 million in 2025.

## Administrative expenses

Our administrative expenses increased by 22.8% from RMB38.8 million in 2024 to RMB47.7 million in 2025, mainly due to an increase in employee compensation.

# MANAGEMENT DISCUSSION AND ANALYSIS

## Research and development expenses

Our research and development expenses decreased by 15.6% from RMB82.3 million in 2024 to RMB69.4 million in 2025, mainly due to the effective optimization of our R&D processes, which improved our R&D efficiency and productivity.

The following table sets forth a breakdown of the major components of our research and development expenses both in absolute amount and as a percentage of revenue for the periods indicated.

	For the Year Ended December 31,			
	2025		2024	
	RMB'000	Percentage of total	RMB'000	Percentage of total
<b>Research and Development Expenses:</b>				
Employee benefit expenses	60,148	86.7%	75,662	92.0%
Others <sup>(1)</sup>	9,264	13.3%	6,602	8.0%
<b>Total</b>	<b>69,412</b>	<b>100.0%</b>	<b>82,264</b>	<b>100.0%</b>

Note:

- (1) Our other research and development expenses mainly consisted of (i) depreciation of property, plant and equipment, (ii) amortisation of intangible assets, and (iii) other miscellaneous fees.

## Impairment losses on financial assets

We recorded a reversal of impairment loss on financial assets of RMB1.2 million in 2025, as compared to an impairment loss on financial assets of RMB4.6 million in 2024, due to a decrease in the proportion of long-term receivables.

## Other expenses and losses

We recorded other expenses and losses of RMB1,203 thousand in 2024 and RMB167 thousand in 2025.

## Finance cost

Our finance costs represent interest expenses on our lease liabilities. Our finance costs amounted to RMB469 thousand and RMB334 thousand in 2024 and 2025, respectively.

## Profit for the year

As a result of the foregoing, we generated a profit of RMB34.0 million in 2024 and a profit of RMB60.8 million in 2025, which was primarily attributable to an increase in revenue generated from AI-Augmented Solutions and Cloud Contact Center Solutions.

# MANAGEMENT DISCUSSION AND ANALYSIS

## Contract assets

Our contract assets decreased by 76.6% from RMB1.1 million as of December 31, 2024 to RMB0.3 million as of December 31, 2025, mainly due to a decrease in our VPC and other solutions business.

## Financial investments at fair value through profit or loss

Our financial investments at fair value through profit or loss decreased by 24.8% from RMB58.4 million as of December 31, 2024 to RMB44.0 million as of December 31, 2025, primarily due to a decrease in structured deposits as of December 31, 2025.

## Financial Position, Liquidity and Capital Resources

We have adopted a prudent treasury management policy. To manage the liquidity risk, we monitor and maintain a level of cash and cash equivalents deemed adequate by our senior management to finance our operations and mitigate the effects of fluctuations in cash flows.

In 2025, we funded our cash requirements principally from cash generated from operating activities. Our cash and cash equivalents represent cash and bank balances. We had cash and cash equivalents of RMB158.6 million as stated in the consolidated statement of financial position as of December 31, 2025. As of December 31, 2025, our Group did not have any interest-bearing bank and other borrowings. Thus, neither the gearing ratio nor the debt-to-equity ratio was applicable to our Group.

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

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Net cash generated from operating activities	42,514	37,112
Net cash generated from/(used in) investing activities	2,869	(62,413)
Net cash used in financing activities	(23,125)	(7,764)
Net increase/(decrease) in cash and cash equivalents	22,258	(33,065)
Cash and cash equivalents at the beginning of the year	136,579	169,472
Effects of foreign exchange rate changes, net	(220)	172
<b>Cash and cash equivalents at the end of the year</b>	<b>158,617</b>	<b>136,579</b>

Going forward, we believe that our liquidity requirements will be satisfied by using a combination of cash generated from operating activities and the net proceeds received from the Global Offering. We currently do not have any other plans for material additional external financing.

# MANAGEMENT DISCUSSION AND ANALYSIS

## Net Cash Generated from Operating Activities

In 2025, net cash generated from operating activities was RMB42.5 million, which was primarily attributable to our profit before tax of RMB60.5 million, as adjusted by (i) non-cash items, which primarily comprised of depreciation of right-of-use assets of RMB6.7 million and interest income of RMB6.7 million, and (ii) changes in working capital, which primarily comprised of an increase in trade receivables of RMB28.7 million, an increase in restricted cash of RMB17.0 million, and an increase in contract liabilities of RMB15.6 million.

In 2024, net cash generated from operating activities was RMB37.1 million, which was primarily attributable to our profit before tax of RMB35.4 million, as adjusted by (i) non-cash items, which primarily comprised of depreciation of right-of-use assets of RMB7.4 million and interest income of RMB8.1 million, and (ii) changes in working capital, which primarily comprised of an increase in trade receivables of RMB19.5 million, and an increase in contract liabilities of RMB6.1 million.

## Net Cash Generated from/(Used in) Investing Activities

In 2025, net cash generated from investing activities was RMB2.9 million, which was primarily attributable to payments of RMB230.2 million for placement of time deposits with original maturity over three months, and purchase of financial investments at fair value through profit or loss of RMB201.0 million, which was partially offset by proceeds of RMB253.4 million from withdrawal of time deposits with original maturity over three months when acquired.

In 2024, net cash used in investing activities was RMB62.4 million, which was primarily attributable to payments of RMB381.0 million for placement of time deposits with original maturity over three months, which was partially offset by proceeds of RMB337.8 million from withdrawal of time deposits with original maturity over three months when acquired.

## Net Cash Used in Financing Activities

In 2025, net cash used in financing activities was RMB23.1 million, which was attributable to payments of dividend of RMB15.9 million.

In 2024, net cash used in financing activities was RMB7.8 million, which was attributable to payments of lease principal.

## Significant Investments Held

The Group did not make or hold any significant investments during the Reporting Period.

## Future Plans for Material Investments and Capital Assets

As of December 31, 2025, we did not have plans for material investments and capital assets.

# MANAGEMENT DISCUSSION AND ANALYSIS

## Material Acquisitions and/or Disposals of Subsidiaries and Affiliated Companies

We did not have any material acquisitions and/or disposals of subsidiaries and affiliated companies for the year ended December 31, 2025.

## Environmental, Social and Governance

We are committed to promoting corporate social responsibility and sustainable development and integrating it into all major aspects of our business operations.

While our business operations do not produce pollutants that directly affect the environment, we have implemented internal policies to reduce our environmental impact and carbon footprint, such as sending daily energy-saving reminders to employees, which urge them to turn off indoor lights, electronic equipment and air conditioning in time after leaving the meeting room and before getting off work; imposing temperature controls for air conditioning; and setting up a wastebasket to recycle paper that can be reused (such as those with only one side used).

We are committed to corporate responsibility projects, both through charitable endeavors and by extending the benefits of our ecosystem to the society at large. We have been continuously dedicating ourselves to the development of social and public welfare undertakings. By building staff volunteer teams, we encourage and organize our employees to participate in various voluntary activities. We also keep close ties with the public and continuously strive to improve people's well-being. Since 2020, the Company has donated around RMB556,600 for charity and other purposes.

We are committed to cultivating a collaborative company culture that inspires teamwork. We value the contribution of each employee in different roles and strive to provide a fair and balanced compensation scheme that provides proper incentives.

During the Reporting Period, our Board has the collective responsibility for formulating, adopting and reviewing our environmental, social and corporate governance (“**ESG**”) vision, policy and target, and evaluating, determining and addressing our ESG-related risks at least once a year. During the Reporting Period, our Board engaged an independent third party to evaluate our ESG risks and review our existing strategy, target and internal controls.

# MANAGEMENT DISCUSSION AND ANALYSIS

## Employee and Remuneration Policy

The following table sets forth the numbers of our employees dedicated to our business and operations categorized by function as of December 31, 2025.

Function	Number of Employees	% of Total
Research and development	167	37.4%
Sales	144	32.3%
Operations	103	23.1%
Management	32	7.2%
<b>Total</b>	<b>446</b>	<b>100.0%</b>

As required by laws and regulations in the People's Republic of China ("PRC"), we participate in various employee social security plans that are organized by municipal and provincial governments, including, among other things, pension, medical insurance, unemployment insurance, maternity insurance, on-the-job injury insurance and housing fund plans through a PRC government-mandated benefit contribution plan. We are required under PRC law to make contributions to employee benefit plans at specified percentages of the salaries, bonuses and certain allowances of our staff, up to a maximum amount specified by the local government from time to time.

We continuously invest in the training and career development of our employees. We have established a comprehensive training and development system covering corporate culture, employee rights and responsibilities, job performance, technical skills and safety management. We also support the health and well-being of our employees by, among other measures, offering free annual health checkups.

The Company also has a pre-IPO employee share incentive plan ("**Share Incentive Plan**").

The Share Incentive Plan provides for awards of RSUs, shares issued subject to forfeiture or repurchase by the Company until vested, and other share-based awards or rights. The Share Incentive Plan shall be valid and effective until the close of business of the Company on the date which falls ten years after May 13, 2021 (being the adoption date). During the Reporting Period, no new grants were made under the Share Incentive Plan.

The total remuneration expenses, including share-based payments, for the year ended December 31, 2025 were RMB180.2 million, as compared to RMB197.2 million for the year ended December 31, 2024, representing a year-on-year decrease of 8.6%.

# MANAGEMENT DISCUSSION AND ANALYSIS

## Foreign Exchange Risk

We conduct our businesses mainly in Renminbi (“**RMB**”). Foreign exchange risk arises when future commercial transactions or recognized financial assets and liabilities are denominated in a currency that is not the respective functional currency of our entities. Throughout the year ended December 31, 2025, exchange gains and losses from foreign currency transactions denominated in a currency other than the functional currency were insignificant. The Board does not expect that the fluctuation of RMB exchange rate and other foreign exchange fluctuations will have a material impact on the business operations of the Group. The Group currently has no hedging policy with respect to foreign exchange risks. Therefore, the Group has not entered into any hedging transactions to manage potential fluctuation in foreign currencies.

## Capital Commitments

As of December 31, 2025, we had no capital commitment.

## Contingent Liabilities

As of December 31, 2025, we did not have any material contingent liabilities or guarantees.

## Important Events after the End of the Reporting Period

The Company repurchased a total of 115,400 ordinary shares of the Company (the “**Shares**”) at an aggregate consideration of HK\$487,628 from January 2026 to February 2026. See “Purchase, Sale or Redemption of the Company’s Listed Securities.”

As of the date of this report, there were no other significant events that might affect the Group since December 31, 2025.

# DIRECTORS AND SENIOR MANAGEMENT

## BOARD OF DIRECTORS

The Board consists of five Directors, including two Executive Directors and three independent non-executive Directors. The table below sets forth the information regarding the Board:

Name	Age	Positions(s)
<b>Directors</b>		
Mr. WU Qiang (吳強)	55	Executive Director, Chairman of the Board and Chief Executive Officer
Mr. PAN Wei (潘威)	54	Executive Director
Mr. LI Jin (李晉)	53	Former executive Director ( <i>resigned on November 21, 2025 with immediate effect</i> )
Ms. WENG Yang (翁陽)	54	Independent non-executive Director
Mr. LI Pengtao (李鵬濤)	50	Independent non-executive Director
Mr. LI Zhiyong (李志勇)	54	Independent non-executive Director

## Executive Directors

**Mr. WU Qiang (吳強)**, aged 55, is an executive Director, Chairman of the Board, Chief Executive Officer and founder of our Company. Mr. Wu was appointed as our Director on March 31, 2021, and re-designated as our executive Director on May 26, 2021. Mr. Wu is also the chairman of the Nomination Committee and the ESG Committee, and a member of the Remuneration Committee. Mr. Wu founded our Group in 2006. He has served as the president of T&I Net Communication since June 2006; director of Shanghai Tianrun Rongtong since November 2012; a director of Asialnfo Security Technology Co., Ltd. (亞信安全科技股份有限公司) since September 2023.

After obtaining his master's degree in 2000, Mr. Wu worked at China Netcom (中國網絡通信有限公司) and held various positions from 2000 to 2006 successively. Mr. Wu has also been serving as an executive director of Beijing Yunhao Xingye Investment Consulting Co., Ltd. (北京雲昊興業投資顧問有限公司) since June 2015.

Mr. Wu received a bachelor's degree in industrial management engineering from Dalian University of Technology (大連理工大學) in July 1994 and a master's degree in business administration from Tsinghua University (清華大學) in June 2000.

**Mr. PAN Wei (潘威)**, aged 54, is an executive Director, Vice President and a member of the ESG Committee of our Company. Mr. PAN Wei ("**Mr. Pan**") was appointed as our Director on May 20, 2021 and re-designated as our executive Director on May 26, 2021. Mr. Pan joined our Group in September 2009. He has been serving as the deputy general manager of T&I Net Communication since September 2009.

Prior to joining our Company in September 2009, Mr. Pan worked at Beijing Jinggao Integrated Communication Equipment Co., Ltd. (北京京高綜合通信設備有限公司) as the regional manager from 1994 to 1998. From January 2007 to September 2009, Mr. Pan served as the chief operating officer at Beijing VIVA Information Technology Co. Ltd. (北京維旺明信息技術有限公司). Mr. Pan has been serving as a supervisor of Beijing Yunhao Xingye Investment Consulting Co., Ltd. since May 2018.

Mr. Pan received a bachelor's degree in precision equipment from Beijing University of Posts and Telecommunications (北京郵電大學) in July 1994 and a master's degree in business administration from Tsinghua University (清華大學) in June 2000.

# DIRECTORS AND SENIOR MANAGEMENT

## Independent Non-Executive Directors

**Ms. WENG Yang (翁陽)**, aged 54, has been an independent non-executive Director from the Listing Date. She is also a member of the Audit Committee, Nomination Committee and the ESG Committee.

Ms. WENG Yang (“**Ms. Weng**”) worked at China International Capital Corporation Limited (中國國際金融股份有限公司) from July 2000 to October 2017, holding various positions including the managing director of investment banking division and fixed income division. As confirmed by Ms. Weng, prior to 2016, Ms. Weng worked at the fixed income product department under the Investment Banking Division of China International Capital Corporation Limited. After 2016, Ms. Weng transferred to the Fixed Income Division, a division in parallel with the Investment Banking Division. Ms. Weng acquired extensive capital markets and corporate governance experience during her tenure at China International Capital Corporation Limited, where her work all related to fixed income products, such as the offering of debt securities.

Ms. Weng received a bachelor’s degree in library science from Nanjing University (南京大學) in July 1993 and a master’s degree in business administration from Tsinghua University (清華大學) in June 2000.

**Mr. LI Pengtao (李鵬濤)**, aged 50, has been an independent non-executive Director, the chairman of the Remuneration Committee and a member of the Audit Committee and the Nomination Committee from the Listing Date.

Mr. LI Pengtao served as the head of administration department of Beijing Jingdong Shangke Information Technology Co., Ltd. (北京京東尚科信息技術有限公司) from March 2012 to July 2020, from which he has acquired extensive corporate governance experience. Mr. LI Pengtao served as the general partner at Gongqingcheng Shanban Xingyuan Investment Partnership (Limited Partnership) (共青城山般星元投資合夥企業(有限合夥)) from October 2020 to August 2023, where he was mainly responsible for the overall business operation. Mr. LI Pengtao has been serving as the executive director, manager and legal representative of Shanghai Suhe Technology Co., Ltd. (上海速禾科技有限公司) since September 2020. Since August 2021, he has been serving as the executive director, manager and legal representative of Beijing Shuwei Technology Co., Ltd. (北京數緯科技有限公司).

Mr. LI Pengtao received a bachelor’s degree in aircraft manufacturing engineering and a master’s degree in aerospace manufacturing engineering from Northwestern Polytechnical University (西北工業大學) in July 1998 and April 2001, respectively. In July 2010, Mr. LI Pengtao received a master’s degree in business administration from Tsinghua University (清華大學).

**Mr. LI Zhiyong (李志勇)**, aged 54, has been an independent non-executive Director, the chairman of the Audit Committee and a member of the Remuneration Committee from the Listing Date.

In March 2001, Mr. LI Zhiyong joined Wison Engineering Ltd. (惠生工程(中國)有限公司) (“**Wison Engineering**,” formerly known as Shanghai Wison Chemical Engineering Co., Ltd. (上海惠生化工工程有限公司)) and served as the financial controller until March 2011. Mr. LI Zhiyong also served as an executive director of Wison Engineering Services Co., Ltd. (惠生工程技術服務有限公司) from June 2007 to April 2011. From February 2012 to November 2013, Mr. LI Zhiyong was the chief financial officer of Jiangsu Shenma Electric Co., Ltd. (江蘇神馬電力股份有限公司) (“**Jiangsu Shenma**”). From March 2014 to December 2016, Mr. LI Zhiyong was a partner and the general manager of Vado Consulting (Shanghai) Co., Ltd (凡道管理諮詢(上海)有限公司). From January 2017 to August 2020, Mr. LI

## DIRECTORS AND SENIOR MANAGEMENT

Zhiyong served as the executive director and chief financial officer of Wison Engineering whose shares are listed on the Stock Exchange (stock code: 2236). From August 2020 to August 2023, Mr. LI Zhiyong has been serving as an independent director in Jiangsu Shenma, a company whose shares are listed on the Shanghai Stock Exchange (stock code: 603530). Since August 2020, Mr. LI Zhiyong has been serving as the chief financial officer of Shanghai Wison Offshore & Marine Co., Ltd. (上海惠生海洋工程有限公司). He has served as the executive affairs partner of Shanghai Huizhuo Enterprise Management Center (Limited Partnership) (上海慧卓企業管理中心(有限合夥)) since October 2020. Since March 2022, Mr. Li has been serving as an executive director of Nantong Wison Wind Power Technology Co., Ltd. (南通惠生風電科技有限公司). Since September 2022, Mr. Li has been serving as a director of Zhiyi (Zhejiang Zhoushan) Wind Power Equipment Intelligent Manufacturing Co., Ltd. (之屹(浙江舟山)風電裝備智慧製造有限公司). Mr. LI Zhiyong served as the executive director, general manager and legal representative of Wison (Zhoushan) New Energy Research Institute Co., Ltd. (惠生(舟山)新能源研究院有限公司) from June 2023 to January 2025. Mr. LI Zhiyong has served as the executive affairs partner of Nantong Huijin Enterprise Management Center (Limited Partnership) (南通慧錦企業管理中心(有限合夥)) since October 2023 and a director of Wison Clean Energy Technology Group Co., Ltd. (惠生清潔能源科技集團股份有限公司) since December 2023.

Mr. LI Zhiyong received a bachelor's degree in electrical technology from Nanjing University of Aeronautics and Astronautics (南京航空航天大學) in July 1993, a master of business administration degree from Tsinghua University (清華大學) in June 2000 and a master of business administration degree jointly conferred by Northwestern University (the United States of America) and The Hong Kong University of Science and Technology (Hong Kong) in June 2011.

Mr. LI Zhiyong was recognized as a Chartered Financial Analyst by the CFA Institute in September 2009.

Mr. LI Zhiyong possesses appropriate professional accounting or related financial management expertise required under Rule 3.10(2) of the Listing Rules and confirms that he has gained such expertise through his experiences, including the following:

- serving as the financial controller of Wison Engineering from March 2001 to March 2011;
- serving as the chief financial officer of Jiangsu Shenma from February 2012 to November 2013; and
- serving as the chief financial officer of Wison Engineering from January 2017 to August 2020.

### Change in Director

On November 21, 2025, Mr. Li Jin has tendered his resignation as an executive Director with effect from November 21, 2025 due to work adjustment. Mr. Li has confirmed that he has no disagreement with the Board and there are no matters in relation to his resignation that need to be brought to the attention of the Stock Exchange or the Shareholders. For further details, please refer to the Company's announcement in relation to the resignation of executive Director dated November 21, 2025.

# DIRECTORS AND SENIOR MANAGEMENT

## JOINT COMPANY SECRETARIES

**Mr. WANG Huan (王歡)**, aged 39, the head of our Securities Legal Department since November 2020, was appointed as one of our joint company secretaries on May 26, 2021.

Prior to joining our Group in November 2020, Mr. WANG Huan (“**Mr. Wang**”) served as an integrated teller at the Langfang branch of Bank of China (中國銀行廊坊分行) from July 2010 to September 2011; manager of securities department and legal affairs of Staidson (Beijing) BioPharmaceuticals Co., Ltd. (舒泰神(北京)生物製藥股份有限公司) from July 2012 to December 2016; senior securities manager of Guangdong Chutian Dragon Intellectual Card Co., Ltd. (廣東楚天龍智能卡有限公司) from April 2017 to October 2017; deputy general manager and board secretary of Beyondsoft Corporation (博彥科技股份有限公司) from February 2018 to January 2019; and deputy general manager of Hebei Jindiao Enterprise Management Co., Ltd. (河北金雕企業管理有限公司) from February 2019 to October 2020.

Mr. Wang received a bachelor’s degree in law in June 2010 and a bachelor’s degree in business administration in June 2009 from Jilin University (吉林大學), respectively. He received a master’s degree in business administration in June 2025 from Chinese Academy of International Trade and Economic Cooperation (商務部國際貿易經濟合作研究院).

Mr. Wang acquired PRC Legal Professional Qualification Certificate from PRC Ministry of Justice in August 2010 and was certified as board secretary in November 2012 and independent director in June 2017 from Shenzhen Stock Exchange, respectively.

**Mr. LUI Wing Yat Christopher (呂穎一)**, aged 36, was appointed as one of our joint company secretaries on November 29, 2021 and a senior manager of corporate services of Tricor Services Limited.

Mr. LUI Wing Yat Christopher (“**Mr. Lui**”) has over ten years of experience in the corporate secretarial field. He has been working for Tricor Services Limited since October 2011. He has been providing professional corporate services to Hong Kong listed companies as well as multinational, private and offshore companies. Mr. Lui is currently the joint company secretary of BioDlink International Company Limited (a company listed on the Stock Exchange (stock code: 1875)) and HBM Holdings Limited (a company listed on the Stock Exchange (stock code: 2142)), and the company secretary of CARsgen Therapeutics Holdings Limited (a company listed on the Stock Exchange (stock code: 2171)) and Helens International Holdings Company Limited (a company listed on the Stock Exchange (stock code: 9869)).

Mr. Lui received his bachelor’s degree of science in economics and statistics from University College London in the United Kingdom in August 2011. He became a chartered secretary and an associate of both the Hong Kong Chartered Governance Institute and the Chartered Governance Institute in the United Kingdom in 2017.

## SENIOR MANAGEMENT

Mr. WU Qiang and Mr. PAN Wei are each an executive Director of our Company and also a member of our senior management team. For further details, please refer to “– Executive Directors” for details of their biography.

## DIRECTORS' REPORT

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

### GENERAL INFORMATION

The Company was incorporated in the Cayman Islands under the Companies Act as an exempted company with limited liability on March 31, 2021.

The Shares were listed on the Main Board of the Stock Exchange on June 30, 2022.

### PRINCIPAL ACTIVITIES

The Company is an investment holding company. We offer a broad array of cloud-native customer contact solutions, which are communication solutions that enable enterprises to engage in multi-channel customer interactions. The Company's subsidiaries registered in the PRC are principally engaged in the provision of artificial intelligence-based cloud customer contact solution software and related services in SaaS model and VPC model. There were no significant changes in the nature of the Group's principal activities since the Listing Date and up to the date of this report. Please refer to Note 1 to the consolidated financial statements for details of the principal activities of the principal subsidiaries of the Company.

### SUBSIDIARIES

Particulars of the Company's principal subsidiaries are set out in Note 1 to the consolidated financial statements.

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

During the Reporting Period and as of the date of this report, the Company repurchased a total of 314,000 Shares on the Stock Exchange for an aggregate consideration of approximately HK\$1,040,638 before expenses. As at the date of this report, all such repurchased Shares are held by our Company as treasury Shares. The repurchase was effected for the enhancement of shareholder value in the long term. Details of the Shares repurchased are as follows:

Month of Repurchase in the Reporting Period and as of the date of this report	No. of Shares repurchased	Repurchase consideration per Share		Aggregate consideration Paid HK\$
		Highest price paid	Lowest price paid	
		HK\$	HK\$	
2025				
January	27,400	2.3	2.3	63,020
February	40,400	2.7	2.09	97,952
April	13,600	2.2	2.05	28,900
May	27,600	2.65	2.3	70,786
June	59,600	2.52	2.39	147,350
December	30,000	4.98	4.66	145,002
2026				
January	71,000	4.65	4.15	309,760
February	44,400	4.18	3.87	177,868
<b>Total</b>	<b>314,000</b>	<b>4.98</b>	<b>2.05</b>	<b>1,040,638</b>

The Company intends to resell the treasury Shares on the market to raise additional funds, or to transfer or use the treasury Shares for share grants under share schemes that comply with Chapter 17 of the Listing Rules and for other purposes permitted under the Listing Rules, the articles of association of the Company and the applicable laws of the Cayman Islands, which is subject to market conditions and the Group's capital management needs.

The Board is of the view that the current trading price of the Shares does not reflect their intrinsic value and the Repurchase enhances the value of the Shares, thereby increasing the returns to the Shareholders. In addition, the Board believes that the Repurchase reflects the Company's confidence in its long-term business prospects and the Company's growth potential, which will ultimately benefit the Company and is in the best interests of the Company and the Shareholders as a whole.

## DIRECTORS' REPORT

Save as disclosed above and in Note 27 to the consolidated financial statements, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury Shares) during the Reporting Period.

## PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as at the date of this report, the Company has maintained the prescribed percentage of public float under the Listing Rules.

## OVERVIEW OF OUR PERFORMANCE OVER THE REPORTING PERIOD

A fair review of the business of our Group as required by Schedule 5 to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), including an analysis of our Group's financial performance for the year ended December 31, 2025 and an indication of likely future developments in our Group's business, is set out in the section headed "Management Discussion and Analysis" from pages 5 to 19 of this report. Those discussions form part of this report. Events affecting our company that have occurred since the end of the 2025 financial year are set out in "Directors' Report – Important Events After the Reporting Period" in this report.

Description of principal risks and uncertainties that the Group may be facing can be found in the sections headed "Directors' Report – Principal risks and uncertainties" and "Directors' Report – Risks relating to the Contractual Arrangements" on page 30 and page 47 of this report. In addition, discussions on the key relationships with the stakeholders, compliance with the relevant laws and regulations, environmental policies and performance are set out on pages 29-30 of this report and will also be set out in the "Environmental, Social and Governance Report" on pages 78 to 138 of this report.

## RESULTS

The results of the Group for the year ended December 31, 2025 are set out in the consolidated statement of profit or loss and consolidated statement of comprehensive income on pages 144 and 145 of this report.

## FINANCIAL SUMMARY

A summary of the condensed consolidated statements of profit or loss and statements of comprehensive loss, and condensed consolidated statements of financial position of the Group are set out on page 4 of this report.

## PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the amended and restated articles of association of our Company adopted on June 16, 2022 and became effective on the Listing Date, as amended (the "**Articles of Association**") or the laws of the Cayman Islands which would oblige the Company to offer new Shares on a pro-rata basis to the existing Shareholders.

## TAX RELIEF AND EXEMPTION

The Directors are not aware of any tax relief and exemption available to the Shareholders by reason of their holding of the Company's securities.

## SHARE CAPITAL

Details of movements in the share capital of the Company during the year ended December 31, 2025 are set out in Note 27 to the consolidated financial statements.

## PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Company during the year ended December 31, 2025 are set out in Note 13 to the consolidated financial statements.

## DEBENTURE ISSUED

The Group has not issued any debentures during the year ended December 31, 2025.

## EQUITY-LINKED AGREEMENTS

Save as disclosed in "Share Incentive Plan" on pages 38 to 44 of this report, no equity-linked agreements were entered into by the Group, or existed during the year ended December 31, 2025.

## DIVIDENDS

The Board recommends the distribution of a final dividend HK\$0.1 per share for the year ended December 31, 2025. (2024: HK\$0.1) to be paid on July 3, 2026 to the Shareholders whose names appear on the register of members of the Company on June 11, 2026, subject to approval of Shareholders at the annual general meeting (the "AGM") of the Company to be held on May 28, 2026. The actual total amount of final dividend to be paid will be subject to the total number of issued share capital of the Company as at the record date for determining the entitlement of Shareholders to the final dividend.

## CLOSURE OF REGISTER OF MEMBERS AND RECORD DATE

For determining the qualification as Shareholders to attend and vote at the AGM to be held on May 28, 2026, the register of members of the Company will be closed from Friday, May 22, 2026 to Thursday, May 28, 2026, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the AGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Thursday, May 21, 2026. The record date for determining the entitlement of the Shareholders to attend and vote at the AGM will be Thursday, May 28, 2026.

For determining the entitlement of Shareholders to receive the proposed final dividend, the register of members of the Company will be closed from Tuesday, June 9, 2026 to Thursday, June 11, 2026, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to receive the proposed final dividend, all transfers of shares accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Monday, June 8, 2026. The record date for determining the entitlement of the Shareholders to receive the proposed final dividend will be Thursday, June 11, 2026.

# DIRECTORS' REPORT

## DISTRIBUTABLE RESERVES

As of December 31, 2025, the Company had distributable reserves of RMB549.0 million.

Details of movements in the reserves of the Company during the year ended December 31, 2025 are set out in Note 29 of the consolidated financial statements.

## USE OF PROCEEDS

With the Shares listed on the Main Board of the Stock Exchange on June 30, 2022, the net proceeds from the Global Offering (following partial exercise of the Over-allotment Option, as defined in the Prospectus) were approximately HK\$255.7 million, after deducting underwriting commissions and offering expenses paid or payable. We received an additional net proceeds of approximately HK\$5.0 thousand pursuant to the partial exercise of the over-allotment option as disclosed in the announcement of the Company dated July 24, 2022.

The following table sets forth a summary of the utilization of the net proceeds as of December 31, 2025:

Intended use of net proceeds	Allocation of net proceeds HK\$ million	Percentage of total net proceeds	Amount of	Amount of	Balance of	Intended timetable for use of the unutilized net proceeds
			net proceeds unutilized as of January 1, 2025 HK\$ million	net proceeds utilized for the year ended December 31, 2025 HK\$ million	net proceeds unutilized as of December 31, 2025 HK\$ million	
Used to further enhance our core technologies, optimize existing portfolio of solutions and develop complementary solutions with a goal to satisfy evolving client needs, provide more comprehensive solutions and improve our overall competitiveness in the market of customer contact solutions	191.8	75%	80.4	67.6	12.8	Before June 30, 2026 <sup>Note</sup>
Used over the next five years to further enhance our brand image in the market of customer contact solutions, expand our direct sales team, improve our sales capabilities and increase our marketing efforts	51.1	20%	–	–	–	
Used for working capital and general corporate purposes	12.8	5%	–	–	–	
<b>Total</b>	<b>255.7</b>	<b>100%</b>	<b>80.4</b>	<b>67.6</b>	<b>12.8</b>	

Note:

The delay in the intended timetable for fully utilizing the remaining net proceeds from December 31, 2025 to June 30, 2026 was mainly due to the improvement in the Group's R&D efficiency during 2024 and the Reporting Period, which was more cost-effective and resulted in a slower pace of capital investment than originally expected.

As of December 31, 2025, the amount of the net proceeds which has remained unutilized amounted to approximately HK\$12.8 million. Save as disclosed in the table above, there has been no material change or delay in the intended use of net proceeds as previously disclosed in the Prospectus.

## BORROWINGS

As of December 31, 2025, we had no outstanding borrowings.

Gearing ratio was not applicable as the Group recorded net cash as of December 31, 2025. Gearing ratio is calculated by dividing net debt by the capital plus net debt and multiplied by 100%.

## PLEDGE OF ASSETS

As of December 31, 2025, none of our assets were pledged to secure our loans and banking facilities.

## KEY RELATIONSHIP WITH STAKEHOLDERS

The Group recognizes that various stakeholders including employees, clients, suppliers and other business associates are key to the Group's success. The Group strives to cultivate long-term relationships with them.

Further details of an account of the Company's key relationships with its employees, clients, suppliers and other business associates that have a significant impact on the Company are set out in the "Environmental, Social and Governance Report" of this report.

## MAJOR CLIENTS AND SUPPLIERS

During the year ended December 31, 2025, revenue from our Group's top five clients, accounted for 32.00% (2024: 28.05%) of our Group's revenue in the same year. Our Group's largest client for the 2025 financial year accounted for approximately 8.87% (2024: 8.37%) of our Group's revenue in the same year. During the year ended December 31, 2025, cost of revenue from our Group's five largest suppliers accounted for 61.36% (2024: 62.25%) of our Group's total cost of revenue amount in the same year. Our Group's largest supplier for the 2025 financial year accounted for approximately 27.33% (2024: 27.41%) of our Group's total cost of revenue amount in the same year.

During the year ended December 31, 2025, our Group did not experience any significant disputes with its clients or suppliers.

To the best knowledge of the Directors, during the Reporting Period, none of the Directors or any of their respective close associates or any Shareholders (which, to the best knowledge of the Directors, own more than 5% of the number of issued Shares of the Company) had any interest in the Group's five largest clients and suppliers.

# DIRECTORS' REPORT

## COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS

As far as the Board and management are aware, the Group has complied in all material aspects with the relevant laws and regulations that have a significant impact on the business and operation of the Group. During the year ended December 31, 2025 there was no material breach of, or non-compliance with, applicable laws and regulations by the Group.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE

The Group is committed to fulfilling its social responsibility, promoting employee benefits and development, protecting the environment and giving back to the community, and achieving sustainable growth. The Group prioritizes the complete protection of employees' rights and interests while striving for mutually beneficial outcomes by taking proactive measures to prevent occupational hazards and provide a secure work environment. To realize our goal of becoming the most reliable partner in the customer contact sector, we are unwavering in our pursuit of exceptional performance in service quality, technology innovation, partnerships, and various other areas. A discussion on the Group's environmental policies and performance is set out in the Environmental, Social and Governance Report of this report.

## EMPLOYEE AND REMUNERATION POLICY

For details, please refer to "Management Discussion and Analysis – Employee and Remuneration Policy" in this report.

## PRINCIPAL RISKS AND UNCERTAINTIES

Our operations involve certain risks and uncertainties, some of which are beyond our control. Some of the major risks and uncertainties we face include:

- our ability to manage the growth and expansion of our business and operations, such as expanding the features and capabilities of our solutions, or provide satisfactory client services;
- our ability to improve and enhance the functions, performance, reliability, design, security, and scalability of our solutions to suit our clients' evolving needs;
- our ability to attract new clients or retain existing ones;
- system and data security risks;
- regulatory changes including evolving laws and regulations regarding cybersecurity, data security and data privacy; and
- the telecommunications and cloud infrastructure operated by third parties and disruption of or interference with our use of such third-party services.

However, the above is not an exhaustive list. Investors are advised to make their own judgment or consult their own investment advisors before making any investment in the Shares.

## CONTRACTS AND RELATIONSHIP WITH CONTROLLING SHAREHOLDERS

Save as disclosed in the section “Continuing Connected Transactions and Related Party Transactions” below and in this report, no contract of significance or contract of significance for the provision of services was entered into among the Company or any of its subsidiaries and the Controlling Shareholders or any of their subsidiaries during the year ended December 31, 2025.

## MATERIAL LITIGATION

Our Company was not involved in any material litigation or arbitration during the Reporting Period. Our Directors are also not aware of any material litigation or claims that are pending or threatened against our Group during the Reporting Period.

## DIRECTORS

The Directors who held office during the Reporting Period and up to the date of this report were:

### Executive Directors

Wu Qiang (吳強) (*Chief Executive Officer*) (*Chairman*)

Pan Wei (潘威)

Li Jin (李晉) (*resigned on November 21, 2025 with immediate effect*)

### Independent Non-Executive Directors

Weng Yang (翁陽)

Li Pengtao (李鵬濤)

Li Zhiyong (李志勇)

Pursuant to Article 109 of the Articles of Association, notwithstanding any other provisions in these Articles, at each annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation, provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election. The Company at the general meeting at which a Director retires may fill the vacated office. Also, pursuant to Article 113 of the Articles of Association, the Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed to fill a casual vacancy shall hold office only until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election at that meeting.

Accordingly, Mr. Wu Qiang and Mr. Li Zhiyong shall retire at the AGM. Each of these Directors, being eligible, will offer themselves for re-election at the AGM.

Details of the Directors standing for re-election at the AGM are set out in the circular to be published by the Company.

# DIRECTORS' REPORT

## BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Biographical details of the Directors and senior management of the Group are set out in the section headed "Directors and Senior Management" on pages 20 to 23 of this report.

Change of Director is set out in the section headed "Directors and Senior Management" on page 22 of this report.

Save as disclosed in this report, there were no changes in information of Directors of the Company that are required to be disclosed pursuant to Rule 13.51(B)(1) of the Listing Rules.

## PERMITTED INDEMNITY

Pursuant to the Articles of Association and subject to the applicable laws and regulations, every Director shall be indemnified and secured harmless out of the assets and profits of the Company against all actions, costs, charges, losses, damages and expenses which they or any of them, their or any of their executors or administrators, shall or may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of their duty or supposed duty in their respective offices or trusts, except such (if any) as they shall incur or sustain through their own fraud or dishonesty, and none of them shall be answerable for the acts, receipts, neglects or defaults of any other of them, or for joining in any receipt for the sake of conformity, or for any bankers or other persons with whom any monies or effects of the Company shall be lodged or deposited for safe custody, or for the insufficiency or deficiency of any security upon which any monies of the Company shall be placed out or invested, or for any other loss, misfortune or damage which may arise in the execution of their respective offices or trusts, or in relation thereto, except as the same shall happen by or through their own fraud, dishonesty or recklessness.

Such permitted indemnity provision has been in force for the year ended December 31, 2025. The Company has purchased liability insurance to provide appropriate coverage for the Directors.

## DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors has entered into a service contract with our Company for a term of three years commencing from June 30, 2025, which may be terminated by not less than 30 days' notice in writing served by either party. The current service contracts replaced the initial service contracts entered into for a term of three years commencing from the Listing Date, which expired on June 30, 2025.

Each of the independent non-executive Directors has signed an appointment letter with our Company for a term of three years commencing from June 30, 2025, which may be terminated by not less than three months' notice in writing served by either party. The current appointment letters replaced the initial appointment letters entered into for a term of three years with effect from the Listing Date, which expired on June 30, 2025.

The above appointments are subject to the provisions of retirement and rotation of Directors under the Articles.

None of the Directors proposed for re-election at the AGM has a service contract with members of the Group that is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

### **DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE**

Save as disclosed in the section "Continuing Connected Transactions and Related Party Transactions" below and in this report, none of the Directors nor any entity connected with the Directors had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to which the Company or any of its subsidiaries was a party subsisting during or at the end of the year ended December 31, 2025.

### **MANAGEMENT CONTRACTS**

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year ended December 31, 2025.

### **DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES**

Save as disclosed in this report, at no time during the year ended December 31, 2025 was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of Shares in, or debentures of the Company or any other body corporate; and none of the Directors, or any of their spouse or children under the age of 18, had any right to subscribe for equity or debt securities of the Company or any other body corporate, or had exercised any such right.

### **DIRECTORS' INTERESTS IN COMPETING BUSINESS**

Save as disclosed in this report, none of our Directors control a business similar to principal business of our Group that competes or is likely to compete, either directly or indirectly, with our Group's business, which would require disclosure under Rule 8.10 of the Listing Rules.

### **DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY OF ITS ASSOCIATED CORPORATIONS**

As of the date of this report, the interests and short positions of the Directors and chief executives in the Shares, underlying Shares and debentures of the Company or its associated corporations within the meaning of Part XV of the SFO, as recorded in the register maintained by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Model Code, were as follows:

# DIRECTORS' REPORT

## (i) Interest in the Shares

Name of Director	Nature of interest	Number of Shares interested <sup>(3)(4)</sup>	Approximate percentage of shareholding <sup>(4)</sup>
Mr. WU Qiang (吳強)	Beneficial owner	240,000(L)	0.14%
	Interest in controlled corporation; interest jointly held with another person <sup>(1)</sup>	74,072,400(L)	42.57%
Mr. PAN Wei (潘威)	Interest in controlled corporation; interest jointly held with another person <sup>(1)(2)</sup>	74,312,400(L)	42.71%

Notes:

- (1) Xinyun Inc. directly held 37,500,000 Shares; EastUp Holding Limited directly held 22,500,000 Shares. Xinyun Inc. and EastUp Holding Limited are wholly-owned subsidiaries of Hanyun Inc., which is in turn wholly owned by Mr. Wu. Accordingly, Mr. Wu is deemed to be interested in the total number of Shares held by Xinyun Inc. and EastUp Holding Limited.

Pursuant to the deeds of voting proxy dated June 6, 2021 (the “**Voting Proxy Deeds**”) with each of Connect The Unconnected Limited, Flyflux Holding Limited and Technolo-Jin CO., LTD, Mr. Wu as an attorney has the right to vote over all the Shares held by each of them, as a result of which Mr. Wu, Connect The Unconnected Limited, Flyflux Holding Limited and Technolo-Jin CO., LTD are in substance parties acting in concert (the “**AIC Parties**”). The AIC Parties collectively control over one-third of the voting power at general meetings of our Company. Pursuant to the deed of termination to terminate the Voting Proxy Deed between the parties with effect from April 16, 2025, Mr. Wu ceased to hold voting proxy over the relevant Shares held by Flyflux Holding Limited and Mr. An Jingbo and Flyflux Holding Limited ceased to be members of the group of Controlling Shareholders. Pursuant to the deed of termination to terminate the Voting Proxy Deed between the parties with effect from November 21, 2025, Mr. Wu ceased to hold voting proxy over the relevant Shares held by Technolo-Jin CO., LTD, and Mr. Li Jin and Technolo-Jin CO., LTD ceased to be members of the group of Controlling Shareholders. Accordingly, the AIC Parties comprise Mr. Wu and Connect The Unconnected Limited and collectively control over one-third of the voting power at general meetings of our Company. As such, the AIC Parties are deemed to be interested in an aggregate of 74,312,400 Shares (including 572,400 treasury Shares held by the Company) as of the date of this report.

- (2) Connect The Unconnected Limited, a company wholly owned by Mr. PAN Wei, directly owns 13,500,000 Shares. Accordingly, Mr. PAN Wei is deemed to be interested in the number of Shares held by Connect The Unconnected Limited.
- (3) (L) denotes a long position in the Shares.
- (4) The number and percentage of Shares were calculated based on 174,000,400 Shares (including 572,400 treasury Shares) of the Company in issue as of the date of this report.

## (ii) Interests in associated corporations of the Company

Name of Director	Nature of interest	Number of Shares interested <sup>(2)</sup>	Approximate percentage of shareholding
Mr. WU Qiang (吳強) <sup>(1)</sup>	T&I Net Communication	31,840,284(L)	61.63%
Mr. PAN Wei (潘威)	T&I Net Communication	2,618,700(L)	5.07%

Notes:

(1) Mr. Wu directly holds 18,135,684 shares in T&I Net Communication. Beijing Yunjing Industrial Investment Center (Limited Partnership) (北京雲景興業投資中心(有限合夥)), Beijing Yunhao Investment Center (Limited Partnership) (北京雲昊投資中心(有限合夥)) and Beijing Yunyu Consulting Management Center (Limited Partnership) (北京雲昱諮詢管理中心(有限合夥)) (the "**Holding Entities**") are interested in 13,704,600 shares in T&I Net Communication. The general partner of each of the Holding Entities is Beijing Yunhao Industrial Investment Consulting Co., Ltd. (北京雲昊興業投資顧問有限公司), which is controlled and wholly owned by Mr. Wu. Therefore, Mr. Wu is deemed to be interested in the total number of shares held by the Holding Entities in T&I Net Communication.

(2) (L) denotes a long position in the Shares.

Save as disclosed above, as of the date of this report, none of the Directors and chief executives of the Company has any interest or short position in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Model Code.

## DIRECTORS' REPORT

### INTERESTS AND SHORT POSITIONS OF THE SUBSTANTIAL SHAREHOLDERS IN THE SHARES AND UNDERLYING SHARES OF OUR COMPANY

As of the date of this report, as far as known to the Company and Directors, the following persons had the interests or short positions in the Shares and underlying Shares of the Company which were required to be disclosed to the Company under provisions of Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company under Section 336 of Part XV of the SFO:

Name of Shareholder	Nature of interest	Number of Shares interested <sup>(4)(5)</sup>	Approximate percentage of shareholding <sup>(5)</sup>
Xinyun Inc. <sup>(1)</sup>	Beneficial interest	37,500,000(L)	21.55%
EastUp Holding Limited <sup>(1)</sup>	Beneficial interest	22,500,000(L)	12.93%
Hanyun Inc. <sup>(1)</sup>	Interest in controlled corporation	60,000,000(L)	34.48%
Wu Qiang (吳強) <sup>(1)</sup>	Beneficial owner	240,000(L)	0.14%
	Interest in controlled corporation; interest jointly held with another person <sup>(1)</sup>	74,072,400(L)	42.57%
Connect The Unconnected Limited <sup>(1)(2)</sup>	Beneficial interest; interest jointly held with another person	74,312,400(L)	42.71%
Pan Wei (潘威) <sup>(2)</sup>	Interest in controlled corporation; interest jointly held with another person	74,312,400(L)	42.71%
Fortune Ascend Holdings Ltd. <sup>(3)</sup>	Beneficial interest	30,581,400(L)	17.58%
Wisdom Extra Limited <sup>(3)</sup>	Interest in controlled corporation	30,581,400(L)	17.58%
Mr. Tian Suning <sup>(3)</sup>	Interest in controlled corporation	30,581,400(L)	17.58%

Notes:

- (1) Xinyun Inc. and EastUp Holding Limited are wholly-owned subsidiaries of Hanyun Inc., which is in turn wholly owned by Mr. Wu Qiang. Accordingly, each of Mr. Wu and Hanyun Inc. is deemed to be interested in the total number of Shares held by Xinyun Inc. and EastUp Holding Limited.

Pursuant to the Voting Proxy Deeds dated June 6, 2021 with each of Connect The Unconnected Limited, Flyflux Holding Limited and Technolo-Jin CO., LTD (each, a "**Principal Shareholder**"), Mr. Wu as proxy has the right to vote over all the Shares held by each of them, as a result of which Mr. Wu and Principal Shareholders are in substance AIC Parties. The AIC Parties collectively control over one-third of the voting power at general meetings of our Company. Pursuant to the deed of termination to terminate the Voting Proxy Deed between the parties with effect from April 16, 2025, Mr. Wu ceased to hold voting proxy over the relevant Shares held by Flyflux Holding Limited and Mr. An Jingbo and Flyflux Holding Limited ceased to be members of the group of Controlling Shareholders. Pursuant to the deed of termination to terminate the Voting Proxy Deed between the parties with effect from November 21, 2025, Mr. Wu ceased to hold voting proxy over the relevant Shares held by Technolo-Jin CO., LTD, and Mr. Li Jin and Technolo-Jin CO., LTD ceased to be members of the group of Controlling Shareholders. Accordingly, the AIC Parties comprise Mr. Wu and Connect The Unconnected Limited and collectively control over one-third of the voting power at general meetings of our Company. As such, the AIC Parties are deemed to be interested in an aggregate of 74,312,400 Shares (including 572,400 treasury Shares held by the Company) as of the date of this report.

- (2) Connect The Unconnected Limited is a company wholly owned by Mr. Pan. Accordingly, Mr. Pan is deemed to be interested in the number of Shares held by Connect The Unconnected Limited.
- (3) Fortune Ascend Holdings Ltd. is 99% held by Wisdom Extra Limited, which is in turn wholly-owned by Mr. Tian Suning ("**Mr. Tian**"). Accordingly, each of Mr. Tian and Wisdom Extra Limited is deemed to be interested in the total number of Shares held by Fortune Ascend Holdings Ltd.
- (4) (L) denotes a long position in the Shares.
- (5) The number and percentage of Shares were calculated based on 174,000,400 Shares of the Company (including 572,400 treasury Shares) in issue as of the date of this report.

## INTERESTS OF THE SUBSTANTIAL SHAREHOLDER OF ANY MEMBER OF OUR GROUP (EXCEPT OUR COMPANY)

Name of Shareholder	Name of members of our Group	Nature of Interest	Approximate percentage of interests
Beijing Tianchuang Chuangrun Investment Center (Limited Partnership) (北京天創創潤投資中心(有限合夥)) <sup>(1)</sup>	T&I Net Communication	Beneficial owner	24.63%

Note:

- (1) Beijing Tianchuang Chuangrun Investment Center (Limited Partnership) (北京天創創潤投資中心(有限合夥)) is an investment holding limited partnership established under the laws of the PRC. The general partner of Beijing Tianchuang Chuangrun Investment Center (Limited Partnership) is Beijing Tiandi Rongchuang Venture Capital Co., Ltd. (北京天地融創創業投資有限公司), which is controlled and owned as to 99% by Mr. Tian.

## DIRECTORS' REPORT

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

### EMOLUMENT POLICY AND DIRECTORS' REMUNERATION

In compliance with Rule 3.25 of the Listing Rules and the Corporate Governance Code as set out in Appendix C1 to the Listing Rules, the Company has established the Remuneration Committee to formulate remuneration policies. The remuneration is determined and recommended based on each Director's and senior management personnel's qualification, position and seniority. As for the independent non-executive Directors, their remuneration is determined by the Board upon recommendation from the Remuneration Committee. The Directors and the senior management personnel are eligible participants of the share incentive plan of our Company ("**Share Incentive Plan**"). Details of the remuneration of the Directors, senior management and the five highest paid individuals are set out in Note 8 and Note 9 to the consolidated financial statements.

Save as disclosed above, during the Reporting Period, none of the Directors waived or agreed to waive any remuneration (2024: nil) and there were no emoluments paid by the Group to any of the Directors as an inducement to join, or upon joining the Group, or as compensation for loss of office.

### SHARE INCENTIVE PLAN

The Share Incentive Plan was adopted and approved by resolutions in writing by the Board on May 13, 2021.

#### Purpose

The purpose of the Share Incentive Plan is to enable our Group to grant awards to selected participants as incentives or rewards for their contribution to our Group, in particular, (i) to motivate them to optimize their performance and efficiency for the benefit of our Group; (ii) to attract and retain them whose contributions are or will be beneficial to our Group; and (iii) to encourage them to enhance cooperation and communication amongst team members for the growth of our Group.

#### Types of Awards

The Share Incentive Plan provides for awards of RSUs, Shares issued subject to forfeiture or repurchase by our Company until vested ("**Restricted Shares**"), and other share-based awards or rights (collectively, the "**Awards**").

## Eligible participants

The Board, in the context of the Share Incentive Plan, including any committee or person(s) duly authorized by the Board, may at its discretion, invite any person belonging to any of the following classes of eligible participants ("**Eligible Participants**"), to take up an Award to subscribe for Shares:

- (i) any full-time executives, officers, managers or employees of our Company or any of its subsidiaries or controlled affiliates, or any entities designated by them, who had attained the requisite seniority and performance grade and/or targets as may be determined by the chief executive officer of our Company from time to time;
- (ii) any directors and supervisors (including non-executive directors and independent non-executive directors) of our Company or any of its subsidiaries or controlled affiliates, or any entities designated by them;
- (iii) any advisor and consultant who the chief executive officer of our Company considers, in its sole discretion, has contributed or will contribute to our Group.

## Maximum number of Shares

Unless otherwise duly approved by the Board, the total number of Shares underlying the Share Incentive Plan shall not exceed 26,550,000 Shares, representing approximately 15.26% of the issued Shares of the Company as of the date of this report.

The number of options and awards available for grant under the Share Incentive Plan as at January 1, 2025 and December 31, 2025 were 2,735,042 and 2,779,742, respectively.

As at the date of this report, an aggregate of 23,770,258 Shares were granted pursuant to the Share Incentive Plan, representing approximately 13.66% of the Company's issued Shares (including treasury shares). As such, the maximum number of Shares that may be granted pursuant to the Share Incentive Plan is 2,779,742 Shares, representing approximately 1.60% of the Company's issued Shares (including treasury Shares).

## Maximum entitlement of each Eligible Participant

Under the Share Incentive Plan, there is no specific limit on the maximum number of shares which may be granted to a single Eligible Participant. Unless otherwise duly approved by the Board, the total number of Shares underlying the Share Incentive Plan shall not exceed 26,550,000 Shares. The Board may in its absolute discretion determine the number of Shares underlying the Share Incentive Plan. The Company will not further issue new Shares for the purpose of the Share Incentive Plan unless otherwise duly approved by the Shareholders.

## Performance Target

The participant may be required to achieve any performance targets as the Board may specify before the relevant Awards can be vested, exercised or settled upon the grant of an Award to an Eligible Participant.

# DIRECTORS' REPORT

## Consideration for RSU and Restricted Share purchase price

The price to be paid upon the vesting and settlement of the restricted share unit award to be granted to a participant under the Share Incentive Plan (“**RSU(s)**”), and the purchase price of Restricted Shares shall, subject to any adjustments made pursuant to the Share Incentive Plan, be such amount in such form as may be determined by the Board from time to time and set out in the offer for the grant of an Award.

## Conditions of Issuance of Shares

The Eligible Participant who accepts the offer for the grant of an Award (the “**Grantee**”) must not have committed any breach of the Share Incentive Plan and any ancillary documents that he has entered into with our Company in respect of the Award.

The Grantee must not have violated any provision of the Articles of Association or constitutional documents of the relevant member of our Group, or otherwise impaired the interests of our Group.

The Board may, at its absolute discretion, fix any other performance targets that must be achieved and any other conditions that must be fulfilled before any Award can be vested or settled.

If the conditions set out above in this clause are not satisfied, the RSUs and/or Restricted Shares shall automatically lapse on the date on which such conditions are not satisfied, as determined by the Board in its absolute discretion.

## Vesting of Awards

### (i) Settlement of RSUs

RSUs are vested and settled according to the vesting schedule set out in the offer document. Subject to the terms of the applicable Award, RSUs will be settled upon vesting by delivery to the Grantee of the number of Shares that equals the number of RSUs that then become vested. If RSUs are settled, one or more of the Directors of our Company will, on behalf of our Company, cause and direct the share registrar of our Company to update our Company’s register of members with the name of the Grantee entered therein as the record holder of the Shares.

### (ii) Release of Restricted Shares

Restricted Shares are vested and no longer subject to forfeiture as set out in the offer document. Subject to the terms of the applicable Award, Restricted Shares shall be released from escrow. After the Restricted Shares are released, the Shares shall be freely transferable by the Grantee, subject to applicable restrictions in the Award and any legal restrictions.

## Non-transferability of the Awards

Save and except for the provisions in the paragraph below and except under the applicable laws or as otherwise provided by the Share Incentive Plan, the Awards shall be personal to the Grantee and the Grantee shall not sell, transfer, pledge or assign the Awards and the Share Incentive Plan or any interest or benefits therein.

The Grantee shall be permitted to transfer the Awards to his wholly owned entity or any trust arrangement whereby the Grantee is the sole beneficiary. The terms of the Share Incentive Plan shall be binding upon the personal representatives, executors, administrators, heirs, successors and assignees of the Grantee. Unless transferred pursuant to the foregoing, the Awards shall be exercisable, during the Grantee's lifetime, only by the Grantee.

Without limiting the generality of the foregoing, except as otherwise provided by the Share Incentive Plan, the Awards may not be assigned, transferred, pledged or hypothecated in any way, shall not be assignable by operation of law, and shall not be subject to execution, attachment or similar process. Any attempted assignment, transfer, pledge, hypothecation or other disposition of the Awards contrary to the provisions hereof, and the levy of any execution, attachment or similar process upon the Awards shall be null and void and without effect and such breach by a Grantee shall entitle our Company to cancel any outstanding Awards granted to such Grantee.

## Remaining Life

The Share Incentive Plan shall be valid and effective until May 13, 2031, after which period no further Awards may be offered but the provisions of the Share Incentive Plan shall remain in force to the extent necessary to give effect to the exercise, vesting or settlement of any Award granted prior thereto or otherwise as may be required in accordance with the provisions of the Share Incentive Plan.

## Termination

Our Company may by resolution in general meeting or the Board may at any time terminate the operation of the Share Incentive Plan and in such event no further Award shall be offered but the provisions of the Share Incentive Plan shall remain in force to the extent necessary to give effect to any outstanding Awards granted prior thereto or otherwise as may be required in accordance with the provisions of the Share Incentive Plan. Outstanding Awards granted prior to such termination but not yet exercised, settled or released at the time of termination shall continue to be valid and exercisable or releasable in accordance with the Share Incentive Plan.

Further details of the Share Incentive Plan are set out in the section headed "Statutory and General Information – D. Share Incentive Plan" of Appendix IV to the Prospectus and Note 28 to the consolidated financial statements.

# DIRECTORS' REPORT

Details of the RSUs and Restricted Shares under the Share Incentive Plan during the year ended December 31, 2025 are set out below:

Name/Type	Date of grant <sup>(6)</sup>	Vesting Period	Number of		Number of		Number of		Number of		Number of		Number of		Closing price of the Shares immediately before date of award of RSU or Restricted Shares <sup>(8)</sup>
			Number of RSUs unvested as of January 1, 2025	Restricted Shares unvested as of January 1, 2025	Number of RSUs granted during the Reporting Period <sup>(9)</sup>	Restricted Shares granted during the Reporting Period <sup>(9)</sup>	Number of RSUs vested during the Reporting Period <sup>(9)</sup>	Restricted Shares vested during the Reporting Period <sup>(9)</sup>	Number of RSUs cancelled during the Reporting Period <sup>(7)</sup>	Restricted Shares cancelled during the Reporting Period <sup>(7)</sup>	Number of RSUs lapsed during the Reporting Period	Restricted Shares lapsed during the Reporting Period	Number of RSUs unvested as of December 31, 2025 <sup>(8)</sup>	Restricted Shares unvested as of December 31, 2025 <sup>(8)</sup>	
Directors of the Company															
Nil <sup>(8)</sup>															
Senior management															
Zhang Tao <sup>(2)</sup>	May 31, 2021	on the 6-month, 18-month and 30-month anniversaries of the Listing Date	0	500,000	0	0	0	500,000	0	0	0	0	0	0	-
Five highest paid individuals during 2025 (In aggregate)	May 31, 2021	on the 6-month, 18-month and 30-month anniversaries of the Listing Date	0	0	0	0	0	0	0	0	0	0	0	0	-
	January 3, 2023	in three equal tranches: (i) 1/3 on January 3, 2024; (ii) 1/3 on January 3, 2025; and (iii) 1/3 on January 3, 2026	390,360	0	0	0	145,180	0	0	0	0	0	145,180	0	12.70
	January 15, 2024	in three equal tranches: (i) 1/3 on January 15, 2025; (ii) 1/3 on January 15, 2026; and (iii) 1/3 on January 15, 2027	0	0	0	0	13,333	0	0	0	0	0	26,667	0	4.90
	December 18, 2024	in three equal tranches: (i) 1/3 on December 18, 2025; (ii) 1/3 on December 18, 2026; and (iii) 1/3 on December 18, 2027	10,000	0	0	0	6,667	0	0	0	0	0	13,333	0	2.20

# DIRECTORS' REPORT

Name/Type	Date of grant <sup>(a)</sup>	Vesting Period	Number of		Number of		Number of		Number of		Number of		Number of		Closing price of the Shares immediately before date of award of RSU or Restricted Shares <sup>(d)</sup>
			Number of RSUs unvested as of January 1, 2025	Restricted Shares unvested as of January 1, 2025	Number of RSUs granted during the Reporting Period <sup>(b)</sup>	Restricted Shares granted during the Reporting Period <sup>(b)</sup>	Number of RSUs vested during the Reporting Period <sup>(c)</sup>	Restricted Shares vested during the Reporting Period <sup>(c)</sup>	Number of RSUs cancelled during the Reporting Period <sup>(e)</sup>	Restricted Shares cancelled during the Reporting Period <sup>(e)</sup>	Number of RSUs lapsed during the Reporting Period	Restricted Shares lapsed during the Reporting Period	Number of RSUs unvested as of December 31, 2025 <sup>(f)</sup>	Restricted Shares unvested as of December 31, 2025 <sup>(f)</sup>	
Other employees	May 31, 2021	on the 6-month, 18-month and 30-month anniversaries of the Listing Date	0	0	0	0	0	0	0	0	0	0	0	0	-
	May 31, 2021	on the 6-month, 18-month, 30-month, 42-month and 54-month anniversaries of the Listing Date	20,000	0	0	0	0	0	0	0	0	0	20,000	0	-
	January 3, 2023	in three equal tranches: (i) 1/3 on January 3, 2024; (ii) 1/3 on January 3, 2025; and (iii) 1/3 on January 3, 2026	160,000	0	0	0	130,000	0	0	0	0	0	130,000	0	12.70
	January 15, 2024	in three equal tranches: (i) 1/3 on January 15, 2025; (ii) 1/3 on January 15, 2026; and (iii) 1/3 on January 15, 2027	468,500	0	0	0	131,167	0	36,667	0	0	0	260,667	0	4.90
	December 18, 2024	in three equal tranches: (i) 1/3 on December 18, 2025; (ii) 1/3 on December 18, 2026; and (iii) 1/3 on December 18, 2027	418,000	0	0	0	136,000	0	0	0	0	0	272,000	0	2.20
<b>Total</b>	/	/	1,466,860	500,000	0	0	562,347	500,000	36,667	0	0	0	867,847	0	-

# DIRECTORS' REPORT

Notes:

- (1) No RSUs or Restricted Shares were granted to any Director of the Company pursuant to the Share Incentive Plan. There was no outstanding or unvested RSUs or Restricted Shares in favour of any Director of the Company as of January 1, 2025. No RSUs or Restricted Shares were granted to any Director of the Company during the Reporting Period. There were no RSUs or Restricted Shares in favour of any Director of the Company as of December 31, 2025.
- (2) Our former chief financial officer who was appointed as our Chief Financial Officer in March 2021 and resigned from the position on December 8, 2023.
- (3) The fair value of each RSU was calculated based on the market price of the Shares at the grant date. No grants had been made during the Reporting Period, therefore, the fair value of Awards granted to the Eligible Participants during the Reporting Period was nil, and the corresponding share-based payment expenses were nil.
- (4) The Shares were listed on the Main Board of the Stock Exchange on June 30, 2022.
- (5) The purchase price of the unvested RSUs is HK\$4.1. The Restricted Shares were granted at nil purchase price.
- (6) The weighted average closing price of the Shares immediately before the vest of the Awards is HK\$2.56.
- (7) The purchase price of the cancelled RSUs is HK\$4.1. The cancelled Restricted Shares were granted at the purchase price of HK\$4.1.

## CONTINUING CONNECTED TRANSACTIONS AND RELATED PARTY TRANSACTIONS

Set out below is a summary of the non-exempt continuing connected transactions of the Group during the Reporting Period and are required under the Listing Rules to be disclosed in the annual report and consolidated financial statements of the Company.

### Contractual Arrangements

For the purposes of Chapter 14A of the Listing Rules, and in particular the definition of “connected person”, the Consolidated Affiliated Entities were treated as the Company’s wholly-owned subsidiaries, and its directors, chief executives or substantial shareholders (as defined in the Listing Rules) and their respective associates were treated as the Company’s “connected persons”.

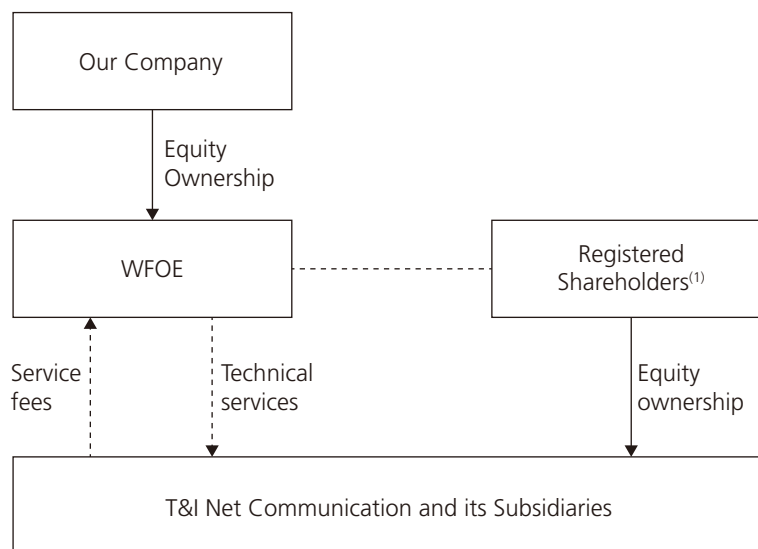
We offer customer contact solutions deployed fully in the cloud (the “**Principal Business**”). We are considered to be engaged in the provision of Internet resource collaboration services and contact center services, which are subcategories of value-added telecommunication services. Therefore, as a cloud-based contact solution provider, we are required to hold the VAT License, covering Internet resource collaboration services and contact center services. We conducted our Principal Business through our Consolidated Affiliated Entities in the PRC as the PRC laws, or their implementation by relevant government authorities, generally prohibit foreign ownership in the Principal Business we operate. Currently, the PRC laws restrict or prohibit foreign ownership of value-added telecommunications services providers.

Due to regulatory restrictions on foreign ownership in providing telecommunication services in the PRC, the Group's business was carried out by T&I Net Communication, the investment holding and operating company whose shares were indirectly held by the Shareholders prior to the completion of the Reorganisation, as well as its subsidiaries operating in Mainland China during the period. As part of the Reorganisation, on May 12, 2021, TI Cloud (Beijing) Technology Co., Ltd., a wholly-foreign-owned enterprise indirectly owned by the Company, T&I Net Communication and/or the then shareholders of T&I Net Communication entered into a set of contractual arrangements ("**Contractual Arrangement(s)**") which enable the Company to exercise effective control over T&I Net Communication and obtain substantially all economic benefits of T&I Net Communication. Accordingly, T&I Net Communication has since been effectively controlled by the Company based on the aforementioned Contractual Arrangements notwithstanding that the Company does not have any direct or indirect equity interest in T&I Net Communication.

Our Directors, including our independent non-executive Directors, are of the view that (i) the Contractual Arrangements are fundamental to our Group's legal structure and business operations; and (ii) the Contractual Arrangements are on normal commercial terms or on terms more favorable to our Group in the ordinary and usual course of our Group's business and are fair and reasonable or to the advantage of our Group and are in the interests of our Shareholders as a whole. Accordingly, notwithstanding that the transactions contemplated under the Contractual Arrangements technically constitute continuing connected transactions under Chapter 14A of the Listing Rules, our Directors consider that, given that our Group is placed in a special situation in relation to the connected transactions rules under the Contractual Arrangements, it would be unduly burdensome and impracticable, and would add unnecessary administrative costs to our Company, for all the transactions contemplated under the Contractual Arrangements to be subject to strict compliance with the requirements set out under Chapter 14A of the Listing Rules, including, among other things, the announcement, circular and approval of independent Shareholders. For details of the Contractual Arrangements, please refer to the section headed "Contractual Arrangements" in the Prospectus.

## DIRECTORS' REPORT

The following simplified diagram illustrates the flow of economic benefits from our Consolidated Affiliated Entities to our Group under the Contractual Arrangements:



Notes:

- (1) The Registered Shareholders of T&I Net Communication include (i) individual shareholders (being Mr. Wu, Mr. Li Jin, Mr. Pan, Mr. An Jingbo, collectively, the **“Registered Individual Shareholders”**); and (ii) shareholders that are partnership entities (being Beijing Tianchuang Chuangrun, Beijing Yunjing, Beijing Yunhao, and Beijing Yunyu, collectively, the **“Registered Partnership Shareholders”**).

As at December 31, 2025, Mr. Wu, Mr. Li, Mr. Pan, Mr. An, Beijing Tianchuang Chuangrun, Beijing Yunjing, Beijing Yunhao, and Beijing Yunyu held 35.11%, 5.58%, 5.07%, 3.09%, 24.63%, 11.80%, 11.72%, and 3.00% equity interest in T&I Net Communication, respectively.

For further information about the Registered Shareholders, please refer to the section headed “Contractual Arrangements” in the Prospectus.

- (2) “————→” denotes direct legal and beneficial ownership in the equity interest.
- (3) “-----→” denotes contractual relationship.
- (4) “-----” denotes the control by WFOE over the Registered Shareholders and T&I Net Communication through (i) powers of attorney to exercise all shareholders’ rights in T&I Net Communication, (ii) exclusive options to acquire all or part of the equity interests in T&I Net Communication and (iii) equity pledges over the equity interests in T&I Net Communication.

## Risks relating to the Contractual Arrangements

We believe the following risks are associated with the Contractual Arrangements. Further details of these risks are set out on pages 81 to 87 of the Prospectus.

- If the PRC government finds that the agreements that establish the structure for operating our operations in China do not comply with applicable PRC regulations, or if these regulations or the interpretation of existing regulations change in the future, we could be subject to severe consequences, including the nullification of the Contractual Arrangements and being forced to relinquish our interests in those operations.
- Our Contractual Arrangements may not be as effective in providing operational control as direct ownership.
- We may lose the ability to use, or otherwise benefit from, the licenses, approvals and assets held by T&I Net Communication if T&I Net Communication petition for bankruptcy or becomes subject to a dissolution or liquidation proceeding.
- The shareholders of T&I Net Communication may have potential conflicts of interest with us.
- Contractual arrangements we have entered into with T&I Net Communication may be subject to scrutiny by the PRC tax authorities. A finding that we owe additional taxes could negatively affect our financial condition and the value of your investment.
- Our current corporate structure and business operations may be affected by the Foreign Investment Law.

Our Group works closely with the Registered Shareholders and our external legal counsels and advisors to monitor the regulatory environment and developments in PRC laws and regulations to mitigate the risks associated with the Contractual Arrangements.

## Summary of the major terms of the Contractual Arrangements

The Contractual Arrangements which were in place on May 12, 2021 and a description of the specific agreements that comprise the Contractual Arrangements is set out below:

### Exclusive Technical Services Agreements

WFOE and T&I Net Communication entered into an exclusive consulting services agreement on May 12, 2021 (the “**Exclusive Technical Services Agreement**”), pursuant to which T&I Net Communication agreed to engage WFOE as the exclusive provider to T&I Net Communication of consultancy, technical support and relevant services, which may include technology development, technology promotion, technology transfer and other technological services; application software service; software development; software consulting; product design; model design; market research and business management consulting services. WFOE has also entered into an exclusive technical services agreement with each of the subsidiaries of T&I Net Communication whose terms are similar to the Exclusive Technical Services Agreement (collectively, “**Exclusive Technical Services Agreements**”).

## DIRECTORS' REPORT

Without the WFOE's prior written consent, T&I Net Communication and its subsidiaries (the "**Consolidated Affiliated Entities**") shall not receive services which are similar to the services covered by the Exclusive Technical Services Agreements from any third party.

WFOE is entitled to own all intellectual property rights arising out of the performance of these agreements. Our Consolidated Affiliated Entities agree to pay the entirety of their total income for the services provided by WFOE (net of costs, expenses, taxes and retained profits (if any)).

Under the Exclusive Technical Services Agreements, the Consolidated Affiliated Entities shall, among others: (1) subject to the relevant PRC laws and regulations, appoint the person recommended by WFOE as directors or senior management members of Consolidated Affiliated Entities, and shall not remove the members of their board of directors recommended by WFOE without the prior written consent of WFOE; (2) allow WFOE to inspect their accounts and provide other information relating to their operation, customers, financial information and employees; (3) hold the relevant certificates, licenses and seals (including business licenses, institutional credit code certificates, official seals, contract seals, financial seals and the name seals of legal representatives) that are material to their business operations, under the possession of the personnel recommended by WFOE and duly appointed by the Consolidated Affiliated Entities.

In addition, without the prior written consent of WFOE, our Consolidated Affiliated Entities shall not dispose of any material assets. To the extent permissible by the PRC laws and regulations, WFOE has the right to purchase all or part of the assets or businesses of the Consolidated Affiliated Entities at the minimum consideration permitted under the PRC laws and regulations.

The Exclusive Technical Services Agreements shall remain effective unless terminated by WFOE with a 30-day prior written notice.

### Exclusive Purchase Option Agreement

WFOE, T&I Net Communication and its Registered Shareholders entered into an exclusive purchase option agreement on May 12, 2021, which was replaced by the exclusive purchase option agreement entered into among WFOE, T&I Net Communication, its Registered Shareholders and Beijing Yunhao Industrial Investment Consulting (the general partner of Beijing Yunhao, Beijing Yunjing and Beijing Yunyu), Beijing Tiandi Rongchuang (the general partner of Beijing Tianchuang Chuangrun) and Mr. Tian (who ultimately controls Beijing Tiandi Rongchuang) (collectively, the "**Other Parties**") on September 14, 2021) (the "**Exclusive Purchase Option Agreement**"). Pursuant to the Exclusive Purchase Option Agreement, WFOE or its designee was granted an irrevocable and exclusive right to purchase (i) from each of the Registered Shareholders all or any part of their equity interests in T&I Net Communication and/or (ii) from T&I Net Communication all or any part of its assets or interests in any of its assets.

The purchase price payable by WFOE or its designee in respect of the transfer of shares or assets shall be the minimum consideration permitted under the PRC laws and regulations, and the Registered Shareholders shall return the purchase price in full to WFOE or its designee (subject to the relevant tax payment being made under the relevant PRC laws and regulations).

The Exclusive Purchase Option Agreement shall remain effective until, among others, WFOE or its designee acquire all the equity interest in and/or all assets of T&I Net Communication.

The Other Parties (i) acknowledged that the arrangement contemplated under the Exclusive Purchase Option Agreement shall be legally binding on the Registered Partnership Shareholders; (ii) agreed to procure the Registered Partnership Shareholders to comply with the terms of the Exclusive Purchase Option Agreement; and (iii) agreed that their decision-making in connection with the disposal of the Registered Partnership Shareholders' interests in T&I Net Communication shall be in accordance with the terms of the Exclusive Purchase Option Agreement and the Equity Pledge Agreement (as defined below).

The Registered Shareholders, among other things, have covenanted that, without WFOE's prior consent:

- (i) they shall not sell, transfer, pledge or dispose legal or beneficial interest in T&I Net Communication, or impose any encumbrances on such rights and interests, other than the creation of pledge under the Equity Pledge Agreement;
- (ii) they shall not increase or decrease the registered share capital of T&I Net Communication or in any way alter its existing equity structure at the time of signing of the Exclusive Purchase Option Agreement;
- (iii) they shall not transfer, mortgage or, in any other form, dispose of or procure the management of T&I Net Communication to transfer, mortgage or dispose of any domestic company assets, legitimate income and benefits in any other form (other than in the ordinary course of business, and to WFOE and/or the designated person);
- (iv) they shall not terminate or procure the management of T&I Net Communication to terminate any material contract entered into by T&I Net Communication or any other agreement that conflicts with any existing material contract;
- (v) they shall not appoint or replace the directors, supervisors or other managers of T&I Net Communication;
- (vi) they shall not procure or consent to T&I Net Communication's declaration of or actual distribution of any distributable profits or dividends; and
- (vii) they shall not procure or consent to T&I Net Communication to amend its articles of association.

The Registered Shareholders shall also ensure that:

- (i) T&I Net Communication maintains effective existence, and not be terminated, liquidated or dissolved;
- (ii) T&I Net Communication does not incur any debts, provide guarantees or other forms of security, or assume any material obligations outside its ordinary course of business; and
- (iii) T&I Net Communication does not merge with any person/entity, purchase assets, equity or invests in any person/entity in any way.

## DIRECTORS' REPORT

T&I Net Communication, among other things, has covenanted that, without WFOE's prior consent, it shall not:

- (i) amend its articles of association, increase or decrease its registered capital or in any way alter its existing equity structure at the time of the signing of the Exclusive Purchase Option Agreement;
- (ii) assist or permit the Registered Shareholders shall not sell, transfer, pledge or dispose legal or beneficial interest in T&I Net Communication, or impose any encumbrances on such rights and interests, other than the creation of pledge under the Equity Pledge Agreement;
- (iii) terminate any material contracts entered into by T&I Net Communication or enter into any other agreement in conflict with any existing material contract;
- (iv) conduct liquidation, dissolution or declaration of termination;
- (v) merge with, purchase, or otherwise invest in any person's assets, equity;
- (vi) incur any debts, provide guarantees or other forms of security, or assume any material obligations outside its ordinary course of business; and
- (vii) enter into any material contracts outside its ordinary course of business.

The Registered Shareholders and T&I Net Communication, among other things, have further covenanted that:

- (i) T&I Net Communication shall not distribute any dividend or profits to the Registered Shareholders. In the event that the Registered Shareholders receive any profit distribution or dividend from our Consolidated Affiliated Entities, the Registered Shareholders must immediately pay or transfer such amount (subject to the relevant tax payment being made under the relevant Laws) to WFOE or its shareholders;
- (ii) they shall immediately notify WFOE of any lawsuits, arbitrations, or administrative procedures relating to its shares or assets which have occurred or may occur;
- (iii) they shall abide strictly by the Contractual Arrangement, perform the obligations under such agreements effectively, and not take any actions or omissions which may adversely affect the validity and enforceability of such agreements; and
- (iv) T&I Net Communication shall purchase and maintain insurance for its assets and business from an insurance company in line with the requirements of WFOE.

## Equity Pledge Agreement

On May 12, 2021, WFOE, T&I Net Communication and each of the Registered Shareholders entered into an equity pledge agreement. Subsequently on September 14, 2021, WFOE, T&I Net Communication, the Registered Partnership Shareholders and their respective general partner entered into a new sets of equity pledge agreements, which replaced the equity pledge agreements entered into by such Registered Partnership Shareholders on May 12, 2021 (equity pledge agreements entered into by the Registered Individual Shareholders on May 12, 2021, and the equity pledge agreements entered into by the Registered Partnership Shareholders on September 14, 2021, collectively, the **"Equity Pledge Agreements"**). The Equity Pledge Agreement in respect of Tianchuang Chuangrun has also been executed by Mr. Tian.

Pursuant to the Equity Pledge Agreements, the Registered Shareholders pledged all of their respective equity interests in T&I Net Communication to WFOE as collateral security to guarantee performance of their contractual obligations under the Contractual Arrangements and all liabilities, monetary debts or other payment obligations arising out of or in relation with the Contractual Arrangements.

Where applicable, the general partners of the Registered Partnership Shareholders and Mr. Tian (i) acknowledged that equity pledge shall be legally binding on the Registered Partnership Shareholders; and (ii) agreed that their decision-making in connection with the disposal of the Registered Partnership Shareholders' interests in T&I Net Communication shall be in accordance with the terms of the Contractual Arrangements.

Among other things, the Registered Shareholders have warranted and undertaken that without WFOE's prior written consent, they shall not transfer or otherwise dispose of the pledged shares, or create any other pledge or security interest over the pledged shares.

Upon the occurrence of an event of default (as defined in the Equity Pledge Agreement), WFOE may with written notice, exercise its right of pledge immediately or any time thereafter or otherwise dispose of the pledged equity interest in accordance with applicable PRC laws and regulations and have priority in the entitlement to the sale proceeds.

The Equity Pledge Agreement shall remain valid until after all the contractual obligations of the Registered Shareholders and the T&I Net Communication under the relevant Contractual Arrangements have been fully performed and all the outstanding debts of the Registered Shareholders and the T&I Net Communication under the relevant Contractual Arrangements have been fully paid.

The registration of the Equity Pledge Agreement as required by the relevant laws and regulations has been completed on June 17, 2021 in accordance with the terms of the Equity Pledge Agreement and PRC laws and regulations.

# DIRECTORS' REPORT

## Voting Proxy Agreement

WFOE, T&I Net Communication, the Registered Shareholders entered into a shareholder voting rights proxy agreement on May 12, 2021, which was replaced by the shareholder voting rights proxy agreement entered into among WFOE, T&I Net Communication, the Registered Shareholders and the Other Parties on September 14, 2021 (the "**Voting Proxy Agreement**"). Pursuant to the Voting Proxy Agreement, each of the then Registered Shareholders appointed WFOE and/or its designee (including but not limited to Directors and their successors and liquidators replacing the Directors) as their exclusive agent and attorney to act on their behalf on all matters concerning T&I Net Communication and to exercise all of their rights as shareholder of T&I Net Communication, including, among others:

- (i) attending the shareholders' meeting and exercising voting rights;
- (ii) proposing to convene shareholders meetings, and signing any resolutions and minutes, approving amendments to the articles of association and filing documents with the relevant company registry;
- (iii) bringing proceedings or taking other legal action against the legal representative, director, supervisor, general manager and other senior managers of T&I Net Communication, in the event that their acts cause damages to the interests of T&I Net Communication or its shareholders;
- (iv) exercising voting rights in the event of bankruptcy, liquidation or dissolution of T&I Net Communication; and the right to the distribution of the remaining assets derived from the bankruptcy, liquidation, dissolution or termination of T&I Net Communication;
- (v) exercising, in accordance with the PRC laws, any shareholder rights to dispose of or manage the assets of T&I Net Communication; and
- (vi) any other shareholder rights under the articles of association of T&I Net Communication (as amended from time to time).

The Other Parties (i) acknowledged that the arrangement contemplated under the Voting Proxy Agreement shall be legally binding on the Registered Partnership Shareholders; (ii) agreed to procure the Registered Partnership Shareholders to comply with the terms of the Voting Proxy Agreement; and (iii) agreed that their decision-making in connection with the disposal of the Registered Partnership Shareholders' interests in T&I Net Communication shall be in accordance with the terms of the Voting Proxy Agreement.

The Registered Shareholders undertake that the authorization under the Voting Proxy Agreement will not lead to any actual or potential conflict of interest with WFOE and/or its designee(s). If there is any conflict of interest (subject to WFOE's sole discretion) with WFOE and other members of our Group, the Registered Shareholders shall prioritize to protect and will hold harmless of WFOE or any member of our Group and eliminate such conflict as soon as possible. Where the Registered Shareholders are the Directors or senior management of our Company, the rights in relation to the Voting Proxy Agreement will be granted to the Directors or senior management of our Company who are not the Registered shareholders. The Registered Shareholders shall not take or omit to take any actions which may lead to a conflict of interest with WFOE or its shareholders, nor the Registered Shareholders shall execute any agreement or make any undertaking therein which has the conflict of interest with any agreement signed or being performed between T&I Net Communication, WFOE or its designee(s).

A Registered Shareholder of T&I Net Communication may transfer or sell all or part of its shares in T&I Net Communication with WFOE's consent, subject to the transferee's agreement to undertake all rights and obligations of such Registered Shareholder under the Voting Proxy Agreement and the transferee shall become a party thereof in place of such Registered Shareholder of T&I Net Communication.

As a result of the Voting Proxy Agreement, the Company, through WFOE, is able to exercise management control over the activities that most significantly impact the economic performance of T&I Net Communication.

The Voting Proxy Agreement shall remain effective until being terminated by WFOE with written notice.

### **The extent to which the Contractual Arrangements relate to requirements other than the foreign ownership restriction**

All of the Contractual Arrangements are subject to the restrictions as set out on pages 237 to 256 of the Prospectus. During the Reporting Period, there was no material change in the Contractual Arrangements and/or the circumstances under which they were adopted, and none of the Contractual Arrangements had been unwound as the regulatory restrictions that led to their adoptions were not removed.

### **Listing Rule implications**

The highest applicable percentage ratios (other than the profits ratio) under the Listing Rules in respect of the transactions associated with the Contractual Arrangements are expected to be more than 5%. As such, the transactions are subject to the reporting, annual review, announcement, circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Our Directors (including our independent non-executive Directors) are of the view that the continuing connected transactions described in this section have been entered into in the ordinary and usual course of our business, on normal commercial terms or better, which are fair and reasonable and in the interests of our Shareholders as a whole.

### **Related Party Transactions**

Details of the related party transactions in the ordinary course of business are set out in Note 32 to the consolidated financial statements. Save as disclosed above, none of the related party transactions constitutes a connected transaction or continuing connected transaction as defined under Chapter 14A of the Listing Rules. The Company has complied with the disclosure requirements under Chapter 14A of the Listing Rules and disclosed in this report.

# DIRECTORS' REPORT

## Waiver from the Stock Exchange and annual review

In relation to the Contractual Arrangements, we have applied to the Stock Exchange pursuant to Rule 14A.105 of the Listing Rules for, and the Stock Exchange has granted, a waiver from (i) strict compliance with the announcement, circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules in respect of the transactions under the Contractual Arrangements; (ii) setting a maximum aggregate annual value, i.e. an annual cap, for the fees payable to WFOE from Consolidated Affiliated Entities under the Contractual Arrangements; and (iii) fixing the term of the Contractual Arrangements to three years or less, for so long as our Shares are listed on the Stock Exchange subject to the following conditions:

- (a) no change without independent non-executive directors' approval;
- (b) no change without independent shareholders' approval;
- (c) economic benefits flexibility;
- (d) renewal and reproduction; and
- (e) ongoing reporting and approvals.

## Confirmation from independent non-executive Directors

Our independent non-executive Directors have reviewed the Contractual Arrangements and confirmed that (i) the transactions carried during the year ended December 31, 2025 have been entered into in accordance with the relevant provisions of the Contractual Arrangements, (ii) no dividends or other distributions have been made by the Consolidated Affiliated Entities to the holders of its equity interests which are not otherwise subsequently assigned or transferred to the Group during the year ended December 31, 2025, (iii) no new contracts were entered into, renewed or reproduced between the Group and the Consolidated Affiliated Entities during the year ended December 31, 2025, and (iv) the Contractual Arrangements were entered into in the ordinary and usual course of business of the Group, on normal commercial terms or better, and according to the relevant agreement governing the Contractual Arrangements on terms that are fair and reasonable and in the interests of the Shareholders as a whole.

## Confirmations from the Company's independent Auditor

The Auditor has confirmed in a letter to the Board that, with respect to the aforesaid continuing connected transactions entered into in the year ended December 31, 2025:

- (a) nothing has come to their attention that causes the Auditor to believe that the disclosed continuing connected transactions have not been approved by the Board;
- (b) nothing has come to their attention that causes the Auditor to believe that the transactions were not entered into, in all material respects, in accordance with the relevant agreements under the Contractual Arrangements governing such transactions; and
- (c) with respect of the disclosed continuing connected transactions with Consolidated Affiliated Entities under the Contractual Arrangements, nothing has come to their attention that causes the Auditor to believe that dividends or other distributions have been made by Consolidated Affiliated Entities to the holders of their equity interests which are not otherwise subsequently assigned or transferred to the Group.

## AUDITOR

The consolidated financial statements of the Group for the year ended December 31, 2025 have been audited by Ernst & Young, who will retire and, being eligible, offer themselves for re-appointment at the annual general meeting.

## IMPORTANT EVENTS AFTER REPORTING PERIOD

The Company repurchased a total of 115,400 ordinary shares at an aggregate consideration of HK\$487,628 from January 2026 to February 2026. For details, please refer to "Purchase, Sale or Redemption of the Company's Listed Securities."

Save as disclosed in this report, there were no other important events affecting the Company which occurred after December 31, 2025 and up to the date of this report.

By the order of the Board

**TI Cloud Inc.**

**Mr. Wu Qiang**

*Chairman of the Board*

Hong Kong, March 30, 2026

# CORPORATE GOVERNANCE REPORT

The Board is pleased to present the Corporate Governance Report of the Company for the year ended December 31, 2025.

## CORPORATE GOVERNANCE PRACTICES

The Company was incorporated in the Cayman Islands on March 31, 2021 with limited liability, and the Shares were listed on the Main Board of the Stock Exchange on the Listing Date.

The Company is committed to maintaining and promoting stringent corporate governance. The principle of the Company's corporate governance is to promote effective internal control measures and to enhance the transparency and accountability of the Board to all Shareholders (the "**Shareholders**").

Throughout the year ended December 31, 2025, the Company has applied the principles and complied with all the applicable code provisions as set out in Part 2 of the Corporate Governance Code contained in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") except as disclosed below.

Pursuant to code provision C.2.1 of the Corporate Governance Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. The Company currently does not have a separate chairman and chief executive officer and Mr. WU Qiang currently performs both roles.

The Board believes that vesting the roles of both chairman and chief executive officer in the same person has the benefit of ensuring 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 for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of chairman of the Board and the chief executive officer of the Company if and when it is appropriate taking into account the circumstances of the Group as a whole. Save as disclosed above, none of the Directors of the Company is aware of any information which would reasonably indicate that the Company has not complied with the code provisions as set out in the Corporate Governance Code for the Reporting Period.

The Company will continue to regularly review and monitor its corporate governance practices to ensure compliance with the Corporate Governance Code, and maintain a high standard of corporate governance practices of the Company.

# CORPORATE GOVERNANCE REPORT

## COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

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 the code of conduct regarding the Directors’ dealings in the securities of the Company. Having made specific enquiry of all the Directors, all the Directors confirmed that they have strictly complied with the required standards set out in the Model Code for the Reporting Period.

## CORPORATE CULTURE

The Company is committed to the principles of “openness, collaboration, and self-criticism,” which serve as the cornerstone of its long-term development strategy. These values are deeply integrated into the Company’s daily operations and strategic decisions. To uphold these principles, the Company embraces a culture where ideas and feedback are openly shared and valued across all levels, enhancing collaboration and fostering a transparent environment that encourages self-criticism and continuous improvement.

For further information of the Company’s corporate culture, please refer to the “Environmental, Social and Governance Report” published by the Company.

## BOARD OF DIRECTORS

### Board composition

Up to the date of this report, our Board comprises the following:

Name of Director	Membership of Board Committee(s)
<b>Executive Directors:</b>	
Wu Qiang (吳強) ( <i>Chief Executive Officer, Chairman of the Board</i> )	Chairman of the Nomination Committee Chairman of the ESG Committee Member of the Remuneration Committee
Pan Wei (潘威)	Member of the ESG Committee
Li Jin (李晉) ( <i>resigned on November 21, 2025 with immediate effect</i> )	
<b>Independent non-executive Directors:</b>	
Weng Yang (翁陽)	Member of the Audit Committee Member of the Nomination Committee Member of the ESG Committee
Li Pengtao (李鵬濤)	Chairman of the Remuneration Committee Member of the Audit Committee Member of the Nomination Committee
Li Zhiyong (李志勇)	Chairman of the Audit Committee Member of the Remuneration Committee

# CORPORATE GOVERNANCE REPORT

The biographical information of the Directors and the relationships between the members of the Board are disclosed under the section headed “Directors and Senior Management” on pages 20 to 23 of this report.

None of the members of the Board is related to one another.

## Chairman and chief executive officer

The positions of chairman of the Board and Chief Executive Officer are held by Mr. WU Qiang (吳強). The chairman provides leadership and is responsible for the effective functioning and leadership of the Board. Please refer to “– Corporate Governance Practices” above for further details.

## Independent non-executive Directors

During the Reporting Period, the Board has at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors, representing one-third of the Board with one of whom 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.

In order to ensure that independent views and input of the independent non-executive Directors are made available to the Board, the Nomination Committee and the Board are committed to assess the Directors’ independence annually with regards to all relevant factors related to the independent non-executive Directors including the following:

- required character, integrity, expertise, experience and stability to fulfill their roles;
- time commitment and attention to the Company’s affairs;
- firm commitment to their independent roles and to the Board;
- declaration of conflict of interest in their roles as independent non-executive Directors;
- no involvement in the daily management of the Company nor in any relationship or circumstances which would affect the exercise of their independent judgement; and
- the Chairman meets with the independent non-executive Directors regularly without the presence of the executive Directors.

The Company has received from each of the independent non-executive Directors an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules and considers each of the independent non-executive Directors to be independent.

# CORPORATE GOVERNANCE REPORT

## Appointment and Re-election of Directors

In accordance with the Articles of Association, all the Directors are subject to retirement by rotation at least once every three (3) years. Any new director appointed by the Board (i) to fill a casual vacancy; or (ii) as an addition to the Board shall hold office until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election.

## Responsibilities, accountabilities and contributions of the Board and management

The Board is responsible for leadership and control of the Company and oversees the Group's businesses, strategic decisions and performance and is collectively responsible for promoting the success of the Company by directing and supervising its affairs. Directors of the Board take decisions objectively in the interests of the Company.

The Board directly, and indirectly through its Board 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 are responsible for ensuring a high standard of regulatory reporting of the Company and providing a balance in the Board for bringing effective independent judgement on corporate actions and operations.

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 Directors shall disclose to the Company details of other offices held by them.

The Board reserves for its decision 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 the management.

The Company has arranged adequate insurance coverage on Directors' and officers' liabilities in respect of any legal actions taken against Directors and senior management arising out of corporate activities. The insurance coverage would be reviewed on an annual basis.

# CORPORATE GOVERNANCE REPORT

## Continuous professional development of Directors

Directors shall keep abreast of regulatory developments and changes in order to effectively perform their responsibilities and to ensure that their contribution to the Board remains informed and relevant.

Every newly appointed Director will receive formal, comprehensive and tailored induction on the first occasion of his/her appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of director's responsibilities and obligations under the Listing Rules and relevant statutory requirements.

Directors should participate in appropriate continuous professional development to develop and refresh their knowledge and skills. Internally-facilitated briefings for the Directors would be arranged and reading material on relevant topics would be provided to the Directors where appropriate. All Directors are encouraged to attend relevant training courses at the Company's expenses.

During the year ended December 31, 2025, the key methods of attaining continuous professional development by each of the Directors are recognized as follows:

<b>Name of Director</b>	<b>Participated in continuous professional training<sup>(1)</sup></b>
<b>Executive Directors:</b>	
Wu Qiang (吳強) ( <i>Chief Executive Officer, Chairman of the Board</i> )	✓
Pan Wei (潘威)	✓
Li Jin (李晉) ( <i>resigned on November 21, 2025 with immediate effect</i> )	✓
<b>Independent non-executive Directors:</b>	
Weng Yang (翁陽)	✓
Li Pengtao (李鵬濤)	✓
Li Zhiyong (李志勇)	✓

Note:

(1) Attended training/seminar/conference arranged by the Company or other external parties or read relevant materials.

# CORPORATE GOVERNANCE REPORT

## Board meetings, Board Committee meetings and general meetings

Code provision C.5.1 of the Corporate Governance Code provides that Board meetings should be held at least four times a year at approximately quarterly intervals. Notices of not less than fourteen days are given for all regular Board meetings to provide Directors with an opportunity to attend and include matters in the agenda for a regular meeting. For other Board and Board Committee meetings, reasonable notice is generally given. The agenda and accompanying board papers are dispatched to the Directors or Board Committee members at least three days before the meetings to ensure that they have sufficient time to review the papers and are adequately prepared for the meetings. When Directors or Board Committee members are unable to attend a meeting, they will be advised of the matters to be discussed and given an opportunity to make their views known to the Chairman prior to the meeting. During the year ended December 31, 2025, the Company had held four Board meetings.

For general meetings, notices of not less than twenty-one days are given for the annual general meeting and fourteen days are given for other general meetings to provide all Shareholders with an opportunity to be familiar with the detailed procedures for the general meeting.

The Company will continue to regularly review and monitor its corporate governance practices to ensure compliance with the Corporate Governance Code, and maintain a high standard of corporate governance practices of the Company.

## Attendance records of Directors

During the Reporting Period, the attendance record of each Directors at Board and committee meetings is detailed in the table below.

Name of Director	Attendance/No. of Meeting(s)				ESG Committee
	Board	Audit Committee	Remuneration Committee	Nomination Committee	
Wu Qiang (吳強)	4/4	N/A	2/2	2/2	1/1
Pan Wei (潘威)	4/4	N/A	N/A	N/A	1/1
Li Jin (李晉) (resigned on November 21, 2025 with immediate effect)	3/4	N/A	N/A	N/A	N/A
Weng Yang (翁陽)	4/4	3/3	N/A	2/2	1/1
Li Pengtao (李鵬濤)	4/4	3/3	2/2	2/2	N/A
Li Zhiyong (李志勇)	4/4	3/3	2/2	N/A	N/A

During the Reporting Period, an annual general meeting was held on May 28, 2025 at the meeting room at 29/F, No.1 Building, 2nd Compound, Ronghua South Road, Beijing Economic and Technological Development Zone, Beijing, PRC. Mr. Wu Qiang, Mr. Pan Wei, Mr. Li Jin, Ms. Weng Yang, Mr. Li Pengtao and Mr. Li Zhiyong attended the annual general meeting.

Apart from the regular Board meetings above, the chairman of the Board also held meetings with the independent non-executive Directors without the presence of executive Directors during the Reporting Period.

# CORPORATE GOVERNANCE REPORT

## BOARD COMMITTEES

The Board has established four Board committees, namely the Audit Committee, the Remuneration Committee, the Nomination Committee and the ESG Committee (the “**Board Committees**”) for overseeing specific aspects of the Company’s affairs. All Board Committees of the Company operate in accordance with the terms of reference established by our Board. The terms of reference of the Board Committees are posted on the Company’s website and the Stock Exchange’s website and are available to Shareholders upon request.

### Audit Committee

The Company has established the Audit Committee in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control system of our Group, review and approve connected transactions and to advise the Board. The Audit Committee comprises three independent non-executive Directors, namely Mr. LI Zhiyong, Mr. LI Pengtao and Ms. WENG Yang. Mr. LI Zhiyong, being the chairperson of the Audit Committee, is appropriately qualified as required under Rules 3.10(2) and 3.21 of the Listing Rules.

The Audit Committee is responsible for reviewing and monitoring the financial reporting, risk management and internal control systems of the Company, and assist the Board to fulfill its responsibility over the audit. The Audit Committee’s duties and powers should include:

- relationship with the Company’s external auditors;
- review of the Company’s financial information;
- oversight of the Company’s financial reporting system, risk management and internal control systems; and
- performing the Company’s corporate governance functions.

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

The Audit Committee held three meetings during the Reporting Period. The following is a summary of work performed by the Audit Committee during the Reporting Period:

- reviewed the annual results announcement and the annual report of the Group for the year ended December 31, 2024;
- reviewed the interim results announcement and the interim report of the Group for the six months ended June 30, 2025; and
- reviewed the findings and recommendations of the external auditor.

# CORPORATE GOVERNANCE REPORT

On March 30, 2026, the Audit Committee has reviewed the audited consolidated financial statements of the Group for the year ended December 31, 2025 and discussed matters with respect to the accounting policies and practices adopted by the Company and internal control with senior management members and the Auditor. The Audit Committee has also monitored the Group's financial controls, internal control and risk systems, and reviewed the annual audit plan of the external auditor.

## Remuneration Committee

The Company has established the Remuneration Committee in compliance with Rule 3.25 of the Listing Rules and the Corporate Governance Code. The primary duties of the Remuneration Committee are to review and make recommendations to the Board regarding the terms of remuneration packages, bonuses and other compensation payable to our Directors and senior management. The Remuneration Committee comprises one executive Director, namely Mr. WU Qiang, and two independent non-executive Directors, namely Mr. LI Pengtao and Mr. LI Zhiyong. Mr. LI Pengtao is the chairman of the Remuneration Committee.

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

The Remuneration Committee has adopted the second model described in paragraph E.1.2(c) under Appendix C1 to the Listing Rules (i.e. make recommendation to the Board on the Company's policy and structure for all Directors' and senior management remuneration). The Remuneration Committee has consulted the chairman of the Board and/or chief executive of the Company about their remuneration proposals for other executive Directors. The Remuneration Committee should have access to independent professional advice if necessary.

The Remuneration Committee shall have the following duties and powers:

- to make recommendations to the Board on the Company's policy and structure for all directors' and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
- to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- to make recommendations to the Board on the remuneration packages of individual executive directors and senior management. This should include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;
- to make recommendations to the Board on the remuneration of non-executive directors;
- to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;

# CORPORATE GOVERNANCE REPORT

- to review and approve the compensation payable to executive directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;
- to review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate;
- to ensure that no director or any of his/her associates is involved in deciding his/her own remuneration;
- to review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules; and
- to consider and implement other matters, as defined or assigned by the Board or otherwise required by the Listing Rules from time to time.

The Remuneration Committee held two meetings during the Reporting Period to review and make a recommendation to the Board on the remuneration policy and structure of the Company and the remuneration packages of the Directors and senior management, the Share Incentive Plan and other related matters.

On March 30, 2026, the remuneration of the Directors is reviewed by the Remuneration Committee and approved by the Board. The relevant Director's experience, duties and responsibilities, time commitment, the Company's performance and the prevailing market conditions are taken into consideration in determining the emolument of the Directors. Details of the fees and other emoluments paid or payable to the Directors and the five highest paid employees for the year ended December 31, 2025 are set out in Notes 8 and 9 to the audited consolidated financial statements contained in this report.

The remuneration of the members of senior management by band for the year ended December 31, 2025 is set out below:

	<b>Number of members of senior management</b>
Nil to HK\$1,000,000	0
HK\$1,000,001 to HK\$1,500,000	1
HK\$1,500,001 to HK\$2,000,000	1
HK\$2,000,001 to HK\$2,500,000	2
<b>Total</b>	<b>4</b>

# CORPORATE GOVERNANCE REPORT

## Nomination Committee

The Company has established the Nomination Committee in compliance with the Corporate Governance Code. The primary duties of the Nomination Committee are to make recommendations to the Board regarding the appointment of Directors and Board succession. The Nomination Committee comprises one executive Director, namely Mr. WU Qiang, and two independent non-executive Directors, namely Mr. LI Pengtao and Ms. WENG Yang. Mr. WU Qiang is the chairman of the Nomination Committee.

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

The Nomination Committee shall have the following duties and powers:

- to review the structure, size and composition (including the skills, knowledge, experience and diversity of perspectives) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of, individuals nominated for directorships;
- to assess the independence of independent non-executive directors;
- to make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors (in particular the chairman or chairlady and the chief executive);
- to review the policy on Board diversity (the "**Board Diversity Policy**") and any measurable objectives for implementing such Board Diversity Policy as may be adopted by the Board from time to time and to review the progress on achieving the objectives; and to make disclosures of its progress its review results in the annual report of the Company annually; and
- where the Board proposes a resolution to elect an individual as an independent non-executive director at the general meeting, it should set out in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting.

During the Reporting Period, the Nomination Committee held two meetings.

## ESG Committee

The Company has established the ESG Committee to provide comprehensive oversight of the ESG practices and initiatives of the Company. The ESG Committee serves as the central coordinating body for ESG matters across all departments and operations. The ESG Committee comprises two executive Directors, namely Mr. WU Qiang and Mr. PAN Wei and an independent non-executive Director, namely Ms. WENG Yang. Mr. WU Qiang is the chairman of the ESG Committee.

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

# CORPORATE GOVERNANCE REPORT

The ESG Committee shall have the following duties and powers:

- to review, endorse and report to the Board on the Company's ESG standards, priorities and goals and to oversee the Company's strategies, policies and practices on sustainability and ESG matters to attain those standards and goals.
- to oversee, review and evaluate actions taken by the Company in furtherance of the ESG priorities and goals, including coordinating with the business divisions of the Company and ensuring that their operations and practices adhere to the relevant priorities and goals.
- to monitor and review emerging sustainability issues and trends in national and international standards that could impact the business operations and performance of the Company, such as key international ESG trends in legislation, regulation, litigation and public debate; peers analysis on ESG performance and climate related risks and opportunities.
- to monitor and evaluate the impact of the Company's ESG performance on its stakeholders, including employees, shareholders, local communities and the environment, and to conduct climate-related risk and opportunities management and propose corrective action plans when needed.
- to review, evaluate, advise and lead the preparation of the Company's public communication, disclosure and publications in relation to ESG matters (including but not limited to the disclosure in the ESG report in the Company's annual report), to maintain the integrity of reporting and to ensure the compliance with relevant disclosure requirements concerning ESG matters.
- to formulate, monitor and review the overall climate-related strategy and approach of the Company, including:
  - o overseeing climate-related risks and opportunities (encompassing physical and transition risks);
  - o coordinating climate-related initiatives across departments, setting and reviewing targets and key initiatives;
  - o maintaining effective communication channels with other committees to ensure comprehensive awareness and response to climate-related issues affecting the Company; and
  - o to ensure the climate strategy aligns with organizational objectives and regulatory requirements while facilitating cross-functional collaboration on climate action implementation.

During the Reporting Period, the ESG Committee held one meeting.

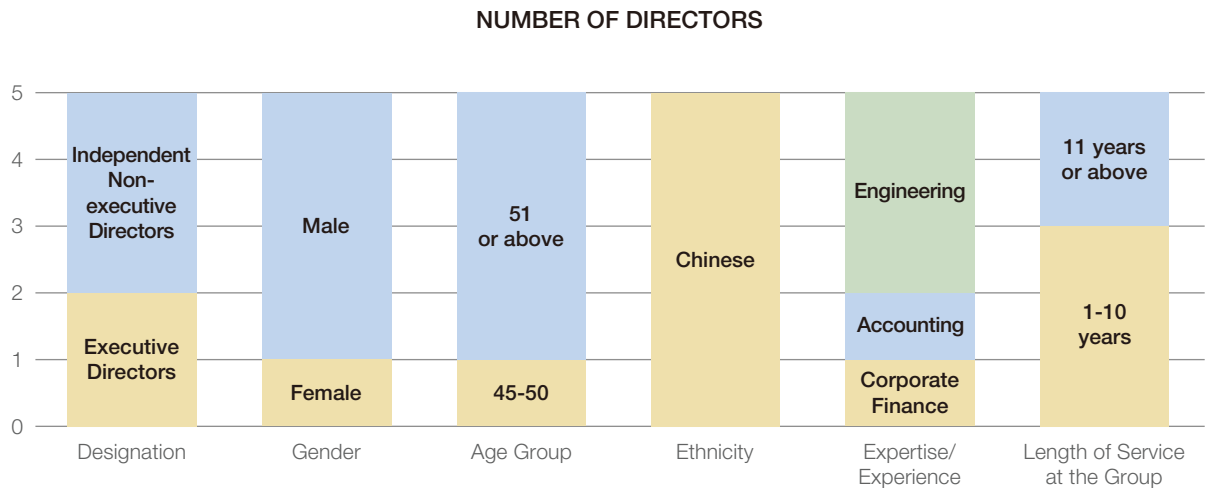
# CORPORATE GOVERNANCE REPORT

## Board Diversity Policy

The Company has adopted the Board Diversity Policy which sets out the approach to enhance the effectiveness of our Board and to maintain high standard of corporate governance. The Board Diversity Policy sets out the criteria in selecting candidates to our Board, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to our Board.

The Nomination Committee is responsible for reviewing the diversity of the Board. After Listing, the Nomination Committee will monitor and evaluate the implementation of the Board Diversity Policy from time to time to ensure its continued effectiveness. The Nomination Committee will also include in successive annual reports a summary of the Board Diversity Policy, including any measurable objectives set for implementing the Board Diversity Policy and the progress on achieving these objectives. For the purpose of implementation of the Board Diversity Policy, the measurable objectives adopted include (a) at least one-third of the members of the Board shall be independent non-executive directors; (b) at least one of the members of the Board shall have obtained accounting or other professional qualifications; and (c) at least one of the members of the Board shall be female.

The Nomination Committee will review the Board Diversity Policy, as appropriate, to ensure its effectiveness. The following chart shows the diversity profile of the Board as at December 31, 2025.



# CORPORATE GOVERNANCE REPORT

## Gender Diversity

With regards to gender diversity on the Board, we recognize the particular importance of gender diversity. Our Company will take opportunities to increase the proportion of female members of the Board when selecting and recommending suitable candidates for Board appointments to help enhancing gender diversity in accordance with stakeholder expectations and the recommended best practices. Our Company also intends to promote gender diversity when recruiting staff at the mid to senior level so that our Company will have a pipeline of female senior management and potential successors to the Board. We plan to offer all-rounded trainings to female employees whom we consider to have the suitable experience, skills and knowledge of our operation and business, including but not limited to, business operation, management, accounting and finance, legal and compliance and research and development. We are of the view that such strategy will offer chances for our Board to identify capable female employees to be nominated as a member of the Board in future with an aim to providing our Board with a pipeline of female candidates to achieve gender diversity in our Board in the long run. The Company has held parent-child activities. We believe that such merit-based selection process with reference to our diversity policy and the nature of our business will be in the best interests of our Company and our Shareholders as a whole.

The following table sets out the gender ratio in the work force of the Group, including the Board and senior management as at the date of this report:

	<b>Female</b>	<b>Male</b>
Board	20.00%	80.00%
Senior management	0.00%	100.00%
Other employees	33.11%	66.89%
Overall workforce	32.96%	67.04%

Details on the gender ratio of the Group together with relevant data can be found on page 128 in the Environmental, Social and Governance Report of this report.

Based on the Board’s review, there was no mitigating factor or circumstance which makes achieving gender diversity across the workforce (including senior management) more challenging or less relevant.

## Director Nomination Policy

Our Company has adopted a director nomination policy in accordance with the Corporate Governance Code. The director nomination policy sets out the selection criteria and process and our Board's succession planning considerations in relation to nomination and appointment of directors of our Company and aims to ensure that our Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of our Company's business.

The Nomination Committee shall identify, consider and recommend to our board appropriate candidates to serve as Directors and to make recommendations to our Shareholders. The ultimate responsibility for selection and appointment of Directors rests with our entire board.

The director nomination policy sets out the non-exhaustive factors for assessing the suitability and the potential contribution to our board of a proposed candidate, including but not limited to the following:

- reputation for integrity;
- professional qualifications and skills;
- accomplishment and experience in the industry of our Company;
- commitment in respect of available time and relevant interest;
- independence of proposed independent non-executive Directors; and
- diversity of our Board in all aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service.

The director nomination policy also sets out the procedures for the selection and appointment of new Directors and re-election of Directors at general meetings.

The director nomination policy also sets out the criteria for evaluation and recommendation to the Board on the re-appointment of retiring Director(s) and the position(s) of the independent non-executive Directors, and the process and procedures for the nomination of Directors:

- The Secretary of the Nomination Committee shall call a meeting of the Nomination Committee, and invite nominations of candidates from Board members if any, for consideration by the Nomination Committee prior to its meeting. The Nomination Committee may also put forward candidates who are not nominated by Board members.
- For filling a casual vacancy, the Nomination Committee shall make recommendations for the Board's consideration and approval. For proposing candidates to stand for election at a general meeting, the Nomination Committee shall make nominations to the Board for its consideration and recommendation.

# CORPORATE GOVERNANCE REPORT

- Pursuant to the Articles of Association of the Company, if a shareholder wishes to propose a person for election as a Director, such shareholder shall have given a notice in writing of the intention to propose that person for election as a Director and also a notice in writing by that person of his willingness to be elected shall be given to the Company at least seven (7) days before the date of general meeting. Such period for lodgment of the notices shall commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than seven (7) days prior to the date of such meeting.
- A candidate is allowed to withdraw his candidature at any time before the general meeting by serving a notice in writing to the company secretary of the Company.
- The Board shall have the final decision on all matters relating to its recommendation of candidates to stand for election at any general meeting.

The Nomination Committee will review the director nomination policy, from time to time and as appropriate, to ensure its effectiveness.

## Corporate governance functions

The Board is responsible for performing the functions set out in the code provision A.2.1 of the Corporate Governance Code. The Board has performed the duties in corporate governance during the Reporting Period which include:

- (a) develop and review the Company's corporate governance policies and practices;
- (b) review and monitor training and continuous professional development of the Directors and senior management;
- (c) review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (d) develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and
- (e) review the Company's compliance with the Corporate Governance Code and disclosure in this Corporate Governance Report.

# CORPORATE GOVERNANCE REPORT

## DIRECTORS' RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the consolidated financial statements of the Company during the Reporting Period.

The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

The statement of the independent auditor of the Company, Ernst & Young, about their reporting responsibilities on the consolidated financial statements is set out in the Independent Auditor's Report on pages 139 to 143 of this report.

## DIVIDEND POLICY

The Company does not have any pre-determined dividend payout ratio. Depending on the financial conditions of the Company and the Group and the conditions and factors, among others, financial results, cash flow situation, business conditions and strategies and future operations and earnings, as set out in the dividend policy, dividends may be proposed and/or declared by the Board during a financial year and any final dividend for a financial year will be subject to Shareholders' approval.

## RISK MANAGEMENT AND INTERNAL CONTROL

We face a variety of risks in our daily business operations, including operational risk, legal and compliance risk, financial reporting risk, human resource risk, credit risk and internal audit risk. We have established risk management and internal control systems consisting of policies and procedures that we consider to be appropriate for our business operations, and we are dedicated to continuously improving these systems. The Board is responsible for overseeing the risk management activities and internal control systems and reviewing their effectiveness. These systems are designed to manage, though not entirely eliminate, the risk of failing to achieve business objectives, and provide a satisfactory, albeit not absolute, assurance against material misrepresentations or losses. Our Chief Financial Officer and management also monitor the risks we are faced with and ensure our risk management policies and protocols are effectively implemented.

The Board reviewed the effectiveness of the Group's risk management and internal control system for each financial year and has completed the review for the year ended December 31, 2025. The Board confirmed that for the year ended December 31, 2025, (a) the Group has adequate and effective internal audit functions to continuously monitor the success of its risk management and internal control system; and (b) the Group's risk management and internal control system is effective.

We have adopted and implemented the following risk management policies and protocols.

# CORPORATE GOVERNANCE REPORT

## Operational Risk Management

We are faced with operational risks relating to our daily operations, which primarily arise from inadequate or failed internal controls and systems, human errors, IT system failures or external events. We consider these operational risks to be the key risks in our business and believe that, with adequate operational policies and procedures, these inherent risks can be controlled and mitigated. We developed a robust risk management system monitoring and addressing risks in our daily operations, such as the management of (1) our internal financial records, (2) company chops, seals and signatures, (3) key properties, and (4) business files.

To ensure the continuity of our business, we have put in place contingency plans for detecting and responding to emergency incidents. In the event of an emergency incident, our contingency plans set out prescribed response protocols applicable to our various business units. We continue to assess the effectiveness of our contingency plans, and would perform reviews after each emergency incident to identify potential areas for improvement. We also conduct regular emergency response drills to ensure our employees are familiar with our response protocols.

## Legal and Compliance Risk Management

Our business is subject to regulation and supervision by national, provincial and local government authorities with regard to our business operations, which may be subject to changes. For further details on the applicable laws and regulations in relation to our business operations, please refer to the section headed “Regulations” in the Prospectus. If we fail to comply with these laws and regulations, we may be required to rectify and may incur penalties and losses. During the Track Record Period, we had not been challenged for any material non – compliance incidents by any regulatory authorities.

In addition, we have strengthened our legal and compliance risk management by:

- establishing anti-money laundering and anti-corruption reporting system and anti-fraud system;
- monitoring legal updates, including updates on the interpretation of applicable laws and regulations by relevant regulatory authorities and update our internal protocols and procedures in a timely manner; and
- reiterating the importance of adherence to our operational protocols and procedures to our employees and, in particular, new employees, to ensure effective implementation of our operational protocols and procedures.

We are subject to anti-bribery and anti-corruption laws in the PRC and other jurisdictions we may expand into in the future. We have in place an anti-bribery and anti-corruption policy to safeguard against relevant risks. The policy explains potential bribery and corruption conduct and our anti-bribery and corruption measures. Improper payments prohibited by the policy include bribes, kickbacks, excessive gifts or facilitation payment, or any other payment made or offered to obtain an undue business advantage. We keep accurate books and records that reflect the substance of transactions and asset dispositions in reasonable detail. We will not approve the transactions or payment if the books and records do not reflect the substance of transactions. We plan to hold regular trainings for employees regarding anti-bribery and anti-corruption policy in the future to facilitate better implementation. During the Reporting Period, we were not aware of any bribery or corruption incident involving us or our employees.

# CORPORATE GOVERNANCE REPORT

## Financial Reporting Risk Management

We have in place a set of accounting policies in connection with our financial reporting risk management, such as financial reporting management policy, budget management policy, treasury management policy, financial statements preparation policy and finance department and staff management policy. We have various procedures and IT systems in place to implement our accounting policies, and our finance department reviews our management accounts based on such procedures. We also provide regular trainings to our finance department employees to ensure that they understand our financial management and accounting policies and implement them in our daily operations.

## Human Resources Risk Management and Whistleblowing Policy

We provide regular and specialized trainings tailored to the needs of our employees in different departments. Our human resources department regularly organizes internal training sessions conducted by senior employees or external consultants on topics of interest. Our human resources department schedules online trainings, reviews the contents of the training materials, monitors the trainings, follows up with employees to evaluate the effectiveness of such trainings and rewards lecturers for positive feedback they receive. Through these trainings, we ensure that our staff's skill sets remain up-to-date, enabling them to better meet clients' needs.

We have in place an employee handbook and a code of conduct approved by our management and have distributed them to all our employees. The handbook contains internal rules and guidelines regarding work ethics, fraud prevention mechanisms, negligence and corruption. We provide employees with regular trainings, as well as resources to explain the guidelines contained in the employee handbook.

The Company has also put in place whistleblowing policy and measures for employees and those who deal with the Company to raise concerns, on an anonymous basis, about any non-compliance incidents and acts, including bribery and corruption.

## Credit Risk Management

We face credit risks primarily arising from solutions delivered in the VPC model to the extent that our clients fail to perform their payment obligations as provided in the service agreements. We address such credit risks by carefully evaluating the credit profiles, liquidity position and market reputation of potential clients. We are not subject to material credit risks associated with our SaaS model because clients for our SaaS model usually prepay for our services or settle payments with us on a monthly basis.

# CORPORATE GOVERNANCE REPORT

## Internal Audit

We have established the Audit Committee to monitor the implementation of our risk management policies across our Company on an ongoing basis to ensure that our internal control system is effective in identifying, managing and mitigating risks involved in our business operations. The Audit Committee consists of three members, namely Mr. LI Zhiyong, Mr. LI Pengtao and Ms. WENG Yang, all of whom are independent non-executive Directors. Mr. LI Zhiyong is the chairman of the Audit Committee. For the professional qualifications and experiences of the members of our Audit Committee, please refer to the section headed “Directors and Senior Management” in this report.

We also maintain an internal audit department which is responsible for reviewing the effectiveness of internal controls and reporting to the Audit Committee and senior management on any issues identified. Our internal audit department members are required to report to management to discuss any internal control issues we face and the corresponding measures to implement toward resolving such issues. The internal audit department reports to the Audit Committee to ensure that any major issues identified are channeled to the committee on a timely basis. The Audit Committee then discusses the issues and reports to the Board, if necessary.

## Inside Information

We have put in place appropriate internal control procedures and to avoid improper handling of inside information which may constitute insider trading or breach of any other statutory duty. At any time, access to inside information is limited to the relevant personnel (i.e. the Directors, senior management and relevant employees of the Company) and as the situation requires until it is disclosed or released in accordance with applicable laws and regulations. Directors, senior management and relevant employees of the Company who are in possession of potential inside information and/or inside information are required to take reasonable steps to ensure that adequate safeguards are in place to ensure the strict confidentiality of inside information and that recipients understand their responsibility to keep the information confidential.

## AUDITOR’S REMUNERATION

Set out below is a breakdown of the remuneration paid/payable to the external auditor of the Company, Ernst & Young, in respect of the audit services and the non-audit services for the year ended December 31, 2025. The audit services conducted by the external auditor of the Company include annual audit of financial statements for the Group. Non-audit services include interim review of financial information and tax compliance services for the Group.

<b>Service Category</b>	<b>Fees Paid/Payable</b>
	RMB'000
Audit services	1,720
Non-audit services	360
<b>Total</b>	<b>2,080</b>

# CORPORATE GOVERNANCE REPORT

## JOINT COMPANY SECRETARIES

Mr. WANG Huan (王歡), one of our joint company secretaries, is the head of our Securities Legal Department since November 2020. The biographical information of Mr. Wang is disclosed under the section headed “Directors and Senior Management – Joint Company Secretaries” on page 23 of this report.

Mr. LUI Wing Yat Christopher (呂穎一), one of our joint company secretaries, is a senior manager of corporate services of Tricor Services Limited. The biographical information of Mr. Lui is disclosed under the section headed “Directors and Senior Management – Joint Company Secretaries” on page 23 of this report.

Mr. Lui’s primary contact person at the Company is Mr. WANG Huan (王歡), the head of our Securities Legal Department.

During the year ended December 31, 2025, Mr. Wang and Mr. Lui have complied with Rule 3.29 of the Listing Rules and taken no less than 15 hours of relevant professional training.

## CHANGES IN CONSTITUTIONAL DOCUMENTS

The Company’s Articles of Association, adopted on June 16, 2022 and became effective on the Listing Date, are available on the Company’s website and the Stock Exchange’s website. The Company did not make any changes to its constitutional documents during the year ended December 31, 2025.

## SHAREHOLDERS’ RIGHTS

In order to ensure that shareholders’ interests and rights are adequately protected, separate resolution should be proposed for each substantially separate issue at general meetings of the Company, including the election of individual Directors. All resolutions put forward at general meetings of the Company will be voted on by poll pursuant to the Listing Rules and poll results announcement will be posted on the websites of the Company and of the Stock Exchange after each general meeting.

### Convening an extraordinary general meeting by Shareholders

Pursuant to Article 64 of the Articles, the Board may, whenever it thinks fit, convene an extraordinary general meeting. One or more Shareholders holding, as at the date of deposit of the requisition, in aggregate not less than one-tenth of the voting rights (on a one vote per share basis) in the share capital of the Company may also make a requisition to convene an extraordinary general meeting and/or add resolutions to the agenda of a meeting. Such requisition shall be made in writing to the Board or the secretary for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

# CORPORATE GOVERNANCE REPORT

## Putting forward proposals at general meetings

Shareholders who wish to put forward proposals at extraordinary general meetings may refer to the preceding paragraph to add resolutions to the agenda of a meeting.

## Putting forward enquiries to the Board

For putting forward any enquiries to the Board, Shareholders may send written enquiries to the Company. The Company will not normally deal with verbal or anonymous enquiries.

## Contact details

Shareholders may send their enquiries or requests as mentioned above to the following:

Address: 29/F, No. 1 Building,  
2nd Compound Ronghua South Road,  
Beijing Economic and Technological Development Zone,  
Beijing, PRC  
(For the attention of the Board of Directors/Company Secretary)

Email: IR@ti-net.com.cn

For the avoidance of doubt, Shareholder(s) must deposit and send the original duly signed written requisition, notice or statement, or enquiry (as the case may be) to the above address and provide their full name, contact details and identification in order to give effect thereto. The information of the Shareholder(s) may be disclosed as required by law.

## COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

The Company considers effective communication with Shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. The Company also recognizes the importance of timely and non-selective disclosure of information, which will enable Shareholders and investors to make the informed investment decisions.

The Company endeavors to maintain an on-going dialogue with Shareholders and in particular, through annual general meetings and other general meetings. The Chairman of the Board and the chairmen of the Board Committees will attend the annual general meeting to answer Shareholders' questions. The external auditor will also attend the annual general meeting and use all reasonable endeavours to answer enquiries about audit related matters, the preparation and content of the auditor's report, the accounting policies and auditor independence.

The Company has in place a shareholders' communication policy to ensure that shareholders' views and concerns are appropriately addressed. The policy aims at promoting effective communication with shareholders and other stakeholders, encouraging shareholders to engage actively with the Company and enabling shareholders to exercise their rights as shareholders effectively. The Company has reviewed and considered the implementation of the Shareholders' communication to be effective during the Reporting Period.

# CORPORATE GOVERNANCE REPORT

The Company has established a number of channels for maintaining an on-going dialogue with its Shareholders as follows:

## (a) Corporate Communication

“Corporate Communication” as defined under the Listing Rules refers to any document issued or to be issued by the Company for the information or action of holders of any of its securities, including but not limited to the following documents of the Company: (a) the Directors’ report, annual accounts together with a copy of the auditor’s report and, where applicable, its summary financial report; (b) the interim report and, where applicable, its summary interim report; (c) a notice of meeting; (d) a listing document; (e) a circular; and (f) a proxy form. The Corporate Communication of the Company will be published on the website of Hong Kong Exchanges and Clearing Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) in a timely manner as required by the Listing Rules. Corporate Communication will be provided to Shareholders and non-registered holders of the Company’s securities in both English and Chinese versions or where permitted, in a single language, in a timely manner as required by the Listing Rules, Shareholders and non-registered holders of the Company’s securities shall have the right to choose the language (either English or Chinese) or means of receipt of the Corporate Communication (in printed form or through electronic means).

## (b) Announcements and Other Documents pursuant to the Listing Rules

The Company shall publish announcements (on inside information, corporate actions and transactions etc.) and other documents (e.g. Memorandum and Articles of Association) on the Stock Exchange’s website in a timely manner in accordance with the Listing Rules.

## (c) Corporate Website

Any information or documents of the Company posted on the Stock Exchange’s website will also be published on the Company’s website (<https://www.ti-net.com.cn/>). Other corporate information about the Company’s business developments, goals and strategies, corporate governance and risk management will also be available on the Company’s website.

## (d) General Meetings

The general meetings of the Company provide an opportunity for communication between the Shareholders and the Board. An annual general meeting of the Company shall be held each year and at the place as may be determined by the Board. Each general meeting, other than an annual general meeting, shall be called an extraordinary general meeting.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## ABOUT THIS REPORT

TI Cloud Inc. and its subsidiaries (hereinafter “**TI Cloud**”, “**the Company**” or “**we**”) are pleased to present this Environmental, Social and Governance (ESG) Report for the year of 2025 (hereinafter the “**Report**”). Adhering to the principles of objectivity, standardization, and transparency, this Report systematically discloses TI Cloud’s vision, strategies, initiatives, and outcomes in environmental, social, and governance matters in 2025. We expect to respond to stakeholders’ concerns, build consensus, and jointly promote sustainable development in environmental, social, and economic aspects through the release of the ESG report.

### Reporting Scope

Organizational Scope: The Report covers TI Cloud and its subsidiaries. Unless otherwise specified, the relevant information and statistical data are consistent with the scope of the consolidated financial statements in TI Cloud’s 2025 Annual Report.

Time Frame: From 1 January 2025 to 31 December 2025 (the “**Year**” or the “**reporting period**”).

### Basis of preparation

This Report has been prepared in accordance with the Environmental, Social and Governance Reporting Code (the “**ESG Code**”) set out in Appendix C2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the United Nations Sustainable Development Goals (UN SDGs).

### Reporting principles

In preparing this Report, we defined the contents of this Report and how the information is presented in line with the principles of “Materiality”, “Quantification”, “Balance” and “Consistency”.

- **Materiality:** This Report has identified key stakeholders and their concerns regarding ESG issues during the preparation process, and made targeted disclosures based on the materiality level of these issues. For more information on the process and results of the materiality assessment, please refer to the sections “Stakeholder Engagement” and “Materiality Assessment” below.
- **Quantification:** In this Report, the key performance indicators (KPIs) concerning environmental and social aspects are presented in the form of quantitative data. The measurement standards, methods, assumptions and/or calculation tools, and sources of conversion coefficients used for the KPIs in this Report are explained in their respective places (where applicable).
- **Balance:** This Report aims to present the Group’s ESG efforts in a balanced, objective, and transparent manner, covering areas such as corporate governance, product and service responsibility, operational practices, employees, environment, and community engagement.
- **Consistency:** The preparation of the report is consistent with previous years, and any changes that might affect meaningful comparisons with past reports have been explained in the respective sections.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Sources of Information

The information and data disclosed in this Report are sourced from TI Cloud’s internal official documents or publicly disclosed materials such as statistical reports and annual reports. The Board of Directors and all Directors hereby confirm that this Report contains no false records, misleading statements, or material omissions, and assume liabilities to the authenticity, accuracy and completeness of its content.

## Contact

Should you have any questions or suggestions regarding this Report, please feel free to contact us through the following channels.

Email	IR@ti-net.com.cn
Headquarters and principal place of business	29/F, No.1 Building, 2nd Compound, Ronghua South Road, Beijing Economic and Technological Development Zone, Beijing, PRC
The Company’s website	<a href="https://www.ti-net.com.cn">https://www.ti-net.com.cn</a>

## Statements of the Board of Directors

The Board of Directors of TI Cloud attaches paramount importance to the Company’s sustainable development and its critical role in ensuring long-term and resilient operations. The Board of Directors serves as the highest governing body for ESG management at the Company, responsible for reviewing material ESG issues and overseeing and evaluating the Company’s overall ESG management and implementation. TI Cloud’s ESG Committee assists the Board of Directors in overseeing and reviewing the Company’s ESG framework, management policies, and strategies, guiding the effective implementation of the Company’s ESG initiatives, while strengthening ESG risk management and internal controls, and supervising and reviewing the Company’s overall climate-related strategies and policies. Further details on the governance structure are provided in the section headed “ESG Governance” of this Report.

The Company values stakeholder engagement and has identified material ESG issues and potential risks through multi-channel dialogues with relevant parties. During the reporting period, the Board of Directors reviewed the assessment results of the materiality and prioritization of relevant ESG issues, providing insights and recommendations on matters that may impact the Company’s long-term sustainability. For details, please refer to the section headed “Materiality Assessment” of this Report. Additionally, through regular updates from the ESG Committee, the Board of Directors maintains a clear understanding of evolving ESG trends and stakeholder feedbacks and expectations regarding the Company’s ESG performance.

The Company has implemented a structured ESG target management system covering emissions, energy consumption, water resources, and other key metrics. The Board of Directors conducts annual reviews of progress and adjusts targets as needed to ensure continuous improvement. For details, please refer to the chapter headed “EMBRACING LUCID WATERS AND LUSH MOUNTAINS.”

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Moving forward, the Board of Directors remains committed to refining ESG management and performance, collaborating with stakeholders to build a sustainable future.

The Report, with detailed disclosure of above environmental, social and governance related matters, has been considered and approved by the Board of Directors on 30 March 2026.

## ABOUT TI CLOUD

### Corporate Profile

Founded in 2006, TI Cloud has consistently focused on “developing, building, and operating intelligent customer contact platforms,” providing platform services for customer contact scenarios within the three core operational processes of “marketing, sales, and service” for enterprise clients. By connecting to TI Cloud’s AI-driven full-cycle customer engagement platform, clients can utilize products and services built on AI large model technology, including omnichannel customer service, call centers, conversational agents, and analytical agents, which seamlessly integrate with their proprietary business systems. All services operate on a single platform, featuring highly coordinated workflows and fully unified data, which significantly enhances operational efficiency and reduces operating costs for enterprises.

After over a decade of development, TI Cloud has gained widespread recognition from customers for its product capabilities, service support, and technological innovation. It provides customer contact solutions across more than a dozen major industries, including internet, insurance, automotive, banking, manufacturing, enterprise services, healthcare, logistics, education, and real estate.

### Corporate Culture

TI Cloud adheres to the operating concept of “Customer-Centricity Empowered by Dedicated Teams” and is driven by the mission to “Enhance Efficiency and Deliver Exceptional Experiences for Our Customers”. Anchored in the core values of “Communication & Collaboration, Integrity & Accountability, Openness & Progress, and Self-Criticism”, we are committed to becoming “the most trusted partner in customer contact solutions”.

#### Communication & Collaboration

Encourage full communication among employees at all levels, reward proactive responsibility and active cooperation, creating value for customers through efficient collaboration.

#### Openness & Progress

Pursue broad vision and high benchmarks, actively absorb the latest technological achievements in ICT, learn humbly from global industry leaders, and develop cutting-edge core technology systems through sustainable, collaborative openness.

#### Customer-Centric

We are firmly committed to serving clients who create social value and uphold sustainable development principles. Meeting customer needs, optimizing their experience, and enabling their success form the primary focus of our work. We drive product R&D, service organization, and continuous knowledge accumulation and process improvement by closely addressing both latent and explicit customer demands.

#### Meritocracy

We steadfastly rely on dedicated drivers who demonstrate strong mission awareness and responsibility, share our core values, and contribute strategic insights, breakthrough solutions, and tangible value to corporate growth. We empower cadres and employees with unwavering ideals, self-critical spirit, and accountability. Value and resource allocation prioritizes these high contributors.

#### Integrity & Accountability

Honesty, trustworthiness, and courage to take responsibility form the fundamental guarantee for earning trust from customers, employees, partners, and society.

#### Self-Criticism

Continuously examine mistakes and issues in corporate and personal development – no evasion, no excuses – conduct profound reflection to identify root causes. On this basis of deep analysis and accurate judgment, take bold action and drive change to propel individual and organizational progress.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Professional Accreditations



Information Technology Service Management System Certification



Information Security Management System Certification



Certification for Protecting Personally Identifiable Information in Public Clouds



Environmental Management System Certification



Quality Management System Certification



Trusted Cloud Service Certification



Maturity Level 3 Certification



Software and Information Service Industry Integrity Enterprise



Software Enterprise Certification

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



High-Tech Enterprise Certification



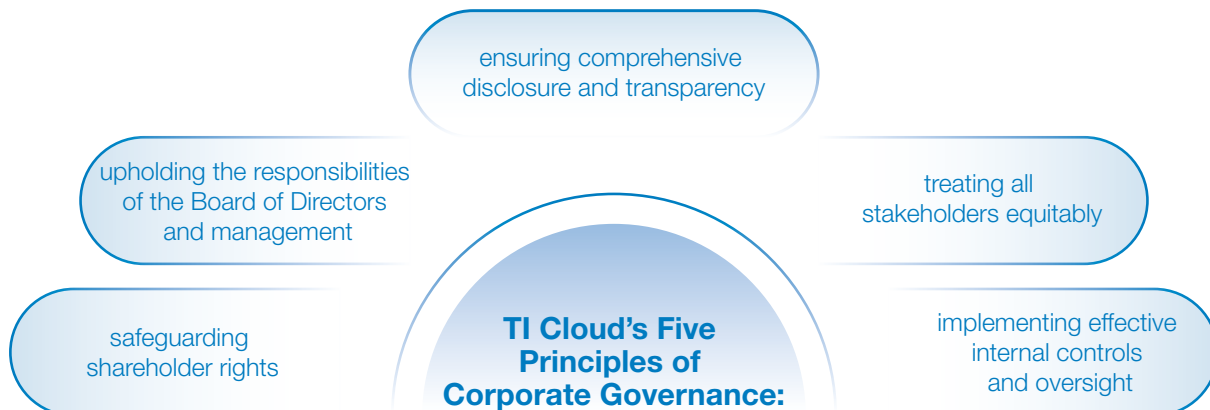
Class III Cybersecurity Level Protection Certification

## SUSTAINABLE DEVELOPMENT GOVERNANCE

### Corporate Governance

Sound and effective governance serves as the cornerstone of sustainable corporate growth. We are committed to enhancing the level of modern governance. We also establish an established governance structure, continuously optimize internal control, advance comprehensive compliance and information security management, strengthen risk prevention and control capabilities, continually enhance investor trust in the Company, so as to ensure that the Company operates in a sound and efficient manner.

In strict compliance with the Company Law of the People’s Republic of China and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, among other regulatory frameworks, We uphold the highest standards of corporate governance. TI Cloud has consistently been committed to maintaining sound corporate governance. The Board of Directors has established four director committees: the Audit Committee, the Remuneration Committee, the Nomination Committee, and the ESG Committee. Together, these committees form a structure of the Board of Directors with clearly defined responsibilities and distinct functions. Through these committees, the Board of Directors guides the management in strategy formulation and execution, oversees operational and financial performance, and ensures rigorous risk management and internal monitoring systems, thereby instituting comprehensive top-down supervision. For detailed insights into TI Cloud’s governance practices, please refer to the section headed “Corporate Governance Report” of our 2025 Annual Report.



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## ESG Governance

TI Cloud values the expectations and demands of its stakeholders. By systematically identifying sustainability issues, it continuously refines relevant management mechanisms and actively collaborates with all stakeholders to achieve sustainable development together. We have formulated and released the “Terms of Reference for the ESG Committee of TI Cloud” and the “ESG Management Policy of TI Cloud”, establishing a top-down three-tier ESG governance structure: Board of Directors – ESG Committee – ESG Working Group. This creates a closed-loop management system spanning decision-making, communication, implementation, and reporting, ensuring seamless collaboration across all levels to jointly advance the execution of ESG strategies and objectives.

The Board of Directors ensures ESG and climate considerations are integrated into all operational and strategic decisions, bearing ultimate responsibility for our ESG and climate strategies and disclosures, while receiving periodic updates from the ESG Committee.

Delegated by the Board of Directors, the ESG Committee oversees the Company’s ESG and climate-related matters, formulating policies and strategies, including the assessment, prioritization, and management of material ESG issues; evaluating the progress, performance, and efficacy of ESG and climate initiatives.

The ESG Working Group comprises representatives from functional departments and relevant staff involved in ESG issues in the Company. Team members are responsible for collecting relevant information and data during the report writing process, promoting ESG measures and practices in business operations, and regularly reporting to the ESG Committee. To ensure the competency of our climate governance, management and execution teams, and to achieve comprehensive empowerment from awareness to practice, we conduct specialized training on climate change and ESG through expert-led courses.

ESG Governance Hierarchy	Specific Responsibilities
Board of Directors	Oversee ESG-related matters and formulate the Company’s sustainable development vision and strategy  Assume full responsibility for the Company’s ESG strategy and reporting
ESG Committee	Review and approve the Company’s ESG standards, priorities, and objectives  Monitor the Company’s sustainable development and ESG strategies and policies, while tracking and examining emerging sustainability issues  Develop, supervise, and review the Company’s climate-related strategies and guidelines  Lead the ESG Working Group in implementing ESG initiatives and monitor progress  Regularly consolidate ESG work items and report to the Board of Directors

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ESG Governance Hierarchy	Specific Responsibilities
ESG Working Group	<p>Implement the Company’s ESG standards, priorities, and objectives</p> <p>Collect data required for the Company’s ESG reporting and ensure data quality</p> <p>Implementing ESG-related policies, procedures and measures approved by the ESG Committee.</p>

## Materiality Assessment

TI Cloud periodically conducts materiality identification and analysis based on strategic planning, industry developments, stakeholder expectations, international standards, and industry best practices. Through stakeholder engagement, the Company identifies and determines its annual list of material topics. For key issues, management objectives and strategies are established, with detailed responses provided in this Report, thereby continuously advancing the Company’s sustainable development.

Our materiality determination process comprises the following key steps:

Topic identification and material issues repository	<ul style="list-style-type: none"> <li>• Key ESG reporting standards and reference frameworks cover the following focus areas: The Hong Kong Stock Exchange’s ESG Reporting Code and standards and initiatives such as the SDGs;</li> <li>• Considered ESG focus areas identified by leading rating agencies;</li> <li>• Global sustainability trends;</li> <li>• Referenced sustainability trends within relevant industries.</li> </ul>
Materiality evaluation and prioritization	Through stakeholder engagement initiatives including internal and external questionnaires, we assess ESG issues across two critical dimensions: significance to TI Cloud’s development, and importance to stakeholders. This dual-materiality approach enables systematic prioritization of issues, with findings visualized through a materiality matrix derived from empirical research data.
Validation of materiality assessment	To ensure the accuracy, validity and relevance of outcomes, the ESG Committee conducts review and validation of all assessment results, determined the importance matrix distribution of each ESG issue, and highlighted them in the report.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

During the reporting period, we undertook a renewed materiality identification and analysis exercise, identifying a total of 18 materiality issues. Through extensive stakeholder consultation and evaluation, we identified 7 highly material issues, 7 moderately material issues, and 4 generally material issues.



## Stakeholder Engagement

TI Cloud places great importance on proactive communication with all stakeholders. Through diverse channels and standardized communication process management, we gain a deep understanding of stakeholders' needs and expectations. We ensure that external communications adhere to the principles of timeliness, accuracy, consistency, and effectiveness, fully fulfilling our responsibilities to stakeholders and driving the implementation of TI Cloud's sustainable development strategy.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Type of Stakeholders	Focus of Attention	Communication and Response
Governments and regulatory authorities	<ul style="list-style-type: none"> <li>Compliant operation and tax payment in accordance with law</li> <li>Response to national policies</li> <li>Specialized collaborations</li> <li>Carbon neutrality &amp; carbon peak strategy</li> </ul>	<ul style="list-style-type: none"> <li>Continuous enhancement of corporate compliance management</li> <li>Implementation of national policy requirements</li> <li>Promote employment</li> <li>Information disclosure</li> </ul>
Employee	<ul style="list-style-type: none"> <li>Employee health and safety</li> <li>Employee work-life balance</li> <li>Employee care and welfare</li> <li>Training and Development</li> <li>Talent attraction and retention</li> </ul>	<ul style="list-style-type: none"> <li>Employee symposium</li> <li>Complaint and reporting mechanism</li> <li>Collective consultation</li> <li>Diverse employee activities</li> <li>Transparent compensation and career progression framework</li> <li>Employee training programs</li> </ul>
Suppliers and partners	<ul style="list-style-type: none"> <li>Multi-partnership and ecosystem</li> <li>Business ethics and integrity</li> <li>Supplier ESG management</li> <li>Value sharing</li> <li>Data security and privacy protection</li> </ul>	<ul style="list-style-type: none"> <li>Daily communication and collaboration enhancement</li> <li>Bidding and project procurement</li> <li>Creating sustainable supply chain</li> </ul>
Investors and shareholders	<ul style="list-style-type: none"> <li>Good corporate governance</li> <li>Financial performance</li> <li>Intellectual property protection</li> <li>Corporate culture development</li> </ul>	<ul style="list-style-type: none"> <li>Disclosures in regular reports and announcements</li> <li>Compliance operation</li> <li>Roadshow</li> <li>General Meetings</li> </ul>
Product users	<ul style="list-style-type: none"> <li>Customer rights and privacy protection</li> <li>Product deployment and technology innovation</li> <li>Cybersecurity</li> <li>Quality Products</li> </ul>	<ul style="list-style-type: none"> <li>Official website</li> <li>Interview and engagement</li> <li>After-sales service</li> <li>Product innovation</li> <li>Product research feedback</li> </ul>
Social institutions	<ul style="list-style-type: none"> <li>Product social value</li> <li>Community contribution</li> <li>Climate change response and management</li> <li>Energy and resource use and management</li> </ul>	<ul style="list-style-type: none"> <li>Official website</li> <li>Participate in community development actively</li> <li>Identify climate-related risks and opportunities</li> <li>Formulate and disclose energy saving and emission reduction measures</li> </ul>

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Alignment with the UN SDGs

During the reporting period, the Company analyzed and assessed the alignment between its own SDGs and the UN SDGs based on the nature of its business. Through this process, we selected 11 key SDGs that demonstrate the strongest alignment with our sustainability strategy for focused benchmarking and management.

Response to Goals	Action taken by TI Cloud
 <p>Corresponding issue:</p> <ul style="list-style-type: none"> <li>• Good corporate governance</li> <li>• Business ethics and integrity</li> </ul>	<ul style="list-style-type: none"> <li>• Maintain sound corporate governance, protect shareholder rights, and uphold the responsibilities of the Board of Directors and management.</li> <li>• Fulfill the commitment to comprehensive disclosure and enhanced transparency.</li> <li>• Treat all stakeholders equitably.</li> </ul>
 <p>Corresponding issue:</p> <ul style="list-style-type: none"> <li>• Supplier ESG management</li> </ul>	<ul style="list-style-type: none"> <li>• Establish communication channels with diverse stakeholders through multiple engagement formats.</li> <li>• Continue the “TI Corporate Outreach Series” activities.</li> <li>• Worked together with the upstream and downstream of the supply chain.</li> </ul>
 <p>Corresponding issue:</p> <ul style="list-style-type: none"> <li>• Product R&amp;D and technological innovation</li> <li>• Supplier ESG management</li> </ul>	<ul style="list-style-type: none"> <li>• Integrate the Weiteng AI intelligent agents with DeepSeek.</li> <li>• Launched the new productivity platform ZENAVA – a conversational AI agents designed for customer service and marketing scenarios.</li> <li>• Prioritize procurement from suppliers whose products carry recognized energy efficiency and eco-label certifications.</li> </ul>
 <p>Corresponding issue:</p> <ul style="list-style-type: none"> <li>• Product quality assurance</li> <li>• Customer satisfaction and protection for rights and interests</li> <li>• Information security and data privacy protection</li> <li>• Intellectual property protection</li> <li>• Water Resources Management</li> <li>• Waste management</li> </ul>	<ul style="list-style-type: none"> <li>• Obtained and maintained multiple industry-relevant system certifications with continuous validity.</li> <li>• A robust end-to-end product development process.</li> <li>• Maintain communication channels such as customer service on WeCom and WeChat.</li> <li>• Comprehensive product lifecycle safety management system.</li> <li>• Committed to minimizing waste generation in daily office operations.</li> </ul>

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Response to Goals

## Action taken by TI Cloud



Corresponding issue:

- Employee diversity and equality
- Employee training and development
- Employees' Health and Safety
- Protection of employee rights
- Employee recruitment and retention

- Organize diverse team-building exercises and festive celebrations.
- Offer comprehensive professional development programs to foster employee career advancement.
- Implement a robust employee benefits framework.
- Committed to cultivating an equitable, diverse, and inclusive workplace environment.
- Ensure equal employment, career opportunities, and compensation regardless of race, ethnicity, gender, age, marital or parental status, while actively creating employment opportunities for individuals with disabilities.



Corresponding issue:

- Energy and greenhouse gas emission management
- Addressing Climate Change

- Implement routine energy consumption management while advocating water conservation and enhancing water-use efficiency.
- Identify and assess climate-related risks and take action.
- Incorporate climate-related issues into the ESG Committee's terms of reference.



Corresponding issue:

- Social contribution and philanthropic initiatives

- Initiate the "Outstanding Volunteer Awards" program and implement a volunteer points-based incentive system

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## CONSOLIDATING THE FOUNDATION OF GOVERNANCE

TI Cloud is committed to fostering a corporate culture of fair competition and integrity, rigorously prohibiting unfair competition, monopolistic practices, and any form of corruption or bribery to cultivate a healthy industry environment.

We maintain a zero-tolerance policy toward all forms of commercial misconduct, in particular with strict adherence to relevant laws including the Civil Code of the People's Republic of China, the Company Law of the People's Republic of China, the Anti-Monopoly Law of the People's Republic of China, and the Anti-Unfair Competition Law of the People's Republic of China. The Company has established internal governance systems, such as the Anti-Corruption and Integrity Reporting Management System, the Anti-Fraud and Anti-Misconduct Policy, and the Anti-Money Laundering Policy to ensure that ethical operations are rigorously implemented and monitored.

### Corporate Compliance Governance

#### *Compliant Operation*

TI Cloud has implemented a comprehensive compliance management system based on the principle of “centralized leadership, division of responsibilities, organization-wide participation, and whole-process management”. The Company's management assumes overall responsibility for compliance matters, regularly updates work plans, and revises relevant policies, so as to ensure appropriate personnel are designated with clear roles and responsibilities. Under the supervision of the management, each business unit integrates compliance requirements into their operational domains and workflows, and submits periodic implementation reports to ensure accountability. We are committed to ensuring that all departments fulfill their legal obligations, jointly preventing, detecting, and eliminating corrupt practices, and maintaining an efficient and orderly compliance management system.

## RISK MANAGEMENT AND INTERNAL CONTROL

TI Cloud has established a comprehensive risk management and internal control system to effectively manage its corporate risks. We have established core systems including the Internal Control Manual, Internal Control Management Measures, Internal Audit System, and Exit Audit System to provide a foundational framework for internal control and audit operations.

Under this framework, the internal audit department plays a pivotal role in organizing and conducting regular internal control self-assessments. Through distributing self-assessment checklists to various business units, branches and subsidiaries of the Company and analyzing the results, the internal audit department conducts both targeted and random audits based on different departments' functions and operational characteristics to identify potential overlooked risks and control deficiencies. For issues identified during audits, the internal audit department forms special task forces to propose corrective opinions and monitors implementation progress to ensure timely risk mitigation and effective resolution of control weaknesses. Through a continuous cycle of self-inspection, review, and rectification, the Company has steadily strengthened its internal control mechanisms, enhanced operational transparency, and deepened the development of its compliance culture.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Anti-corruption and Anti-bribery Management

 <p><b>System Development</b></p>	<p>TI Cloud conducts its daily operations in compliance with laws, effectively resisting any form of embezzlement, bribery, corruption, extortion, misappropriation of public funds, occupational embezzlement, or actions detrimental to the company's interests. It audits and monitors the implementation of business ethics standards to prevent and control corporate compliance risks.</p> <p>Through the establishment of a comprehensive anti-fraud and anti-misconduct management mechanism, we ensure transparent corporate governance and standardized operations, effectively preventing the infringement of the legitimate rights and interests of the Company and its shareholders by fraudulent and misconduct activities. The Anti-Fraud and Anti-Misconduct Policy clearly defines various forms of fraudulent activities, including financial fraud, asset misappropriation, and unauthorized disclosure of trade secrets. The Anti-Corruption and Integrity Reporting Management System clearly establishes our zero-tolerance stance toward corruption, ensuring prompt investigation and resolution of issues to prevent actions detrimental to the company's interests.</p>
 <p><b>Management Organization</b></p>	<p>Our internal audit department serves as the central authority for receiving and investigating reports of misconduct. For verified cases of fraud, the Company will implement remedial measures, enforce accountability, and refer cases to judicial authorities when necessary, thereby promoting the Company's sustainable, healthy, and transparent development.</p>
 <p><b>Culture Development</b></p>	<p>We are committed to promoting an ethical corporate culture, conducting regular anti-fraud training programs, implementing a code of conduct, and establishing confidential reporting channels to strengthen our prevention work.</p> <p>During the reporting period, we recorded no legal proceedings related to corruption or bribery.</p>

## Anti-money Laundering (AML) Management

TI Cloud has established a comprehensive anti-money laundering system to prevent and combat money laundering and related illegal activities, ensuring the Company's lawful and compliant operations. The Company has formed an AML leadership team headed by the general manager with senior management as members, which is fully responsible for the planning, arrangement, supervision, management and reporting of AML work within the Company.

As the core executive department for AML work, the internal audit department is responsible for supervising and inspecting AML activities, maintaining relevant records and information, and reviewing large-value and suspicious transactions. When necessary and upon approval by the Company, it verifies customer identity information with government agencies. The Company has established complete transaction monitoring, internal control and reporting procedures to promptly identify and report suspicious transactions while strictly adhering to confidentiality obligations to ensure customer information security. Additionally, the Company regularly conducts AML training to enhance employees' relevant knowledge and actively cooperates with competent authorities in investigations and verifications, promoting the Company's sustainable and healthy development in compliant operation and risk prevention.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

During the reporting period, TI Cloud maintained consistently high standards in business ethics matters, with no occurrence of any aforementioned cases.

## Reporting and Whistleblower Protection

TI Cloud upholds the principles of “responsible reporting, thorough investigation of all concerns, fact-based assessment, and fair treatment” in strictly maintaining business ethics and regulatory compliance.

We have established a publicly accessible whistle-blowing email to encourage and protect employees, suppliers, customers and other stakeholders in lawfully reporting any misconduct. We follow a standardized case handling and investigation procedure to ensure each report is properly documented, evaluated and addressed. The internal audit department verifies reported matters, and confirmed violations will result in disciplinary actions under applicable laws and internal policies, including but not limited to warnings, written reprimands, demerit records, performance deductions, position adjustments, or even termination. During the process, the reported party retains the right to raise objections, which will trigger reinvestigation to ensure decision-making fairness. Whistleblower identities remain protected against retaliation, with reward mechanisms rewarding those providing critical information, collectively ensuring a fair, just and transparent work environment.

During the reporting period, the Company did not receive any reports related to corruption and was not involved in any legal proceedings of this nature.

## Supplier Integrity Management

TI Cloud remains steadfast in its commitment to maintaining a transparent and environmentally responsible procurement environment. In compliance with the PRC Tendering and Bidding Law, the PRC Tendering and Bidding Implementation Regulations and other relevant laws and regulations, the Company provides all suppliers with an Integrity Agreement and requires all key suppliers to sign this agreement prior to cooperation.

TI Cloud actively assumes transactional responsibilities by encouraging supplier partners to oversee the Company’s procurement processes and advocating for joint fulfillment of obligations to establish ethical and healthy business relationships. Furthermore, the Company’s Procurement Management Policy explicitly requires the procurement department to adhere to integrity regulations, safeguard TI Cloud’s interests with self-discipline, and strictly prohibit any form of gift acceptance or bribery.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Integrity Culture Development

We recognize the paramount importance of elevating employees' business ethics and compliance awareness. Building an ethical corporate culture requires multi-level and multi-form internal communication and training initiatives. New employees receive standardized anti-corruption training during on-boarding to establish proper values and professional integrity. Furthermore, the Company has developed a series of targeted business ethics programs tailored to different employee roles and responsibilities, focusing on compliance challenges and high-risk scenarios encountered in daily operations. The Company continuously strengthens employees' awareness of legal compliance, integrity and self-discipline standards, and ethical judgment capabilities through regular specialized training and compliance education, enhancing their professional competence and promoting the healthy development of the Company's culture. During the reporting period, we provided employees with a total of 123 hours of business ethics training.

Level	subject	Main topics and objectives	Implementation Methods
One	New hires	Establishing sound values and professional ethics	Induction anti-corruption training
Two	Employees at different posts	For compliance issues and high-risk scenarios in daily work	Role-specific business ethics training program
Three	All employees	Continuously strengthen awareness of legal compliance, integrity and self-discipline standards, and ethical judgment capabilities.	Periodic specialized training and compliance education
Four	All Directors	Anti-bribery laws and regulations, commercial bribery prevention ordinances, and studies and discussions of typical cases of regulatory compliance	Ad hoc compliance training

## QUALITY FORGED BY INNOVATION

As a Hong Kong-listed leader in full-cycle customer contact cloud platforms, TI Cloud adheres to its mission of "making customer contact a better experience, with improved efficiency". By providing premium products and exceptional services, we implement our customer-centric philosophy, continuously drive technological innovation, and deliver stable operational results to reward the trust of shareholders and stakeholders.

## Excellence in Product Management

Quality is the cornerstone of business competitiveness and plays a vital role in achieving sustainable, long-term growth. We strictly comply with the PRC Product Quality Law, the PRC Consumer Rights Protection Law, and other relevant regulations to provide reliable products for our customers, and are committed to becoming the most comprehensive service provider in China's customer contact sector.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Comprehensive Quality Management System

TI Cloud has established a comprehensive product quality management system, treating product and service quality as the core of its operations and maintaining strict quality control.

The Company has established a Product Quality Management System and passed the surveillance audit for GB/T 19001–2016/ISO 9001:2015 Quality Management System certification. Its Information Technology Service Management System complies with the ISO/IEC 20000–1 standard certification requirements. The Public Cloud Personal Identifiable Information Protection Certification, ISO/IEC 27018, remained valid throughout the reporting period.

To ensure product quality, the Company has established a quality management framework with quality managers as the core and relevant department managers as responsible parties, ensuring each product or project meets quality standards. The Company implements comprehensive quality control over product solution documentation, development processes, testing, and final product to meet customer requirements. To achieve sustained product innovation and quality assurance, the Company has established rigorous product development and iteration management processes organized in biweekly cycles, covering phases such as project planning, requirements analysis, design, development, testing, implementation, acceptance, and maintenance. Through detailed logical design, physical design, user training, and trial implementations across multiple levels, product quality is comprehensively controlled throughout execution.

During the reporting period, the Company did not violate any laws or regulations that had a material impact on its products and services, reflecting its strict quality control and strong reputation within the industry.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Customer-centric Product Development Management Process

TI Cloud places paramount importance on product development management. It has established a mature and comprehensive end-to-end ITO (Insight to Operation) process. This process encompasses the entire product lifecycle from conceptualization to operational delivery, structured as “Customer Insight – Solution Design – Implementation – Continuous Operation”, with a strong emphasis on customer needs, cross-departmental collaboration, and rapid iterative innovation. Specifically, the ITO process consists of the following key phases:

- 1 Industry insight**

TI Cloud conducts comprehensive analysis of served industries and customers, including trend evaluation, customer segmentation, and scenario identification to define product target audiences and service boundaries.
- 2 Solution design**

Our product managers develop end-to-end solutions by matching appropriate AI technologies to selected scenarios. In the process of design, solutions undergo proof-of-concept validation using real customer data to verify feasibility and effectiveness, followed by iterative refinements to meet customer expectations.
- 3 Development and delivery**

TI Cloud engineers validated solutions for production, ensuring seamless integration with existing customer systems and data flow optimization for operational deployment.
- 4 Operation and optimization**

Post-implementation, we continuously monitor product performance, collect customer feedback, and conduct periodic iterations to enhance customer satisfaction.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## R&D and Innovation

TI Cloud actively responds to the national digital transformation wave, relentlessly pursues innovation and independent R&D, and is committed to developing and continuously enhancing secure and reliable technology solutions. We focus on advancing domestic technological capabilities, striving to build a safer and more stable technology ecosystem. Through sustained huge investment in technological innovation, TI Cloud has achieved comprehensive upgrades to its product R&D system and successful implementation of intelligent solutions.

### *AI-Human Integration: Launching ZENAVA, a New Productivity Platform*

During the reporting period, TI Cloud launched a new productivity platform, ZENAVA – a conversational AI agent for customer service and marketing scenarios. It is designed to help enterprises restructure customer service workflows by efficiently integrating AI with human resources, forming next-generation AI-driven business processes, team structures, and cost models.

ZENAVA solves the common pain point for enterprises where AI “can see capabilities but fails to deliver results.” Not only can it communicate like a real person, execute tasks, and independently complete operational closed loops, but it also continuously learns and optimizes. It can self-correct when errors occur, learn from one instance to apply to others, and become smarter with use. This builds an intelligent closed-loop from conversation to action, truly implementing AI and converting it into productivity, driving dual improvements in efficiency and growth.

To ensure a first-class conversational experience, TI Cloud has overcome three major challenges in the field of voice interaction: human-like voice quality, low-latency interaction, and precise intelligent interruption. These advancements enable ZENAVA to surpass traditional AI in conversational behavior and expressiveness, even demonstrating communication capabilities that exceed those of real humans. ZENAVA is not just an AI employee for enterprises, but also a new generation of intelligent partner-capable of communication, execution, learning and growth, helping enterprises transition from “human-driven” to “AI-driven”.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Currently, ZENAVA has demonstrated effectiveness across multiple typical scenarios, including smart lock after-sales troubleshooting, footwear and apparel post-purchase damage assessment, automotive test drive invitations, home appliance installation scheduling and smart follow-ups, pre-sales reception and lead capture, and overseas hotel reservations. ZENAVA can independently undertake most business execution tasks, enabling faster and more accurate service, significantly enhancing customer experience, and becoming a core productivity driver in customer service and marketing.



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Intellectual Property Management and Protection

TI Cloud regards intellectual property (IP) as a core component of corporate competitiveness. We recognize the importance of robust IP management in safeguarding innovation, enhancing market competitiveness, and mitigating legal risks.

The Company strictly complies with the Patent Law of the People's Republic of China, the Trademark Law of the People's Republic of China and other relevant laws and regulations, and has established an Intellectual Property Management System in accordance with its own circumstances to ensure the integrity and security of intellectual property. The Company continuously strengthens the application, management, protection, and utilization of intellectual property, implements proactive protection policies to effectively safeguard self-developed technologies while mitigating related risks.

TI Cloud places high importance on respecting third-party intellectual property and has taken multiple measures to ensure lawful and compliant operations. Through regular information searches, novelty checks, and infringement screenings, and by utilizing an early-warning system to timely identify potential risks, we effectively prevent and reduce intellectual property disputes. In the event of any identified infringement, the Company will handle the matter in accordance with laws and regulations to ensure compliance with all intellectual property matters. Furthermore, TI Cloud actively fosters an innovation-driven environment, encouraging the inventive capabilities of our technical teams. By continuously refining our IP incentive mechanisms, we enhance the motivation for innovation and duly recognize and reward employees who contribute to the Company's technological advancements.

As of the end of the reporting period, we held a total of 187 intellectual property rights and 28 patents. Additionally, we newly registered 4 trademarks during the reporting period.

## Ensuring Information and Data Security

### *Robust Information Security Management System*

TI Cloud has established a robust information security management system in strict compliance with regulations such as the Cybersecurity Law of the People's Republic of China, the Data Security Law of the People's Republic of China, and the Personal Information Protection Law, while also incorporating industry best practices. We have implemented a series of management policies, including the Information System Vulnerability Management Regulations, the TI Cloud Data Security Management Measures, and the TI Cloud Partner Data Security Management Guidelines, along with stringent internal management processes. We have maintained valid ISO/IEC 27001 certification for our information security management system.

### *Comprehensive Product Lifecycle Safety Management System*

We recognize that information security is not achieved overnight, and it requires rigorous oversight at every stage, from product planning and development to operations. Only by embedding security requirements into every functional module and code-level detail of our products can risks be nipped in the bud.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Product Planning

- Conduct data security assessments concurrently during the initial product planning phase
- Identify sensitive information that may be involved in the product, including personal privacy data
- Develop targeted security solutions for data encryption, access control, and other areas
- Adhere to the principle of data minimization and reduce the collection of unnecessary sensitive data

## Product Development

- Manage in accordance with the secure development lifecycle (SDL)
- Control code-level security risks through secure coding practices, code audits, and other measures
- Implement security mechanisms such as encrypted data storage and transmission in accordance with design requirements
- Conduct security testing prior to launch to verify compliance with all security requirements

## Product Operation

- Deploy security monitoring measures such as intrusion prevention and host monitoring
- Monitor data in real time for abnormal access, modifications, and other activities
- Detect suspicious data operations promptly through log audits

### *Information Security Culture Development*

TI Cloud actively implements measures to standardize employees' usage of information systems and requires them to sign confidentiality agreements, ensuring their understanding of and commitment to comply with the Company's data security and confidentiality policies. We conduct regular training programs covering various aspects such as secure coding, security awareness, security skills, and specialized security topics. These initiatives not only enhance employees' understanding of information security but also strengthen their confidentiality awareness and technical competencies, effectively preventing cybersecurity incidents and mitigating potential risks.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Cybersecurity Protection Measures

### Vulnerability Scan

TI Cloud places high importance on security testing for its systems and products, making vulnerability scanning a core component of its cybersecurity management framework. The Company establishes a periodic vulnerability scanning plan and implements differentiated strategies based on system characteristics:

#### Publicly exposed systems on the internet

Conduct a comprehensive scan every two months. Conduct internal penetration testing monthly and third-party penetration testing approximately five times annually.

#### Internal network systems

Based on the sensitivity of the data processed, conduct scans quarterly or semi-annually, and perform internal penetration testing every six months.

### Security Audit

Security audit is the top priority of TI Cloud's information security management. We hold Level 3 Information Security Certification and categorize audits into internal and external types, establishing a multi-tiered security mechanism.

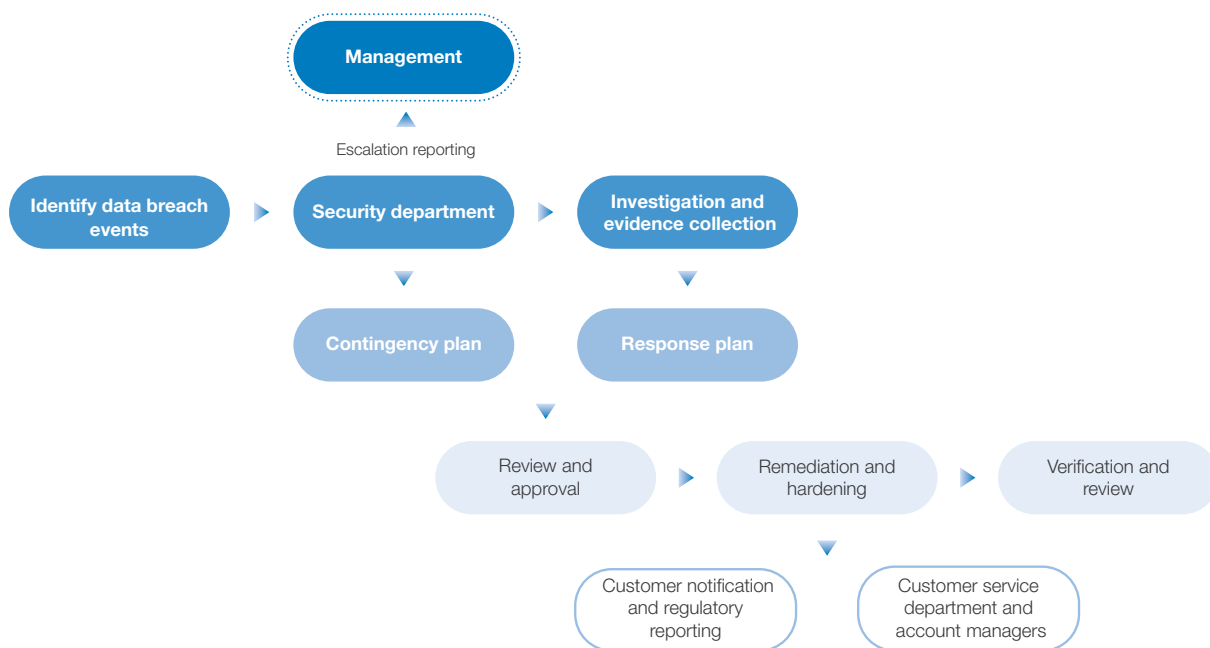
The internal audit covers multiple dimensions, including evaluation and audit of its internal transaction behaviors; annual assessment of data security and cybersecurity policies to formulate annual security work plans and identify areas requiring strengthening; regular log audits; auditing the allocation and usage of operational permissions for product functions, with special attention to clearing account permissions of departed or transferred employees; auditing the security policies of security components such as firewalls and Web application firewalls.

The external audit mainly focuses on third-party institutions, including audits for relevant security certifications and targeted cooperation in conducting security audit work such as code audits and penetration testing.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Data Security Management Structure

To ensure effective implementation of data security management, we have established a comprehensive data security organizational structure, strengthened the development of our data security management system, and continuously optimized such systems. Furthermore, through the implementation of audit supervision and inspections, the Company has mitigated data security risks, ensuring lawful compliance and secure and stable business operations.



## Data Classification Security Protection

TI Cloud places high importance on data security and has implemented a refined management approach through data classification. We categorize data into four levels based on sensitivity: Levels 4 and 3 are classified as sensitive data, while Levels 2 and 1 are considered general data. Corresponding control and protection measures are established for each data level to ensure systematic management.

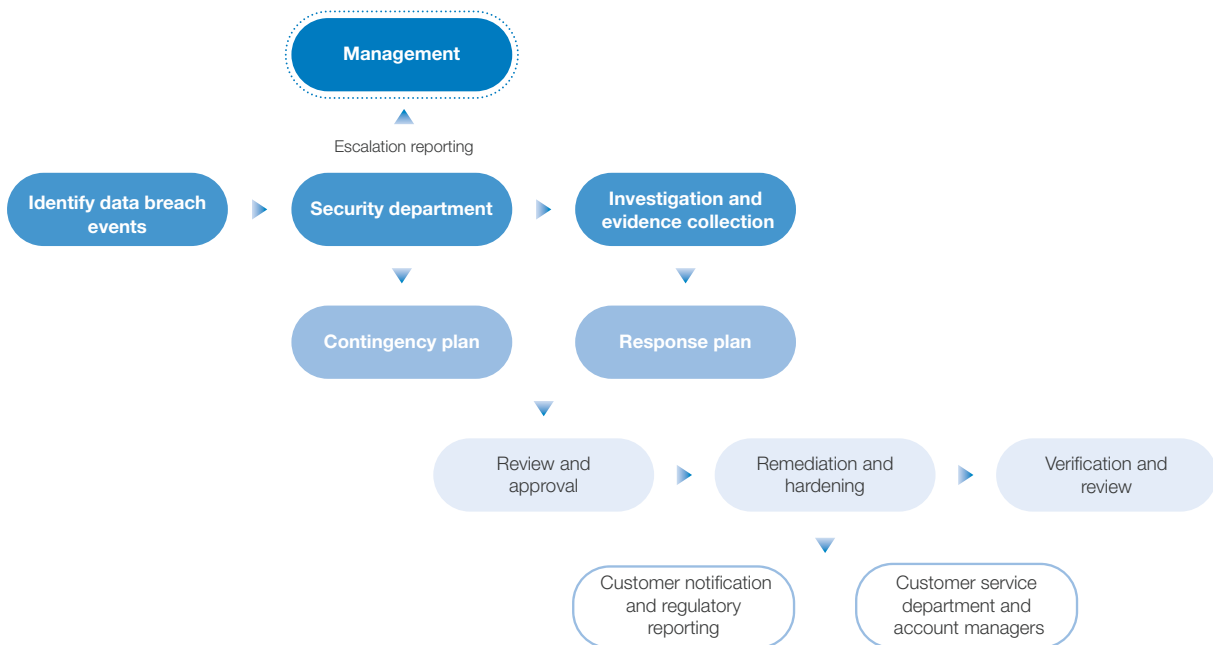
To adapt to internal and external environmental changes, we conduct an annual data classification review to reassess and adjust existing data levels. During the reporting period, we optimized the classification of certain data. Through this tiered classification system, TI Cloud can implement more precise and efficient measures to protect critical data, minimizing data security risks to the greatest extent.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Level of inputs	Sensitivity	Major types	Examples of corresponding control and protection measures
Level 4	Most sensitive	Core sensitive information	Most stringent encryption, access control, isolated storage, rigorous approval processes, real-time monitoring and backup
Level 3	Highly sensitive	Sensitive information	Strong encryption, Role-Based Access Control (RBAC), periodic audits, intrusion detection, data flow tracking
Level 2	Moderate	Ordinary information	Basic encryption, standard access control, regular backups, logging
Level 1	Minimum	Public/general information	Standard protection

## Data leakage emergency response

TI Cloud has established a comprehensive three-stage data processing process. In the emergency response phase, we immediately launch the emergency response procedure to swiftly confirm and verify the incident, analyze the affected application systems, the magnitude of the breached data, and whether sensitive data is involved, and assess the handling priority. The containment and recovery phase aims to prevent the spread of the data breach, where relevant personnel take measures such as isolating infected assets, blocking related accounts, patching vulnerabilities, and enforcing offline repairs, further implementing actions to prevent data leakage, resuming operations as soon as possible, and promptly notifying regulators and customers. The post-incident phase includes incident reporting, review and formulation of reinforcement plans and implementation measures, and reporting the incident to the legal department. During the reporting period, no data breach incidents occurred.



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Diverse Ecosystem Building

TI Cloud actively collaborates with stakeholders including government entities, value-chain enterprises, industry associations, customer companies, peer businesses, and standards-setting organizations to drive high-quality development in the digital industry.

## Mutual Benefit and Shared Success

TI Cloud steadfastly upholds the development philosophy of open collaboration and mutual benefit, and actively engages with leading enterprises and top-tier technology companies across industries to jointly drive digital transformation and intelligent upgrading.

## TI Corporate Outreach Series

During the reporting period, TI Cloud continued to advance the series of activities under the “TI Corporate Outreach Series”, organizing company representatives to visit various benchmark enterprises to exchange and learn from each other’s practical experiences in digital transformation and AI applications. Through ecosystem partnerships, TI Cloud shares its latest technological achievements with industry peers for joint innovation, collectively charting new frontiers in the AI era. Moving forward, TI Cloud will further expand collaborative platforms like the “TI Corporate Outreach Series”, connecting high-quality resources from all walks of life, and joining hands with partners to create new chapters of high-quality and sustainable development.

NIO, a pioneer in the new energy vehicle industry, is renowned for its innovative technology, exceptional user experience, and advanced manufacturing philosophy. Through the “Step into NIO” initiative, TI Cloud and NIO have joined forces to undertake a comprehensive restructuring of the automaker’s entire business management process. This transformation centers on new models, products, methodologies and technologies while ensuring that the stable operation of the company’s existing core business systems remains unaffected. Meanwhile, it assists enterprises in adapting to new marketing models and achieving upgrades in refined operational management.

As a leader in technology-driven retail, Rainbow has taken the lead in promoting digital and intelligent transformation, vigorously developing an integrated smart retail business model that seamlessly connects online and offline channels. This model has achieved comprehensive coverage across all stores, business formats and processes, forming a converged retail model that combines in-store and home delivery services. We have developed Super Customer Service 2.0 for it, which will transform customer service data into business levers at the business level to drive the upgrade of omnichannel experiences; at the technological level, AI will be used to enhance service efficiency and accuracy, which has already proven that the customer service center is not merely a “cost center”, but a strategic hub for upgrading the company’s omnichannel service experience.



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## *AI Agent Assists Clients in Reshaping Service Models*

During the reporting period, TI Cloud fully leveraged its AI large model technology advantages and combined them with DeepSeek's powerful deep reasoning capabilities to innovatively design a new intelligent agent model featuring multi-model collaboration, integrated fast-slow thinking, and multi-agent coordination. Simple inquiries such as product consultations, order processing, and routine greetings are handled by the general quick-thinking AI models. Complex issues including pre-sales guidance, post-sales troubleshooting, post-sales responsibility assignment, and intricate parameter consultations are addressed using the DeepSeek and other slow-thinking models.

## *Closed-Door Seminar on Service Upgrades in the Retail Chain Industry*

In the wave of digital and intelligent transformation, the retail chain industry is facing challenges from diversified consumer demands and intense competition. During the reporting period, we hosted a closed-door seminar on service upgrades in the retail chain industry, focusing on data empowerment, quantifying customer experiences, and implementing AI Agent scenarios, to conduct in-depth exchanges and practical sharing sessions to jointly explore how large models can drive industry development, ultimately achieving a collaborative model of "business experts + AI employees".

In a typical case study, we developed an industry-leading 400 unified customer service platform. Leveraging large models and customer experience journey frameworks, we established a proprietary experience quantification assessment system tailored for shopping centers. This system transforms vast amounts of unstructured feedback into measurable, benchmarkable business insights, effectively converting customer experience into sustainable competitive advantage.

Simultaneously, we have developed customized customer service intelligent agents, HR shared services intelligent agents and public sentiment analysis intelligent agents for leading food retail chains. Through multi-model collaboration and multi-intelligent agent collaboration frameworks, we achieve seamless end-to-end integration across consumer-store-headquarters operations. This significantly enhances internal and external service responsiveness, online-offline synergy capabilities, and the level of insight and decision support derived from unstructured data.



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Industry Exchange

We are acutely aware of our responsibility and obligation to drive industry progress. We firmly believe that only through collaboration can we navigate the tides of change and propel the industry forward together.

## AI-Empowered Omnichannel Operations

As a leading enterprise in the customer contact domain, TI Cloud attended the “22nd China Department Store Retail Industry Annual Conference and Commercial Innovation Summit” during the reporting period. The theme of this conference was “Retail: Follows Its Own Path”, focusing on creating new consumer scenarios, building a new commercial ecosystem, and deepening digital empowerment. Discussions covered policy trends, conceptual innovation, and cutting-edge technologies from multiple perspectives.

At the conference, we highlighted our commercial chain industry solutions and delivered a keynote presentation titled “WeiTeng Agent + DeepSeek: Dual-Engine Drive for Refined Operations of Service Middle Platforms”. We shared how integrating the WeiTeng Agent Platform with the DeepSeek large model enables refined operations of service middle platforms, thereby enhancing customer service efficiency and experience for retail enterprises.



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## ZENAVA debuts at the 2025 Yunqi Conference

The 2025 Yunqi Conference, themed “Cloud and AI Integration • Carbon and Silicon Symbiosis,” focuses on cutting-edge developments in AI, cloud computing, and industrial applications.

TI Cloud debuts “ZENAVA, a conversational AI agent for customer service and marketing scenarios” at the conference. The Company will continue to leverage ZENAVA as a new productivity platform to accelerate the adoption of AI in customer service and marketing scenarios, transforming the potential of AI technology into tangible value for enterprises by reducing costs, enhancing efficiency, and upgrading customer experiences, thereby facilitating AI-driven transformation for businesses.



## Creating sustainable supply chain

Fulfilling environmental and social responsibilities requires comprehensive supply chain management. TI Cloud is committed to collaborating with suppliers to establish a more robust ecosystem, jointly strengthening supply chain resilience to provide a solid foundation for our long-term and stable development.

- **Optimizing Supplier Management**

TI Cloud has established a comprehensive supplier management system, strictly in accordance with the Procurement Management Policy and other relevant regulations to standardize key processes such as supplier qualification, evaluation, and exit. This ensures efficient and transparent management, thereby enhancing the overall operational efficiency and compliance level of the supply chain.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

- ***Supplier Qualification***

The Company prioritizes suppliers that are industry leaders, hold authoritative certifications (such as ISO series), or have staff with qualifications as Project Management Professionals (PMP). A multi-dimensional evaluation system is adopted, covering factors such as price, service, and quality, to comprehensively select potential suppliers that meet the Company's standards.

- ***Supplier Assessment and Monitoring***

After being incorporated into the system, the Company regularly conducts surveys on supplier quality and service levels, including gathering direct feedback from employees to obtain genuine evaluations. Based on the results of the comprehensive assessment, suppliers will be categorized into Levels A through D for differentiated management, and future collaboration strategies will be planned accordingly.

- ***Supplier Exit Mechanism***

For suppliers that fail to meet requirements, the Company implements a compliant and transparent exit process to ensure overall supply chain quality and manageable risk.

- ***Communication and Cooperation with Suppliers***

The Company prioritizes two-way communication with suppliers, establishing a regular feedback mechanism to provide evaluation results and improvement suggestions. We jointly explore partnership challenges and develop optimization measures to achieve mutual growth, while responding swiftly to market or business changes.

## ***Sustainable Supply Chain***

TI Cloud integrates environmental and social risks into supply chain management, identifying and monitoring supplier risks related to labor rights, occupational safety, environmental compliance, and anti-commercial bribery. When procuring IT assets and office supplies, the Company preferentially selects suppliers whose products carry recognized energy efficiency and eco-label certifications, demonstrating our commitment to environmental protection and social responsibility. Our partnered data centers extensively utilize photovoltaic power, wind energy, and energy storage technologies to achieve efficient conversion and utilization of green energy. Meanwhile, through innovative technological deployments featuring distributed renewable micro-grids, these data centers have significantly reduced reliance on traditional energy sources, thereby achieving substantial carbon emission reductions.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Premium Service

TI Cloud's mission and vision reflect our commitment to building strong trust-based relationships in customer contact domain. To achieve this goal, we have established the Customer Service Duty Standards, which clearly define the duties of each functional department. Through cross-departmental collaboration, we provide customers with high-quality service. ensuring customer service operations align with three core objectives: fulfilling customer needs, optimizing customer experience, and helping our clients prosper.

### *Fulfilling customer needs:*

- Maintaining continuous focus on customer needs to ensure timely response and fulfillment of these requirements.
- Different customer groups may have distinct needs and expectations. We customize customer services through in-depth analysis to specifically meet the needs of various customer groups.

### *Optimizing customer experience:*

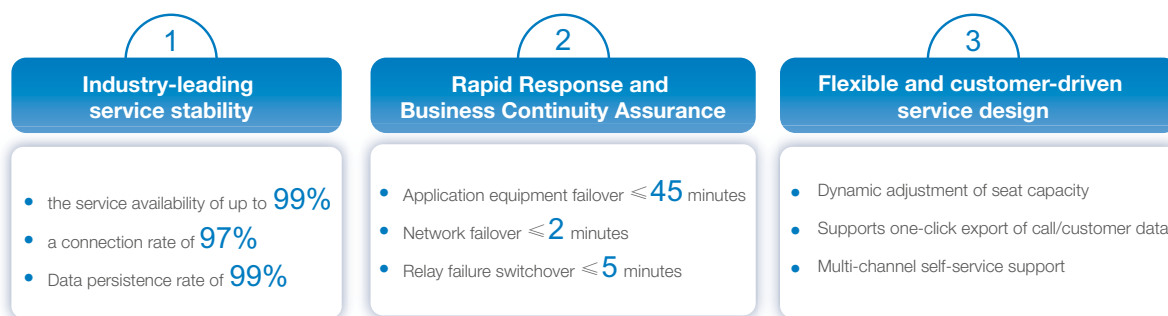
- Utilizing data analytics and other digital technologies to enhance customer service capabilities, thereby delivering faster and more accurate services.
- Continuous training and skill development for customer service teams to ensure they can meet diverse service requirements under various circumstances.
- Customers can contact customer service through multiple channels, including corporate WeChat groups, WeChat groups, online ticketing systems, and dedicated customer service hotlines. For VIP customers, the Company provides dedicated customer service platforms on WeCom with dedicated technical support and customer success managers to formulate customized service solutions.
- Establishing a "Help Center" on the product login page, covering FAQs and relevant documentation to facilitate customers in self-service issue resolution.

### *Helping our customers prosper:*

- We deliver reliable, transparent, and highly trustworthy services through our rigorously enforced Service Level Agreements (SLAs), empowering customers to achieve digital transformation and sustained business growth.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

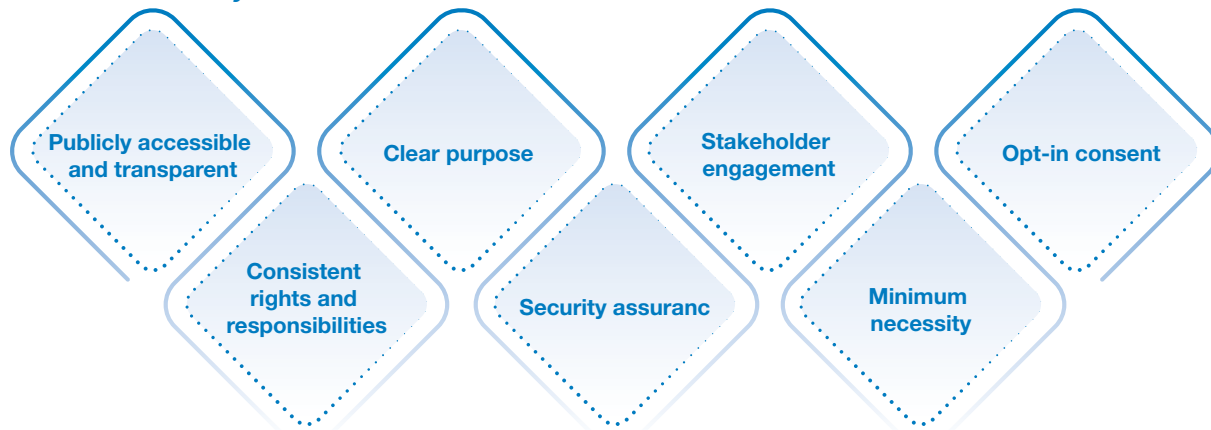
The key highlights are set forth below:



## Customer Complaint Handling

TI Cloud places utmost importance on customer experience regarding product usage and service delivery. In this regards, it has established a comprehensive complaint handling process to ensure prompt and effective resolution of complaints, continuously improve product quality and service standards, and thereby enhance customer satisfaction. Our customer service team strictly adheres to the complaint handling procedures, treats every customer feedback with high priority, responds to customer requests immediately, thoroughly investigates the root causes of issues, and swiftly formulates solutions. No products and service-related complaints received during the reporting period.

## Customer Privacy Protection



TI Cloud fully recognizes the importance of user personal information security, strictly complies with relevant national laws and regulations such as the Personal Information Protection Law of the People's Republic of China and the Information Security Technology – Personal Information Security Specification, and has established the Personal Information Protection Policy (Privacy Statement), committing to ensuring customer information security through enhanced privacy protection awareness and measures. When entering into contracts with customers, we include specific data and privacy security clauses stipulating data processing methods, enabling customers to understand how we collect, use, store and share their data, as well as how to control, update and protect such data.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

User data is stored in multiple domestic data centers with backup provisions, all of which comply with local and national applicable laws. User data will not be provided to any third party or used for overseas business, except when required for government regulatory audits. User behavior logs are solely used for database operational status analysis and will not disclose personal information externally. We explicitly stipulate that operation and maintenance personnel may only access and review user information with authorized consent. All operational activities on servers are recorded with dynamic replay support to ensure traceability.

During the reporting period, the Company did not experience any incidents involving breaches of customer privacy.

## Compliant Marketing

On marketing front, TI Cloud protects the interests of consumers and the public by consistently standardizing product promotion activities. We strictly adhere to laws and regulations such as the Advertising Law of the People's Republic of China, ensuring all advertising content complies with relevant policies and meets governmental and industry requirements and are free from concealment, misleading claims, or fraudulent elements.

## EMBRACING LUCID WATERS AND LUSH MOUNTAINS

TI Cloud has established an environmental management system in line with ISO 14001 certification, based on its operational realities and in compliance with relevant laws and regulations such as the Environmental Protection Law of the People's Republic of China and the Energy Conservation Law of the People's Republic of China. We continuously conduct environmental risk management and regularly organize environmental protection training and awareness initiatives for all employees, striving to progressively reduce the negative environmental impact of our operations.

As of the end of the reporting period, the Company's energy and resource consumption mainly came from office electricity and water usage. Electricity is supplied by the regional grid, and water is sourced from municipal water supply networks, with no issues regarding water sourcing. The primary business operations do not involve packaging materials and do not significantly impact the environment or natural resources. The waste generated consists mainly of non-hazardous waste from daily office operations and a small amount of hazardous waste.

## Energy and Resource Management

TI Cloud consistently adheres to the Energy Conservation Law of the People's Republic of China and other applicable laws and regulations to effectively control our energy consumption, always bearing in mind the avoidance of energy waste. With regard to water resources, we consistently adhere to relevant water resource protection laws such as the Water Law of the People's Republic of China and the Water Pollution Prevention and Control Law of the People's Republic of China.

In the daily office management of the Company, we have established internal management systems and measures, including but not limited to:

- Organizing knowledge-sharing initiatives for all employees to enhance their energy-saving awareness;
- Encouraging employees to turn off power after work to reduce electricity resource waste;
- Posting signs in prominent office areas to raise awareness about water and electricity conservation;

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

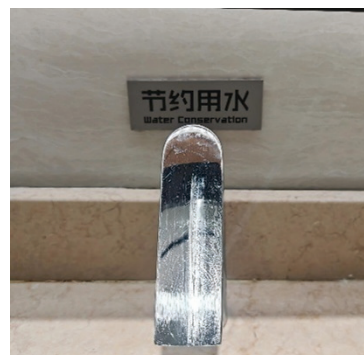
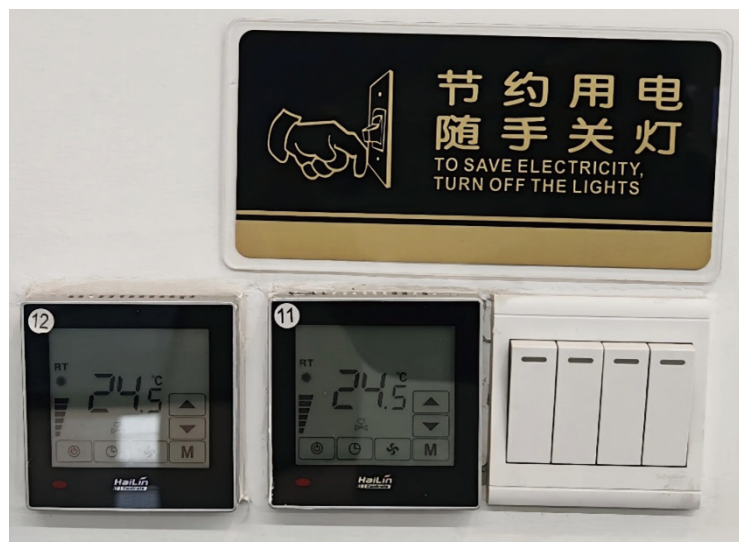
- Installing energy-efficient air conditioning systems and setting a summer indoor temperature minimum to reduce electricity consumption;
- Promoting virtual meetings in place of in-person gatherings to reduce unnecessary business travel.

## Waste management

During the reporting period, we generated minimal hazardous and non-hazardous waste. Hazardous waste included discarded batteries, while non-hazardous waste primarily consisted of general office refuse and paper waste from daily operations.

To further minimize waste generation, TI Cloud has digitized internal approval processes and advocates paperless operations to reduce paper consumption. For unavoidable paper usage, we actively promote recycling by placing dedicated paper collection bins in office areas, encouraging employees to reuse paper and maximize resource efficiency.

TI Cloud is committed to mitigating environmental impacts through proper waste disposal. All waste is segregated according to local classification requirements and transported to designated qualified third parties for treatment, facilitating recyclable material recovery. To minimize environmental pollution from used batteries, we have established dedicated collection points to ensure their safe and centralized disposal.



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Addressing Climate Change

TI Cloud recognizes the profound impact of climate change on business and societal development. We have implemented a series of measures to address this global challenge. TI Cloud actively responds to the national “dual carbon” strategy, through climate risk and opportunity management, energy conservation and carbon reduction initiatives, and digital transformation support, reduces greenhouse gas emissions across our operations and value chain. These efforts enhance our resilience to climate change risks.

We implement climate change risk management in accordance with the disclosure recommendations of the ESG Code, managing and disclosing across four dimensions: governance, strategy, risk management, and metrics and targets. This approach aims to mitigate the negative impacts of climate change on the Company.

## Governance

TI Cloud has established a three-tier ESG management structure comprising the Board of Directors, the ESG Committee, and the ESG Working Group to oversee ESG issues including climate change. For details, please refer to the section headed “ESG Governance” in this Report.

## Strategy

TI Cloud has identified and managed climate-related risks and opportunities, while implementing corresponding preventive measures to mitigate the adverse impacts of climate risks on the Group.

Climate-related risks:

Type of risk	Risk description	Countermeasures	Estimated financial impact	Impact level	Impact duration <sup>1</sup>
Physical risk	Acute physical risk Extreme weather events such as heavy rain, floods, typhoons, and snowstorms may disrupt the Company's business operations and affect its production capacity to a certain extent; at the same time, secondary disasters triggered by extreme weather may pose threats to personal safety and property security.	Maintain vigilance on extreme weather alerts and strengthen safety hazard inspections in key areas Develop extreme weather contingency plans to clarify response procedures and mitigation measures during disaster events Maintain effective communication with local governments Enhance management of operational facilities, including climate-appropriate reinforcement and regular maintenance	Damage to facilities caused by natural disasters has led to increased capital costs. Operational disruptions caused by natural disasters such as typhoons and floods leading to reduced revenue Write-offs and early retirement of existing assets (e.g., asset impairment from natural disasters)	Medium	Interim

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Type of risk	Risk description	Countermeasures	Estimated financial impact	Impact level	Impact duration <sup>1</sup>
Chronic physical risk	Changes in temperature, rainfall patterns and other chronic natural disasters may expose the Company to operational threats such as water scarcity and deteriorating working conditions.	<p>Promote energy conservation and environmental protection to improve energy efficiency, reducing operational impact on the natural environment</p> <p>Encourage employees to adopt green and low-carbon commuting methods such as metro, cycling, and walking</p>	<p>Higher operational costs due to increased cooling and heating demands in office spaces</p> <p>Declining productivity due to heat-related employee health impacts, The climate change-induced scarcity of essential resources leads to reduced output, resulting in decreased revenue.</p> <p>Increased capital costs (e.g., shortened equipment lifespan due to high humidity)</p>	Low	Long-term
Transition risk	Policy and regulatory risk	<p>With increasingly stringent environmental protection laws and regulations domestically and internationally, coupled with enhanced regulatory oversight, failure to meet statutory requirements may expose the Company to legal proceedings and penalties.</p> <p>Actively participate in energy conservation and emission reduction programs, further identifying emission sources and reducing the Company's own carbon emissions</p>	<p>Maintain proactive monitoring of environmental and energy policies, laws, and regulations in the countries and regions where the industry operates</p> <p>Advocate for coordinated energy-saving and emission-reduction efforts across upstream and downstream supply chain partners</p> <p>Changes in output requirements (e.g., for waste disposal) may lead to higher production costs</p> <p>Increased costs due to fines</p> <p>Rising premiums due to stricter environmental policies</p>	Medium	Interim
Reputational risk	If the Company fails to address the reasonable expectations of stakeholders or demonstrates inadequate management in energy conservation and carbon reduction, its reputation may be adversely affected.	<p>Actively respond to the national call for "Carbon Peak" and "Carbon Neutrality", actively implement green operations and contribute to low-carbon transformation</p> <p>Maintain efficient and constructive communication with stakeholders, progressively establishing and disclosing emission reduction targets</p>	<p>Poor ESG performance or reputation-damaging ESG incidents may reduce access to capital</p>	Low	Long-term

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Type of risk	Risk description	Countermeasures	Estimated financial impact	Impact level	Impact duration <sup>1</sup>
Market Risk	As the importance of sustainable development concepts continues to grow both domestically and internationally, customers increasingly prefer low-carbon, green technologies, products, and services. If the Company fails to enhance the application of energy conservation and emission reduction measures in its products and services, it may find itself at a competitive disadvantage in the market.	Timely monitor market demands and adjust product and service lines.	Customer attrition and reduced operating revenue have led to decreased income.	Low	Long-term
Technological risk	Failed investments in new technologies and increased costs associated with low-carbon technologies transitions may lead to higher R&D expenditures, thereby reducing profits. This is compounded by the write-off of existing assets, accelerated depreciation, and increased capital investments.	Stay abreast of advancements in low-carbon technologies, intensify R&D and innovation efforts, and explore low-carbon technologies	Increased R&D expenditures	Low	Long-term

## Climate-related opportunities

Type of opportunity	Description of opportunities	Countermeasures
Energy efficiency	Enhance energy efficiency, implement green corporate operations, increase resilience to climate risks, and reduce the Company's own carbon emissions.	Enhance energy efficiency through a series of measures, including promoting energy-saving equipment and technologies and implementing energy conservation projects.  Consider purchasing green electricity and installing photovoltaic equipment in office buildings to reduce fossil fuel consumption.
Financing support	To obtain preferential loans or national policy subsidies due to the Company's low-carbon transition.	Timely track changes in external policies and requirements, and regularly report to management.

<sup>1</sup> Taking into account the core business planning, time horizon of low-carbon social development goals, climate-related disclosure standards, and management recommendations, we have set the time horizon as follows: short term (within 2 years after the reporting period, including 2 years), medium term (from 2 to 5 years after the reporting period, including 5 years), and long term (more than 5 years after the reporting period). This allows for a reasonable assessment of the climate impact on the business development in different time periods.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

TI Cloud recognizes the importance of scenario analysis in assessing strategic resilience and implementing annual business continuity plans, but has not yet completed a formal climate-related scenario analysis. We are actively enhancing our internal capabilities and gathering the necessary data to conduct reliable scenario modeling. Accordingly, we have applied the capability relief and reasonable information waiver.

Given our scale and nature of business, the current and anticipated financial impacts are immaterial. No significant financial impact has been quantified, and there are currently no impacts that are difficult to quantify reliably to a degree that would alter strategic decisions. Therefore, the Group has applied for financial impact relief and capability relief.

## RISK MANAGEMENT

TI Cloud attaches high importance to climate-related risks and opportunities, and is integrating climate risks into the risk management framework. This year, based on feedback from various departments, we conduct a comprehensive assessment of risks and opportunities, considering both their likelihood of occurrence and their impact on the Company. Based on this assessment, we prioritize these risks and opportunities, and then develop targeted response measures.

- **Risk Identification**

The Company regularly conducts climate-related risks and opportunities identification efforts. In collaboration with external professional consultants, it analyzes macro policy trends and industry developments. Through internal communication, it jointly develops and updates a list of climate-related risks and opportunities.

- **Risk Assessment**

For identified risks and opportunities, comprehensively assess their likelihood of occurrence and the severity of potential impacts to determine an overall risk level. This establishes the priority of climate change-related risks and highlights significant risks.

- **Risk Response**

For identified major risks, the Company develops targeted response strategies and action plans to effectively manage risks through elimination, mitigation, or transfer, while simultaneously capitalizing on relevant climate opportunities.

- **Risk Monitoring**

Continuously monitor the evolving dynamics of climate risks and opportunities, regularly review and update the list of risk and opportunity, and establish a regular reporting mechanism to management. This ensures the Board of Directors and management receive timely climate-related information to support decision-making.

## Metrics and Targets

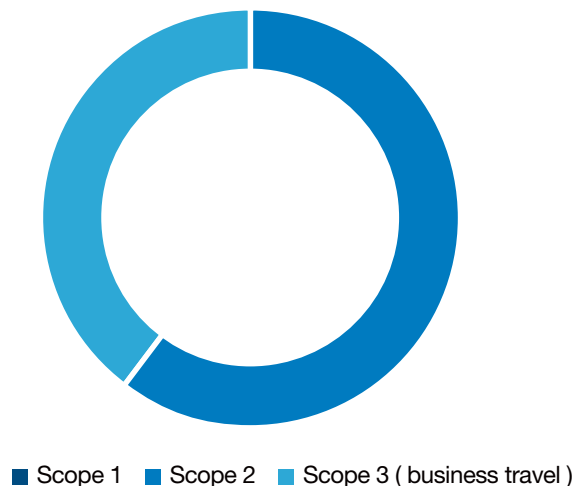
Due to the nature of TI Cloud's industry, we have not incurred any capital expenditure, financing, or investments related to climate-related risks and opportunities, nor have we established an internal carbon price. For other cross-industry indicators, we have decided to apply reasonable information waivers and will temporarily refrain from disclosing the dollar amounts or percentages of assets or business activities vulnerable to climate-related risks and opportunities.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Company is committed to continuously identifying, quantifying, and managing climate-related impacts, while progressively enhancing the transparency and depth of climate data management. During the reporting period, the Company had no Scope 1 direct emissions. Scope 2 energy indirect emissions primarily stemmed from purchased electricity and steam/thermal energy consumption at leased office premises. Scope 3 emissions currently cover only those generated by business travel (Category 6), including air travel undertaken by employees on official business. Other Scope 3 categories, such as upstream emissions from purchased goods and services, data center leasing, and employee commuting, remain in the data collection and methodology validation phase. These are expected to be progressively incorporated into comprehensive disclosures in the future. All emissions data of the Company are calculated in accordance with the “GHG Protocol” and emission factors from Hong Kong and China, with ongoing efforts to optimize data quality.

Overall, our carbon footprint originates mainly from electricity usage and business travel, which we will reduce through enhanced energy efficiency and optimized travel policies, promoting high-speed rail, electric vehicles and other low-carbon transport alternatives to short-haul flights, For unavoidable business travel, we will implement carbon offset measures such as supporting forestation programs to offset emissions.

Regarding climate action goals, TI Cloud has integrated low-carbon transformation into its long-term business strategy and established specific commitments in phased stages. In the short term, the Company plans to complete comprehensive accounting and statistics for Scope 3 greenhouse gas emissions by 2029. This will establish a complete emissions inventory to clearly identify carbon emission hotspots within business operations, providing a scientific foundation for subsequent reduction measures. The medium-to-long-term objectives focus on the period leading up to 2035. After fully understanding the structure of Scope 3 emissions, priority will be given to optimizing the carbon emissions performance of leased data centers. We will actively encourage partner data center suppliers to enhance energy efficiency and increase the proportion of renewable energy used. The long-term vision closely follows the national policy roadmap for “Carbon Peak and Carbon Neutrality,” striving to achieve carbon neutrality at the operational level by 2060 and jointly supporting the nation’s 2060 carbon neutrality vision. This target has not yet been verified by an independent third party. We review the targets and performance of greenhouse gas emissions annually and assess whether any revisions are necessary.



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## CREATING A HAPPY WORKPLACE

TI Cloud deeply recognizes that employees are an indispensable and invaluable asset to the Company. Adhering to the “people-oriented” philosophy, we are committed to talent acquisition, development, and retention. The Company is committed to fully safeguarding employees’ legal rights, effectively preventing occupational hazard risks, and building a safe and healthy work environment. Meanwhile, TI Cloud actively builds diverse career development platforms, including clear promotion pathways and systematic training programs, empowering employees to achieve simultaneous growth in personal capabilities and professional value, thereby realizing mutual benefit and shared success for both the Company and its staff.

### Employee Employment and Management

#### *Upholding Compliant Employment Practices*

As an enterprise that highly values social responsibility, TI Cloud strictly adheres to China’s labor-related laws and regulations in its operations and comprehensively safeguards employees’ legal rights. The primary regulations relied upon include the Labor Law of the People’s Republic of China, the Labor Contract Law of the People’s Republic of China, the Employment Promotion Law of the People’s Republic of China, the Social Insurance Law of the People’s Republic of China, the Trade Union Law of the People’s Republic of China, and the Work-Related Injury Insurance Regulations, among other provisions concerning labor rights, ensuring that internal management is highly consistent with national policies.

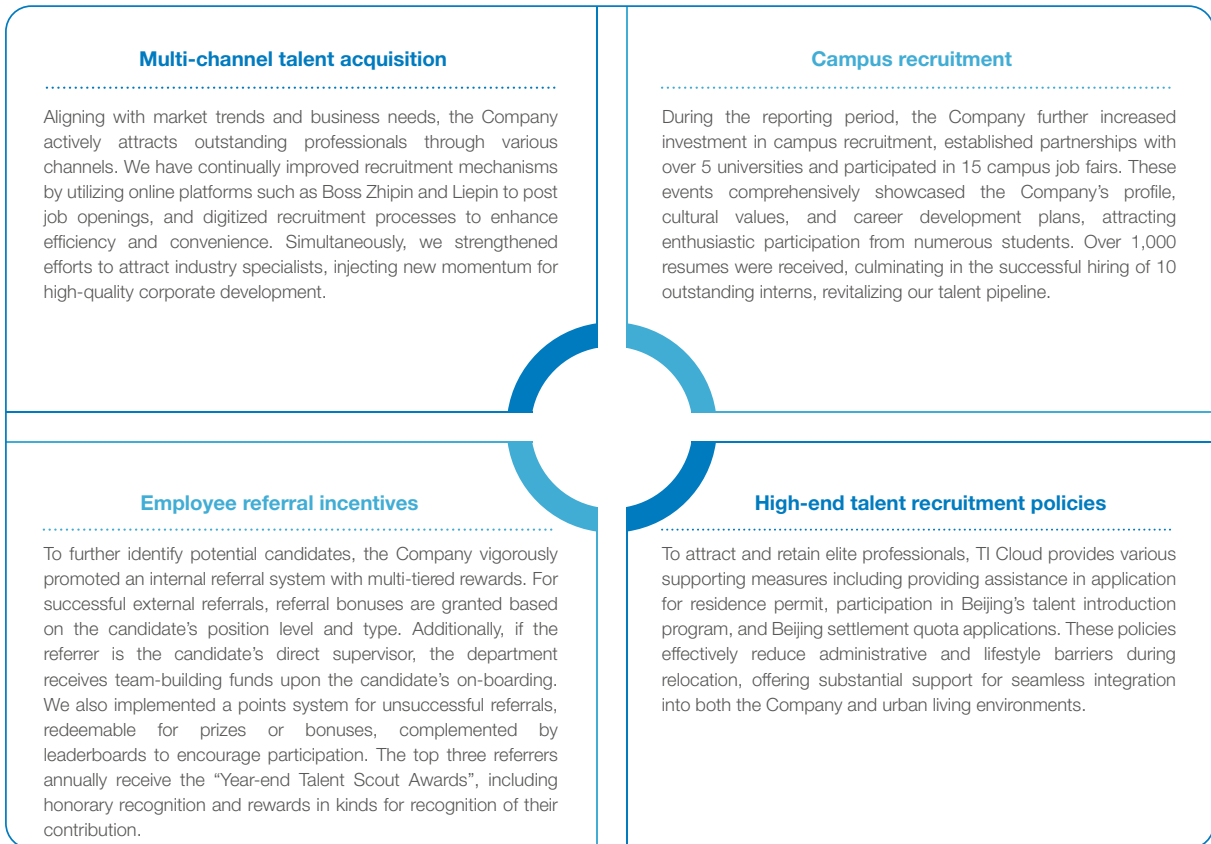
To effectively implement regulatory requirements, the Company has established internal policies such as the Employee Manual and developed a comprehensive human resources management system to fully protect employees’ rights. In daily operations, TI Cloud strictly adheres to labor standards, legally signs employment contracts with each employee, and effectively safeguards their lawful rights.

The Company explicitly prohibits any form of child labor and forced labor. During the recruitment process, we strictly verify candidates’ identification documents to ensure legally compliant hiring processes and prevent child labor employment. Upon discovery and verification of child labor, the Company will immediately terminate the employment relationship and make proper arrangements for the child’s return to their place of origin, where they will be placed under the care of their parents or legal guardianship. At the same time, the Company strictly implements national and local vacation policies, clearly stipulating working hours and vacation arrangements in employment contracts to ensure employees enjoy their right to reasonable rest. During the reporting period, the Company recorded no instances of child labor or forced labor, fully reflecting our firm stance and high sense of responsibility in protecting labor rights.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Enhancing Recruitment Management

TI Cloud understands that the long-term development of an enterprise hinges on the sustained contributions and efforts of its workforce. During the reporting period, we continued to optimize our recruitment processes, adopted diverse channels to attract talent, and vigorously advanced the digital transformation of online recruitment, thereby providing robust talent support for the steady expansion of our business.



TI Cloud will remain committed to its people-centric philosophy, refining talent acquisition mechanisms and enhancing recruitment experiences to attract and retain exceptional talents, fostering mutual growth for both the enterprise and its employees.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



Recruitment poster



Recruitment events

## Respecting and Embracing Employee Diversity

TI Cloud is committed to fostering an inclusive, diverse, and equitable work environment. We provide equal opportunities and treatment regardless of age, gender, physical condition, marital or parental status, race, skin color, nationality, religious belief, sexual orientation, or other identity characteristics. The Company has established offices in Beijing, Chengdu, Nanjing, Shanghai, Shenzhen, Guangzhou, and other locations, bringing together talents from across the country with diverse cultural backgrounds to collaborate and foster an inclusive atmosphere. We respect differences and encourage innovation, enabling every employee to fully realize their potential and achieve personal growth and development on our expansive platform. As of the end of the reporting period, the Company employed a total of five employees with disabilities and 22 ethnic minority employees.

### Case: Program for Persons with Disabilities

TI Cloud consistently upholds strong social responsibility and is committed to creating an inclusive and supportive work environment for persons with disabilities. We have implemented a comprehensive support program for persons with disabilities, and are committed to employing at least one person with disabilities per 100 employees. To achieve this goal, the Company not only ensures complete accessibility facilities in the workplace, but also provides customized work arrangements and career development plans for employees with disabilities to fully address their special needs and help them realize their potential and grow together with the Company.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## *Open Communication and Collaborative Win-Win*

TI Cloud fully understands that effective communication is the foundation for establishing mutual trust between the enterprise and its employees. We adhere to establishing fair and transparent dialogue mechanisms, ensuring every employee's voice is heard through multiple channels. We uphold the principles of open and transparent communication and place great emphasis on employees' feelings and opinions.

To this end, the Company actively implements a mechanism for full employee participation, thoroughly soliciting staff input prior to major policy adjustments and integrating their suggestions into the decision-making process. Through regular weekly, monthly, quarterly meetings, and operational analysis sessions, we enhance interaction between management and employees, listen to their needs, and provide timely feedback, demonstrating our commitment to valuing our workforce through concrete actions.

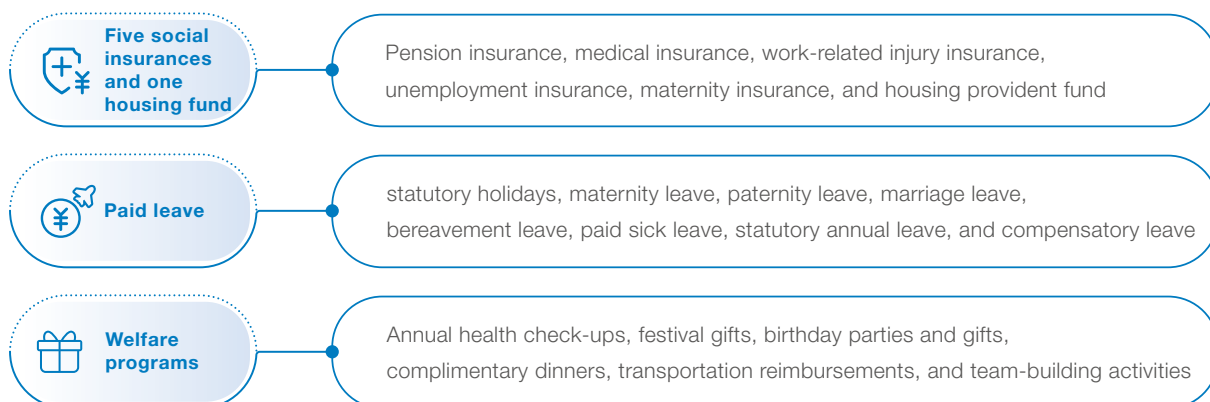
During the reporting period, to gain a more comprehensive understanding of employee needs and work conditions, we continued to hold "Employee Voice Feedback Session". The aim is to collect employee satisfaction levels and needs while encouraging them to freely express their genuine opinions. Based on employee feedback, we conducted in-depth analysis, formulated targeted improvement measures, and regularly tracked implementation progress. We also awarded employees who actively raised concerns. Through this mechanism, we continuously optimize management processes, enhance employee experience, and further strengthen internal cohesion and satisfaction levels.

## **Compensation and Welfare**

### *Employee Protection*

TI Cloud consistently adheres to the principles of legal compliance, strictly observes relevant national and regional laws and regulations including the "Regulations on Paid Annual Leave for Employees" and the "Implementation Measures for Paid Annual Leave for Employees of Enterprises", and comprehensively safeguards employees' legitimate rights and benefits. The Company strictly implements labor contract management systems, makes timely social insurance and housing provident fund contributions for employees, and ensures full compliance with statutory obligations. Additionally, TI Cloud prioritizes employees' holistic well-being by providing diversified benefit protections, including paid leave, maternity leave, sick leave, and regular health check-ups, effectively enhancing employees' sense of happiness and belonging. As of the end of the reporting period, our labor contract signing rate and social insurance participation rate have both reached 100%, fully demonstrating the Company's strong commitment to employee rights and strict compliance with regulations.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



## Performance and Incentive Policies

TI Cloud adheres to goal-oriented resource allocation, capability-based selection and appointment, and performance-driven incentives and constraints to promote high-quality development and continuous breakthroughs. The Company has established policies such as the Technical Honor Incentive Management Measures to fully implement its core values.

To strengthen our corporate culture, we have implemented “honor incentives” and recognition activities. This includes establishing the “Innovation Contribution Award” to honor employees with outstanding achievements in innovation, the “Excellence in Service Award” to recognize exceptional customer service performance, as well as awards such as the “Stubborn Problem Solution Award” and “Creative Idea Award”. These accolades span multiple job roles and scenarios, encouraging employees to embody our core values.

The Company continuously optimizes performance evaluation and incentive mechanisms through transparent indicator systems and robust measures to maximize employees’ value contributions and ensure compensation matches position, capabilities, performance, and contributions. Simultaneously, a mechanism linking compensation to business performance has been established to enhance employees’ income levels, achieving a virtuous cycle of joint growth between employees and the Company. We regard “Honor Incentive” as our daily guiding principle. By recognizing employees’ contributions and achievements, we inspire enthusiasm and creativity, foster deep cultural integration and continuity, enhance team cohesion and sense of purpose, and drive sustainable corporate development.

## Caring for and Well-being of Employees

TI Cloud regards its employees as the most valuable asset and is committed to fostering a harmonious and caring atmosphere where every employee feels respected and supported. We believe that a healthy and positive mindset is the cornerstone of mutual growth. Therefore, we continuously focus on work-life balance and provide comprehensive protection through diversified care programs, enhancing employees’ sense of happiness and belonging, and fostering a warm and responsible corporate culture.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

In terms of employee care, the Company encourages and supports employees to voluntarily establish and participate in diversified club activities to promote physical and mental health and team collaboration. Currently, the Company has successfully established multiple employee clubs including badminton club, basketball club and football club, providing platforms for interaction and enhancing team cohesion.

During the reporting period, TI Cloud organized an innovative “AI Together, Powering Toward the Summit” cross-country hiking event. TI Cloud employees gathered in Chongli, Hebei, to embark on a journey that blended challenge with fun. The 20-kilometer hike is not only a test of physical endurance but also an AI-themed exploration journey infused with technological ingenuity. Three AI-themed photo spots were thoughtfully placed along the route, allowing participants to immerse themselves in the unique charm and human touch of AI technology while trekking through mountains and rivers. This journey offered a tangible experience of how technology seamlessly blends with daily life, showcasing its distinctive allure.



## Training and Development

TI Cloud is committed to building a platform for mutual growth between employees and the Company. Through a sound training and development system, we meet employees’ career development needs and support the Company’s long-term development. The Company has established regulations such as the “Lecturer Management System”, creating an open and transparent promotion mechanism and providing diversified and equitable development paths.

### *Promotion System and Evaluation Mechanism*

To ensure fair and transparent promotion opportunities, TI Cloud has established a Promotion Assessment Committee comprising the CEO, deputy head of the business unit, general manager, and the director of human resources and administration to review qualifications. Candidates must meet five core promotion requirements and secure support from 80% of committee members to be promoted. Following promotion, a probationary period of three to six months is applied, during which the immediate supervisor will conduct a comprehensive evaluation. Upon successful completion, the candidate will be formally appointed. If the evaluation is unsatisfactory, the probationary period may be extended for another six months. Failure to meet standards during this extended period will result in the opportunity being revoked.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Company implements a clear promotion plan for technical roles, refines the career development system and defines job grade levels from entry-level to senior. It provides clear pathways and standard guidelines taking performance, competence and organizational contribution as key indicators, allowing employees to clearly understand skill requirements and performance targets at different stages.

## *Diversified Training Programs*

TI Cloud actively expands employee training models by establishing a multidimensional talent development system combining “online + offline” and “internal + external” trainings to accommodate diverse learning needs and support skills enhancement and career development.

For new hires, our trainings cover the Company’s culture and values, business introductions, and policy explanations to facilitate rapid on-boarding.

For our employees at various positions, course content spans multiple domains including robotic solutions, AI product case studies, and call center product upgrades as foundational training. We have also specially formulated the “Sales Learning Roadmap” to address various sales teams’ skill requirements.

In addition, information security training, as a mandatory course, achieves all-employee coverage, comprehensively strengthening the Company’s digital transformation security capabilities. To enrich our learning content, the Company leverages the “Cool College” platform to enhance interactive functions, and encourages employees to actively upload their insights, practical experiences and technical skills to foster knowledge exchange and create an open, collaborative learning environment. During the reporting period, the Company conducted over 600 hours of training activities, covering product knowledge, technical skills, information security, and soft skills. These systematic training activities have significantly improved employees’ comprehensive competencies while accelerating talent development.

To help young professionals overcome growth bottlenecks and develop into business pillars, while strengthening their expertise and cultivating professional competence, our specially designed Young Talent Development Program is now officially commenced. The three-day intensive program, rich in content and intensive in pace, provides young professionals with a fast-track to professional advancement. This training program goes beyond mere knowledge transfer, focusing instead on the comprehensive development of capabilities through the deep integration of theory and practice. Trainees all expressed that the training has energized their personal growth. Looking ahead, we will all strive to become the new force for the Company’s high-quality development with enhanced professional capabilities and renewed vigor, injecting continuous momentum into the enterprise’s thriving growth.

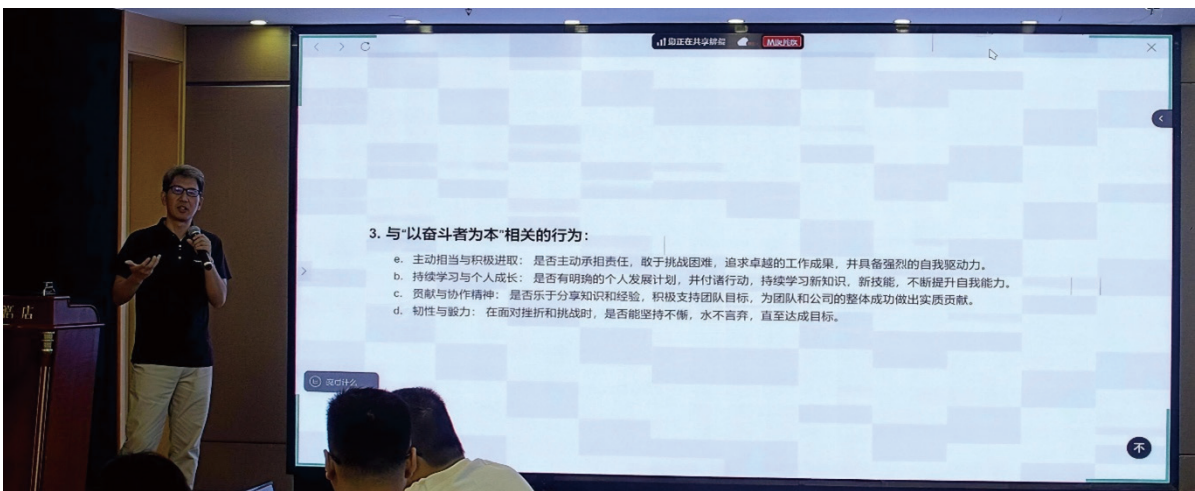
# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



## Lecturer Development and Management Training

TI Cloud has established an internal lecturer incentive mechanism specifically designed to encourage qualified leaders and employees to actively participate in internal training programs and share their practical experience and skills such as office efficiency improvement techniques and innovative methodologies. This mechanism not only provides corresponding incentives to lecturers but also fosters employee interaction and learning through knowledge dissemination, further cultivating a positive work atmosphere.

During the reporting period, we continued to invite the CEO to personally serve as a lecturer to conduct training sessions, providing in-depth analysis and discussion on critical topics such as organizational management, team building, and corporate culture inheritance.



CEO Personally Delivers the Lecture

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



Lecturer Development

## Employee health and safety

TI Cloud prioritizes employees' health and safety, fully implements the "Occupational Disease Prevention and Control Law of the People's Republic of China" and other regulations, and continuously improves the occupational health management system. We conduct regular testing of occupational hazard factors in the work environment to ensure compliance with national and industry standards. During the reporting period, the Company did not violate any regulations concerning workplace safety or occupational hazard protection. No personnel injury incidents or significant property loss events occurred, fully demonstrating the Company's commitment to employee health and safety.

To enhance environmental safety, the Company has equipped office premises with first-aid kits, masks, alcohol-based sanitizers and other protective supplies, along with prominent safety signage to ensure prompt protection in emergencies. Meanwhile, the Company implements emergency management and fire safety requirements by regularly conducting fire evacuation drills, enhancing employees' crisis prevention and self-rescue capabilities, thereby strengthening overall safety management from a preventive perspective.

In terms of occupational health protection, the Company has formulated regulations such as the "Occupational Hazard Prevention Responsibility System" and established a comprehensive system covering safety training, occupational health check-ups, personal protective equipment distribution, and specialized training. Through annual physical examinations, employees gain a more comprehensive understanding of their health status, enhance their health awareness, and engage in work with improved physical and mental well-being.

Key Performance Indicators	Unit	2025	2024	2023
Number of work-related fatalities	People	0	0	0
Work-related fatality rate	%	0	0	0
Total working days lost due to occupational injuries	Sky	0	0	0



Our Training Physical Examination Poster

### *Fulfilling social responsibility*

TI Cloud remains actively committed to social responsibility by channeling our developmental achievements back into society. We proactively engage in public welfare initiatives to support rural revitalization, demonstrating our dedication to sustainable social development through concrete actions.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Public Welfare Engagement

TI Cloud consistently fulfills its corporate social responsibility through practical actions, demonstrating compassion and contributing to society while continuously supporting the development of public welfare causes. During the reporting period, the Company further strengthened volunteer services and public welfare project development. We not only encourage employees to actively participate in community service but also plan to introduce a volunteer points-based incentive system. This system will calculate points based on employees' service duration and contribution level in public welfare activities, which can be redeemed for our internal rewards or benefits, thereby enhancing their enthusiasm and motivation for philanthropic participation.

Concurrently, the Company will also establish a "Best Volunteer" recognition program to honor employees demonstrating outstanding performance in volunteer services and further establish role models to inspire broader staff participation. TI Cloud plans to increase resource allocation and budgetary support for public welfare projects while continuously improving relevant systems to ensure expanding influence and coverage of these initiatives.

TI Cloud firmly believes that participating in public welfare not only promotes harmonious social development but also facilitates employees' personal growth through contribution, thereby fostering a more compassionate and responsible corporate culture. We will continue striving to create more positive social influence, progressing together with our employees and society.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## KEY PERFORMANCE INDICATOR LIST

### Environment

	Unit	2025/26	2024/25
<b>Air pollutant emissions</b>			
Nitrogen oxides (“NO <sub>x</sub> ”)	kg	0	0
Sulfur oxides (“SO <sub>x</sub> ”)	kg	0	0
Particulate matter (“PM”)	kg	0	0
<b>Greenhouse Gas Emissions</b>			
Scope 1 – Direct GHG emissions <sup>1</sup>	tonnes CO <sub>2</sub> e	0	0
Scope 2 – Indirect GHG emissions <sup>2</sup>	tonnes CO <sub>2</sub> e	224.02	180.47
Scope 3 – Other indirect emissions (business travel <sup>3</sup> )	tonnes CO <sub>2</sub> e	145.96	121.07
Total GHG emissions	tonnes CO <sub>2</sub> e	369.98	301.54
GHG emission intensity	tCO <sub>2</sub> e/million revenue	0.67	0.60
<b>waste</b>			
<b>Hazardous waste</b>			
Used fluorescent tubes	pcs	3	0
Discarded batteries	pcs	200	0
<b>Non-hazardous waste</b>			
Paper waste <sup>4</sup>	ton	0.70	0.97
<b>Energy Consumption</b>			
Direct energy consumption	kWh	58,362.66	0
<b>Indirect energy consumption</b>			
Purchased electricity	kWh	366,681.92	336,327
Purchased heating	kWh	37,626.58	-
Total energy consumption	tce	49.69	41.33
Energy consumption Intensity	tce/million revenue	0.09	0.08
<b>Water Resources</b>			
Purchased bottled water	ton	108.77	136.19
Municipal water supply <sup>5</sup>	ton	680.00	-
Total water withdrawal	ton	788.77	136.19
Water use density	tonnes/million revenue	1.43	0.27

<sup>1</sup> TI Cloud owns no vehicles and its operations do not involve Scope 1 greenhouse gas emissions, its Scope 1 greenhouse gas emissions are therefore reported as zero.

<sup>2</sup> Emission factors for Scope 2 indirect GHG emissions are sourced from China’s National Greenhouse Gas Emission Factor Database.

<sup>3</sup> Business travel data covers air travel only, calculated using methodology provided by the International Civil Aviation Organization (ICAO).

<sup>4</sup> During the reporting period, we updated the measurement method for paper waste by estimating paper usage based on procurement amounts and consumption, which resulted in a significant variance as compared with that of 2024.

<sup>5</sup> During the reporting period, to optimize data collection processes and ensure data quality, we engaged in thorough communication with the management of the premises where we operate and obtained municipal water usage data.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Social

Employee		2025/26	2024/25
<b>Total number of employees</b>	People	446	506
By gender			
Male	People	304	344
Female	People	142	162
<b>By age group</b>			
Under 30 years old	People	174	251
30 to 50 years old	People	264	247
51 or above	People	8	8
<b>By category of employee</b>			
Full-time	People	446	506
Part-time	People	0	0
<b>By geographical region</b>			
Mainland China	People	446	506
<b>Turnover rate<sup>1</sup></b>			
<b>Overall attrition rate</b>	%	43	37
<b>By gender</b>			
Male	%	42	38
Female	%	44	36
<b>By age group</b>			
Under 30 years old	%	73	39
30 to 49 years old	%	25	36
50 years old or above	%	12	8
<b>By geographical region</b>			
Mainland China	%	43	37
<b>Employee training</b>			
<b>Percentage of trained employees</b>	%	84	91
<b>By gender</b>			
Male	%	70	71
Female	%	30	29

<sup>1</sup> Employee turnover rate is calculated as total departures during the reporting year/(the average of opening headcount + closing headcount) × 100%

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Employee		2025/26	2024/25
<b>By category of employee</b>			
Senior Management	%	2	22
Middle management	%	4	13
General employee	%	94	85
<b>Average training hours per employee</b>	hours	16.28	6.1
<b>By gender</b>			
Male	hours	16.62	6.1
Female	hours	15.55	6.0
<b>By category of employee</b>			
Senior Management	hours	27.10	3.0
Middle management	hours	29.51	2.0
General employee	hours	15.19	6.8
<b>Supply Chain</b>			
<b>Total number of suppliers</b>	one	347	444
<b>By geographical region</b>			
Mainland China	one	331	422
Hong Kong, Macau, Taiwan and overseas	one	16	22

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## ESG CODE INDEX

Aspect	Indicators	Indicators	Location
A. Environment			
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.	Embracing Lucid Waters and Lush Mountains
	A1.1	The types of emissions and respective emissions data.	Key Performance Indicators
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Key Performance Indicators
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Key Performance Indicators
	A1.5	Description of emission target(s) set and steps taken to achieve them.	Waste management
	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.	Waste management
A2: Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Energy and Resource Management
	A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (in MWh) and intensity (e.g. per unit of production volume, per facility).	Key Performance Indicators
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Key Performance Indicators
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Energy and Resource Management
	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.	N/A, the Company faces no challenges in water sourcing
	A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Our business operations do not involve the use of packaging materials

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Aspect	Indicators	Indicators	Location
A3: Environment and Natural Resources	General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources.	Energy and Resource Management
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Energy and Resource Management
B. Social			
B1: Employment	General Disclosure	Information on: <ul style="list-style-type: none"> <li>a. the policies; and</li> <li>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, holidays, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.</li> </ul>	Building a Happy Workplace
	B1.1	Total workforce by gender, employment type (for example, full or part-time), age group and geographical region.	Key Performance Indicators
	B1.2	Employee turnover rate by gender, age group and geographical region.	Key Performance Indicators

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Aspect	Indicators	Indicators	Location
B2: Employee 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.	
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Health and safety
	B2.2	Lost days due to work injury.	Health and safety
	B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Health and safety
B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for performing duties at work. Description of training activities.	Training and Development
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Key Performance Indicators
	B3.2	The average training hours completed per employee by gender and employee category.	Key Performance Indicators
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.	Employee Employment
	B4.1	Description of measures to review employment practices to avoid child and forced labor.	Employee Employment
	B4.2	Description of steps taken to eliminate such practices when discovered.	Employee Employment
B5: Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	Optimizing a Sustainable Supply Chain
	B5.1	Number of suppliers by geographical region.	Key Performance Indicators
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Creating sustainable supply chain
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Creating sustainable supply chain
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Creating sustainable supply chain

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Aspect	Indicators	Indicators	Location
B6: Product Responsibility	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 health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Innovation Quality
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	N/A, our business operations do not involve physical product manufacturing activities
	B6.2	Number of products and services related complaints and how they are dealt with.	Premium Service
	B6.3	Description of practices related to observing and protecting intellectual property rights.	Intellectual Property Management and Protection
	B6.4	Description of the quality assurance process and product recall procedures.	N/A, our business operations do not involve physical product manufacturing activities
	B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Ensuring Information and Data Security
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.	Anti-corruption and Anti-bribery Management
	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.	Anti-corruption and Anti-bribery Management
	B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Anti-corruption and Anti-bribery Management
	B7.3	Description of anti-corruption training provided to directors and staff.	Anti-corruption and Anti-bribery Management

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Aspect	Indicators	Indicators	Location
B8: Community Investment	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Fulfilling social responsibility
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	Fulfilling social responsibility
	B8.2	Resources contributed (e.g. money or time) to the focus area.	Fulfilling social responsibility

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## INDEX TABLE (CLIMATE-RELATED DISCLOSURES)

Category	Category	Description	Section
Governance		The governance body(s) responsible for oversight of climate-related risks and opportunities	Addressing Climate Change – Governance
Governance		Management’s role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities.	Addressing Climate Change – Governance
Strategy	Climate-related risks and opportunities	<p>Description of the reasonably expected climate-related risks and opportunities that could affect the issuer’s cash flows, financing channels, or capital costs in the short, medium, or long term.</p> <p>Explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk.</p> <p>Specification of the time frame (short term, medium term, or long term) during which each identified climate-related risk and opportunity is reasonably expected to impact the issuer.</p> <p>Explanation of how the issuer defines short term, medium term, and long term, and how these definitions are linked to the scope of its strategic decision-making planning.</p>	Addressing Climate Change – Strategy
Strategy	Business Models and Value Chain	<p>Description of the current and expected impacts of climate-related risks and opportunities on the issuer’s business model and value chain.</p> <p>Description of where climate-related risks and opportunities are concentrated within the issuer’s business model and value chain (e.g., geographical regions, facilities, and types of assets).</p>	Addressing Climate Change – Strategy
Strategy	Strategy and Decision-Making	<p>Providing information on how the issuer has addressed and plans to address significant climate-related risks and opportunities in its strategies and decisions, including how the issuer plans to achieve any climate-related targets it has set and any targets required by law or regulation.</p> <p>Providing information on how the issuer currently and in the future plans to provide resources for its actions to address significant climate-related risks and opportunities, both presently and in the future.</p>	<p>Addressing Climate Change – Strategy</p> <p>During the reporting period, we have not yet implemented our climate-related transition plan, and this work is currently underway.</p>

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Category	Category	Description	Section
Strategy	Financial Position, Financial Performance, and Cash Flows – Current Financial Impacts	<p>How climate-related risks and opportunities affect an issuer’s financial position, financial performance, and cash flows during the reporting period.</p> <p>Information on climate-related risks and opportunities identified by the issuer regarding how climate-related risks and opportunities affect its financial position, financial performance, and cash flows during the reporting period, where such risks give rise to a significant risk of material adjustments to the carrying amounts of assets and liabilities in the relevant financial statements for the next reporting period.</p>	<p>Addressing Climate Change – Strategy</p> <p>Financial Impact Relief</p> <p>Capability Relief</p>
Strategy	Financial Position, Financial Performance And Cash Flows – Anticipated Financial Effect	<p>After considering its strategy to manage climate-related risks and opportunities, and taking into account the following, the issuer anticipates how its financial performance will change in the short, medium and long term.</p> <p>Based on the issuer’s strategy to manage climate-related risks and opportunities, and how its financial performance and cash flows are expected to change in the short, medium and long term.</p>	<p>Financial Impact Relief</p> <p>Capability Relief</p>
Strategy	Climate Resilience	<p>The issuer’s assessment of its climate resilience as of the reporting date.</p> <p>How and when the climate-related scenario analysis was carried out</p>	<p>Reasonable Information Waiver</p> <p>Capability Relief</p>
RISK MANAGEMENT		The processes and related policies used by the issuer to identify, assess and prioritize climate-related risks and opportunities and maintain monitoring thereof;	Addressing Climate Change – Risk Management
RISK MANAGEMENT		The processes used by the issuer to identify, assess, prioritize and maintain monitoring of climate-related risks and opportunities (including information available to the issuer and how climate-related scenario analysis can be used to identify climate-related opportunities);	Addressing Climate Change – Risk Management
RISK MANAGEMENT		The identification, assessment, prioritization, and monitoring of climate-related risks and opportunities, and how these are incorporated into the issuer’s overall risk management process, along with the extent of their integration.	Addressing Climate Change – Risk Management

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Category	Category	Description	Section
Indicators and targets	Greenhouse Gas Emissions	An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO2 equivalent, classified as: Scope 1 greenhouse gas emissions; Scope 2 greenhouse gas emissions; Scope 3 greenhouse gas emissions.	Summary of Key Performance Indicators  Reasonable information waiver
Indicators and targets	Climate-related transition risks	An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	Reasonable information waiver
Indicators and targets	Climate-related physical risks	An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	Reasonable information waiver
Indicators and targets	Climate-related opportunities	An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	Reasonable information waiver
Indicators and targets	Capital Usage	An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	During the reporting period, we did not undertake any capital expenditure, financing, or investments related to climate-related risks and opportunities.
Indicators and targets	Internal Carbon Price	Whether and how the issuer is applying a carbon price in decision-making (for example, investment decisions, transfer pricing, and scenario analysis)  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.	As of the end of the reporting period, we have not yet implemented an internal carbon pricing mechanism in our internal decision-making processes.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Category	Category	Description	Section
Indicators and targets	Remuneration	An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement.	As of the end of the reporting period, the remuneration policy for the Company's senior management is primarily linked to the Company's overall financial performance, operational targets, and individual performance. Specific climate-related performance metrics have not yet been directly incorporated into the compensation assessment system. The company will regularly review the alignment of its remuneration policy with long-term sustainability goals.
Indicators and targets	Industry Indicators	An issuer is encouraged to disclose industry indicators that are associated with one or more particular business models, activities or other common features that characterise participation in an industry.	During the reporting period, we have not yet disclosed industry indicators by reference to other industry disclosure guidelines, and related work remains ongoing.
Indicators and targets	Climate-related objectives	An issuer shall disclose the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals and any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets.	Responding to Climate Change – Metrics and Targets

# INDEPENDENT AUDITOR'S REPORT



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## To the shareholders of TI Cloud Inc.

(Incorporated in the Cayman Islands with limited liability)

## OPINION

We have audited the consolidated financial statements of TI Cloud Inc. (the “Company”) and its subsidiaries (the “Group”) set out on pages 144 to 229, 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 consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“the IASB”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

## BASIS FOR OPINION

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

## KEY AUDIT MATTERS

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

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

# INDEPENDENT AUDITOR'S REPORT

## Key audit matters (continued)

Key audit matters	How our audit addressed the key audit matters
<b>Impairment of trade receivables and contract assets</b>	
<p>As at 31 December 2025, the carrying amounts of the Group's trade receivables and contract assets before impairment were approximately RMB151,489,000 and RMB269,000 respectively, and the Group was exposed to credit risks arising therefrom.</p> <p>The Group recognises impairment allowances of trade receivables and contract assets based on the expected credit loss ("ECL") approach under IFRS 9 <i>Financial Instruments</i>. The measurement of ECL requires the application of significant judgement and estimates. The Group uses a provision matrix to assess the ECL, and the provision rates are based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the economic environment, where applicable.</p> <p>Relevant disclosures are included in notes 2.4, 3, 17 and 18 to the financial statements.</p>	<p>We performed the following procedures to address the impairment of trade receivables and contract assets:</p> <ul style="list-style-type: none"> <li>Assessed, on a sample basis, whether items in the ageing reports of trade receivables and contract assets were classified within the appropriate ageing categories;</li> <li>Evaluated the ECL determined by the Group management by examining, on a sample basis, the information used to form such judgement and estimates, including the historical credit loss information and forward-looking factors;</li> <li>Evaluated the impairment provision of trade receivables by reference to the Group's subsequent collection; and</li> <li>Evaluated the adequacy of the relevant disclosures in the financial statements.</li> </ul>
<b>Impairment of goodwill</b>	
<p>As at 31 December 2025, the carrying amount of the Group's goodwill was approximately RMB96,220,000. In accordance with International Accounting Standard 36 <i>Impairment of Assets</i>, the Group is required to test the amount of goodwill for impairment annually. The impairment test involved management's material judgement and estimates, such as expected revenue growth rates, discount rates and perpetual growth rates.</p> <p>Relevant disclosures are included in notes 2.4, 3 and 15 to the financial statements.</p>	<p>We performed the following procedures to address the impairment of goodwill:</p> <ul style="list-style-type: none"> <li>Assessed the reasonableness of expected revenue growth rates by making enquiries with management and with reference to historical information and industry development expectations;</li> <li>With the assistance of our internal valuation specialists, examined the valuation methodologies and evaluated the assumptions and estimates used, including the discount rates and the perpetual growth rates;</li> <li>Checked the mathematical accuracy of management's valuation schedules; and</li> <li>Evaluated the adequacy of the relevant disclosures in the financial statements.</li> </ul>

# INDEPENDENT AUDITOR'S REPORT

## OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

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

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

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

## RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

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

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

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAAs 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 judgement and maintain professional scepticism throughout the audit. We also:

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

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

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

# INDEPENDENT AUDITOR'S REPORT

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

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

The engagement partner on the audit resulting in this independent auditor's report is Ng Siu Ki Ricky (practising certificate number: P05575).

*Ernst & Young*  
Certified Public Accountants  
Hong Kong  
30 March 2026

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2025

	Notes	2025 RMB'000	2024 RMB'000
REVENUE	5	549,685	506,355
Cost of sales		(272,520)	(243,959)
Gross profit		277,165	262,396
Other income and gains	5	11,226	11,828
Selling and distribution expenses		(111,487)	(111,430)
Administrative expenses		(47,683)	(38,829)
Research and development expenses		(69,412)	(82,264)
Reversal of impairment losses/(Impairment losses) on financial and contract assets, net		1,226	(4,636)
Other expenses and losses		(167)	(1,203)
Finance costs	7	(334)	(469)
PROFIT BEFORE TAX	6	60,534	35,393
Income tax credit/(expense)	10	288	(1,393)
PROFIT FOR THE YEAR		60,822	34,000
EARNINGS PER SHARE			
Basic and diluted (RMB cents)	12	34.99	19.55

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2025

	2025 RMB'000	2024 RMB'000
PROFIT FOR THE YEAR	<b>60,822</b>	34,000
OTHER COMPREHENSIVE INCOME/(LOSS)		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of a subsidiary not operating in Chinese mainland	<b>676</b>	(3,889)
Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of the Company	<b>(5,724)</b>	5,176
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR	<b>(5,048)</b>	1,287
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<b>55,774</b>	35,287

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

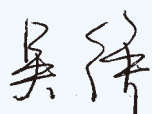
31 December 2025

	Notes	2025 RMB'000	2024 RMB'000
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	13	2,090	1,876
Right-of-use assets	14(a)	8,623	8,670
Goodwill	15	96,220	97,852
Other intangible assets	16	9,355	11,725
Prepayments, other receivables and other assets	20	1,593	552
Financial investments	21	44,114	3,379
Restricted cash	22	–	168
Time deposits	22	31,507	35,452
Deferred tax assets	26	–	3
<b>Total non-current assets</b>		<b>193,502</b>	159,677
<b>CURRENT ASSETS</b>			
Trade and bills receivables	17	137,680	107,364
Contract assets	18	262	1,120
Contract costs	19	2,559	5,122
Prepayments, other receivables and other assets	20	20,219	24,802
Prepaid tax		1,783	–
Financial investments	21	65,660	70,201
Restricted cash	22	19,585	2,405
Time deposits	22	107,488	137,828
Cash and cash equivalents	22	158,617	136,579
<b>Total current assets</b>		<b>513,853</b>	485,421
<b>CURRENT LIABILITIES</b>			
Trade payables	23	35,069	28,744
Contract liabilities	24	67,474	51,894
Other payables and accruals	25	47,766	46,509
Lease liabilities	14(b)	4,268	6,336
Tax payable		460	1,280
<b>Total current liabilities</b>		<b>155,037</b>	134,763
<b>NET CURRENT ASSETS</b>		<b>358,816</b>	350,658
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>552,318</b>	510,335

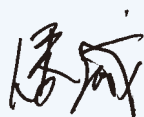
# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2025

	Notes	2025 RMB'000	2024 RMB'000
NON-CURRENT LIABILITIES			
Lease liabilities	14(b)	4,033	2,045
Deferred tax liabilities	26	285	837
Total non-current liabilities		4,318	2,882
Net assets		548,000	507,453
EQUITY			
Share capital	27	114	114
Treasury shares	27	(1,085)	(576)
Reserves	29	548,971	507,915
Total equity		548,000	507,453



WU Qiang  
Director



PAN Wei  
Director

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2025

	Notes	Share-based payment reserve*								Total RMB'000
		Share capital RMB'000	Treasury shares RMB'000	Share premium* RMB'000	Capital reserve* RMB'000	Share-based payment reserve* RMB'000	Reserve funds* RMB'000	Exchange fluctuation reserve* RMB'000	Retained profits* RMB'000	
At 1 January 2025		114	(576)	247,984	95,790	6,355	28,065	14,500	115,221	507,453
Profit for the year		-	-	-	-	-	-	-	60,822	60,822
Other comprehensive loss for the year:										
Exchange differences on translation of the Company and a subsidiary not operating in Chinese mainland		-	-	-	-	-	-	(5,048)	-	(5,048)
Total comprehensive income for the year		-	-	-	-	-	-	(5,048)	60,822	55,774
Equity-settled share-based payment arrangements	28	-	-	-	-	1,206	-	-	-	1,206
Transfer of share-based payment reserve upon the release and conversion of restricted share units into ordinary shares		-	-	-	327	(327)	-	-	-	-
Final 2024 dividend	10	-	-	-	-	-	-	-	(15,924)	(15,924)
Shares repurchased	27	-	(509)	-	-	-	-	-	-	(509)
Transfer from retained profits		-	-	-	-	-	264	-	(264)	-
At 31 December 2025		114	(1,085)	247,984	96,117	7,234	28,329	9,452	159,855	548,000

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2025

	Notes	Share capital RMB'000	Treasury shares RMB'000	Share premium* RMB'000	Capital reserve* RMB'000	Share-based payment reserve* RMB'000	Reserve funds* RMB'000	Exchange fluctuation reserve* RMB'000	Retained profits* RMB'000	Total RMB'000
At 1 January 2024		114	-	247,984	95,790	3,978	27,719	13,213	81,567	470,365
Profit for the year		-	-	-	-	-	-	-	34,000	34,000
Other comprehensive income for the year:										
Exchange differences on translation of the Company and a subsidiary not operating in Chinese mainland		-	-	-	-	-	-	1,287	-	1,287
Total comprehensive income for the year		-	-	-	-	-	-	1,287	34,000	35,287
Equity-settled share-based payment arrangements	28	-	-	-	-	2,377	-	-	-	2,377
Shares repurchased	27	-	(576)	-	-	-	-	-	-	(576)
Transfer from retained profits		-	-	-	-	-	346	-	(346)	-
At 31 December 2024		114	(576)	247,984	95,790	6,355	28,065	14,500	115,221	507,453

\* These reserve accounts comprise the consolidated reserves of RMB548,971,000 (2024: RMB507,915,000) in the consolidated statement of financial position as at 31 December 2025.

# CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2025

	Notes	2025 RMB'000	2024 RMB'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		<b>60,534</b>	35,393
Adjustments for:			
Finance costs	7	<b>334</b>	469
Interest income	5	<b>(6,731)</b>	(8,126)
Investment income	5	<b>(1,580)</b>	(1,783)
Fair value losses/(gains) on financial investments at fair value through profit or loss, net	5, 6	<b>(685)</b>	169
Loss on disposal/write-off of property, plant and equipment	6	<b>22</b>	61
Gain on early termination of a lease	5	<b>(2)</b>	(84)
Loss on lease modifications	6	<b>34</b>	–
Depreciation of property, plant and equipment	6	<b>692</b>	932
Depreciation of right-of-use assets	6	<b>6,681</b>	7,402
Amortisation of other intangible assets	6	<b>3,265</b>	3,176
Impairment/(reversal of impairment) of financial and contract assets, net	6	<b>(1,226)</b>	4,636
Equity-settled share-based payment expense	28	<b>1,206</b>	2,377
		<b>62,544</b>	44,622
Increase in trade and bills receivables		<b>(28,679)</b>	(19,484)
Decrease in contract assets		<b>401</b>	150
Decrease in contract costs		<b>2,563</b>	3,423
Decrease in prepayments, other receivables and other assets		<b>3,494</b>	2,647
Increase in trade payables		<b>6,325</b>	1,787
Increase in contract liabilities		<b>15,580</b>	6,050
Decrease/(Increase) in other payables and accruals		<b>1,203</b>	(2,054)
Increase in restricted cash		<b>(17,012)</b>	(1,903)
Effect of foreign exchange rate changes, net		<b>(1,927)</b>	1,575
		<b>44,492</b>	36,813
Cash generated from operations		<b>44,492</b>	36,813
Interest received		<b>1,220</b>	927
Interest paid		<b>(334)</b>	(469)
Chinese mainland corporate income tax paid, net		<b>(2,662)</b>	(159)
Hong Kong profits tax paid		<b>(202)</b>	–
		<b>42,514</b>	37,112
Net cash flows from operating activities		<b>42,514</b>	37,112

# CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2025

	Notes	2025 RMB'000	2024 RMB'000
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received		5,277	6,586
Purchases of property, plant and equipment	13	(946)	(874)
Proceeds from disposal of property, plant and equipment		18	15
Purchases of other intangible assets	16	(895)	(2,088)
Acquisition of a business		–	(1,000)
Placement of time deposits with original maturity over three months when acquired		(230,215)	(380,987)
Withdrawal of time deposits with original maturity over three months when acquired		253,378	337,750
Investment in financial investments at fair value through profit or loss		–	(3,553)
Purchases of financial investments at fair value through profit or loss		(201,000)	(250,000)
Proceeds from maturity of financial investments at fair value through profit or loss		216,838	246,385
Purchase of financial investments at amortised cost		(70,000)	(40,000)
Proceeds from maturity of financial investments at amortised cost		30,414	25,353
<b>Net cash flows from/(used in) investing activities</b>		<b>2,869</b>	<b>(62,413)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repurchase of shares	27	(509)	(576)
Principle portion of lease payments	30(b)	(6,746)	(7,188)
Dividends paid		(15,870)	–
<b>Net cash flows used in financing activities</b>		<b>(23,125)</b>	<b>(7,764)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>			
		<b>22,258</b>	<b>(33,065)</b>
Cash and cash equivalents at beginning of year		136,579	169,472
Effect of foreign exchange rate changes, net		(220)	172
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<b>158,617</b>	<b>136,579</b>

# CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2025

	Notes	2025 RMB'000	2024 RMB'000
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances		<b>84,959</b>	100,760
Short-term deposits		<b>35,000</b>	35,000
Time deposits with original maturity dates of within three months when acquired		<b>38,658</b>	819
Cash and cash equivalents as stated in the statement of cash flows and statement of financial position	22	<b>158,617</b>	136,579

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 1. CORPORATE INFORMATION

TI Cloud Inc. (the “Company”) is an exempted company with limited liability incorporated in the Cayman Islands on 31 March 2021. The ordinary shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) with effect from 30 June 2022. The registered office of the Company is located at the offices of ICS Corporate Services (Cayman) Limited, 3–212 Governors Square, 23 Lime Tree Bay Avenue, P.O. Box 30746, Seven Mile Beach, Grand Cayman KY1-1203, Cayman Islands.

During the year, the Company and its subsidiaries (collectively referred to as the “Group”) were principally engaged in the provision of artificial intelligence-based cloud customer contact solution software and related services in Software as a Service (“SaaS”) model and Virtual Private Cloud (“VPC”) model.

### Information about subsidiaries

Particulars of the Company’s principal subsidiaries as at the end of the reporting period are as follows:

Name	Place and date of incorporation/ registration and place of operations	Issued ordinary/ registered share capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
TI Cloud (HK) Limited (“TI HK”)	Hong Kong 16 April 2021	HK\$1	100	–	Investment holding
TI Cloud (Beijing) Technology Co., Ltd. <sup>®**</sup> (“WFOE”) (天潤雲(北京)科技有限公司)	People’s Republic of China (“PRC”)/ Chinese mainland 28 April 2021	USD50,000,000	–	100	Investment holding
Beijing T&I Net Communication Technology Co., Ltd. <sup>®**</sup> (“T&I Net Communication”) (北京天潤融通科技股份有限公司)	PRC/Chinese mainland 23 February 2006	RMB51,660,000	–	100	Sales of customer contact solution software and related services and products, provision of technology support services, and research and development of communication software
Beijing Xunchuan Rongtong Technology Co., Ltd. <sup>**</sup> (“Xunchuan Rongtong Technology”) (北京迅傳融通科技有限公司)	PRC/Chinese mainland 22 October 2007	RMB10,000,000	–	100	Sales of customer contact solution software and related services and products, and provision of technology support services
Shanghai Tianrun Rongtong Information Technology Co., Ltd. <sup>**</sup> (“Shanghai TianrunRongtong”) (上海天潤融通信息科技有限公司)	PRC/Chinese mainland 21 November 2012	RMB10,000,000	–	100	Provision of technology support services

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 1. CORPORATE INFORMATION (continued)

### Information about subsidiaries (continued)

Name	Place and date of incorporation/ registration and place of operations	Issued ordinary/ registered share capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
Shanghai Xinfeng Information Technology Co., Ltd. <sup>^</sup> ("Xinfeng Information Technology") (上海欣峰信息科技有限公司)	PRC/Chinese mainland 24 April 2012	RMB10,000,000	-	100	Provision of technology support services
Nanjing Guanxun Information Technology Co., Ltd. <sup>^</sup> ("Guanxun Information Technology") (南京冠迅信息科技有限公司)	PRC/Chinese mainland 26 April 2018	RMB10,000,000	-	100	Research and development of customer contact solution
Chengdu Tianrun Golden Armor Technology Co., Ltd. <sup>^</sup> ("Tianrun Golden Armor") (成都天潤金鎧甲科技有限公司)	PRC/Chinese mainland 7 December 2022	RMB20,000,000	-	100	Sales of customer contact solution software and related services and products, provision of technology support services, and research and development of communication software
Beijing Yizhang Yunfeng Technology Co., Ltd. <sup>^</sup> ("Yizhang Yunfeng") (北京易掌雲峰科技有限公司)	PRC/Chinese mainland 27 April 2013	RMB63,550,211	-	100	Sales of customer contact solution software and related services and products, provision of technology support services, and research and development of communication software

# T&I Net Communication was the immediate holding company of Xunchuan Rongtong Technology, Shanghai Tianrun Rongtong, Xinfeng Information Technology, Guanxun Information Technology and Tianrun Golden Armor.

@ This company is registered as a wholly-foreign-owned enterprise under PRC law.

^ These companies are registered as limited liability enterprises under PRC law, except for T&I Net Communication which is registered as a joint stock limited enterprise under PRC law.

\* The English names of these subsidiaries represent the best efforts made by the management of the Company to translate the Chinese names as they do not have an official English names registered in the PRC.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

## 2. ACCOUNTING POLICIES

### 2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with IFRS Accounting Standards (which include all International Financial Reporting Standards, International Accounting Standards (“IASs”) and Interpretations) as promulgated by the International Accounting Standards Board (the “IASB”) and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for financial investments at fair value through profit or loss which have been measured at fair value. These financial statements are presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand except when otherwise indicated.

#### *Contractual arrangements*

Due to regulatory restrictions on foreign ownership in providing telecommunication services in Chinese mainland, the Group’s business was carried out by T&I Net Communication, the investment holding and operating company whose shares were indirectly held by the then registered shareholders of the Company prior to the completion of the reorganisation in preparation for the initial listing of the shares of the Company (the “IPO”) on the Main Board of the Stock Exchange in 2021 (the “Reorganisation”), as well as its subsidiaries operating in Chinese mainland during the year. As part of the Reorganisation, on 12 May 2021, WOFE, T&I Net Communication and/or the then registered shareholders of T&I Net Communication entered into a set of contractual arrangements, including an exclusive consulting services agreement, an exclusive purchase option agreement, equity pledge agreements, a voting proxy agreement, spousal consents as well as powers of attorney, which enable the Company to exercise effective control over T&I Net Communication and obtain substantially all economic benefits of T&I Net Communication. Accordingly, T&I Net Communication has since been effectively controlled by the Company based on the aforementioned contractual arrangements notwithstanding that the Company does not have any direct or indirect equity interest in T&I Net Communication.

#### *Basis of consolidation*

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

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

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

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 2. ACCOUNTING POLICIES (continued)

### 2.1 BASIS OF PREPARATION (continued)

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

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

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

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

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

### 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

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

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

In addition, the IASB has issued amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37 *Disclosures about Uncertainties in the Financial Statements*, which added illustrative examples in the corresponding IFRS Accounting Standards. These examples reflect existing requirements in the corresponding IFRS Accounting Standards to report the effects of uncertainties in the financial statements using climate-related examples. Therefore, the amendments do not have an effective date or transitional provisions. The amendments did not have any impact on the Group's financial statements.

## 2. ACCOUNTING POLICIES (continued)

### 2.3 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS

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

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

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

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

<sup>3</sup> No mandatory effective date yet determined but available for adoption

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

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

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 2. ACCOUNTING POLICIES (continued)

### 2.3 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS (continued)

IFRS 19 allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS Accounting Standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10 *Consolidated Financial Statements*, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements available for public use which comply with IFRS Accounting Standards. IFRS 19 was amended in 2025 to reduce the previous full disclosure requirements for new and amended IFRS Accounting Standards issued between February 2021 and May 2024. Earlier application is permitted. As the Company is a listed company, it is not eligible to elect to apply IFRS 19 and its amendments. Some of the Company's subsidiaries are considering the application of IFRS 19 and its amendments in their specified financial statements.

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

## 2. ACCOUNTING POLICIES (continued)

### 2.3 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS (continued)

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

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

Amendments to IAS 21 *Translation to a Hyperinflationary Presentation Currency* require the translation from a non-hyperinflationary functional currency into a hyperinflationary presentation currency at the closing rate. The amendments also require an entity whose functional currency and presentation currency are the currency of a hyperinflationary economy to restate the comparative amounts of a foreign operation whose functional currency is that of a non-hyperinflationary economy, by applying the general price index, in accordance with paragraph 34 of IAS 29 *Financial Reporting in Hyperinflationary Economies*, to the foreign operation’s comparative figures. The amendments introduce certain additional disclosures. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group’s financial statements.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 2. ACCOUNTING POLICIES (continued)

### 2.3 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS (continued)

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

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

## 2. ACCOUNTING POLICIES (continued)

### 2.4 MATERIAL ACCOUNTING POLICIES

#### *Business combinations and goodwill*

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets includes an input and a substantive process that together significantly contribute to the ability to create outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 2. ACCOUNTING POLICIES (continued)

### 2.4 MATERIAL ACCOUNTING POLICIES (continued)

#### *Business combinations and goodwill (continued)*

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

#### *Fair value measurement*

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

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

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

## 2. ACCOUNTING POLICIES (continued)

### 2.4 MATERIAL ACCOUNTING POLICIES (continued)

#### *Fair value measurement (continued)*

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

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

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

#### *Impairment of non-financial assets*

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

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the statement of profit or loss in the period in which it arises, unless the asset is carried at a revalued amount, in which case the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 2. ACCOUNTING POLICIES (continued)

### 2.4 MATERIAL ACCOUNTING POLICIES (continued)

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

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

#### *Related parties*

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

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

or

## 2. ACCOUNTING POLICIES (continued)

### 2.4 MATERIAL ACCOUNTING POLICIES (continued)

#### *Related parties (continued)*

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

#### *Property, plant and equipment and depreciation*

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

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

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 2. ACCOUNTING POLICIES (continued)

### 2.4 MATERIAL ACCOUNTING POLICIES (continued)

#### *Property, plant and equipment and depreciation (continued)*

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

Leasehold improvements	Over the shorter of the lease terms and 3 years
Office equipment	19% to 31.67%
Electronics equipment	19% to 31.67%
Motor vehicles	19%

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

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

#### *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.

#### *Research and development costs*

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

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

## 2. ACCOUNTING POLICIES (continued)

### 2.4 MATERIAL ACCOUNTING POLICIES (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, commencing from the date when the products are put into commercial production.

#### *Other intangible assets*

Amortisation is calculated on the straight-line basis to write off the cost of each item of other intangible assets over its estimated useful life. The principal annual rates used for this purpose are as follows:

Software	10% to 33.33%
Franchise right	20%
Brand name	20%

#### *Leases*

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

#### *Group as a lessee*

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

#### (a) Right-of-use assets

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

Buildings	2 to 3 years
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If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 2. ACCOUNTING POLICIES (continued)

### 2.4 MATERIAL ACCOUNTING POLICIES (continued)

#### *Leases (continued)*

##### *Group as a lessee (continued)*

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

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

(c) Short-term leases

The Group applies the short-term lease recognition exemption to its short-term leases of buildings (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognised as an expense on a straight-line basis over the lease term.

#### *Investments and other financial assets*

##### *Initial recognition and measurement*

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

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

## 2. ACCOUNTING POLICIES (continued)

### 2.4 MATERIAL ACCOUNTING POLICIES (continued)

#### *Investments and other financial assets (continued)*

##### *Initial recognition and measurement (continued)*

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

The Group’s business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

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

##### *Subsequent measurement*

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

##### *Financial assets at amortised cost (debt instruments)*

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

##### *Financial assets at fair value through profit or loss*

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

This category includes derivative instruments and equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on the equity investments are also recognised as other income in the statement of profit or loss when the right of payment has been established.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 2. ACCOUNTING POLICIES (continued)

### 2.4 MATERIAL ACCOUNTING POLICIES (continued)

#### *Derecognition of financial assets*

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

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

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

#### *Impairment of financial assets*

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

#### *General approach*

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

## 2. ACCOUNTING POLICIES (continued)

### 2.4 MATERIAL ACCOUNTING POLICIES (continued)

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

##### *General approach (continued)*

At each reporting period, 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 that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

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

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

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 2. ACCOUNTING POLICIES (continued)

### 2.4 MATERIAL ACCOUNTING POLICIES (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 ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the economic environment.

#### *Financial liabilities*

##### *Initial recognition and measurement*

Financial liabilities are classified, at initial recognition, as loans and borrowings, or payables as appropriate.

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

##### *Subsequent measurement*

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

##### *Financial liabilities at amortised cost (trade and other payables, and borrowings)*

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

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

## 2. ACCOUNTING POLICIES (continued)

### 2.4 MATERIAL ACCOUNTING POLICIES (continued)

#### *Derecognition of financial liabilities*

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

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

#### *Offsetting of financial instruments*

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

#### *Treasury shares*

Own equity instruments which are reacquired and held by the Company or the Group (treasury shares) are recognised directly in equity at cost. No gain or loss is recognised in the statement of profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

#### *Cash and cash equivalents*

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

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

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 2. ACCOUNTING POLICIES (continued)

### 2.4 MATERIAL ACCOUNTING POLICIES (continued)

#### *Provisions*

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the statement of profit or loss.

#### *Income tax*

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

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

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 for financial reporting purposes.

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

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

## 2. ACCOUNTING POLICIES (continued)

### 2.4 MATERIAL ACCOUNTING POLICIES (continued)

#### *Income tax (continued)*

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

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

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

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

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

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 2. ACCOUNTING POLICIES (continued)

### 2.4 MATERIAL ACCOUNTING POLICIES (continued)

#### *Government grants*

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

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

#### *Revenue recognition*

##### *Revenue from contracts with customers*

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

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

When the contract contains a financing component which provides the customer with a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group with a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in IFRS 15.

## 2. ACCOUNTING POLICIES (continued)

### 2.4 MATERIAL ACCOUNTING POLICIES (continued)

#### *Revenue recognition (continued)*

##### *Revenue from contracts with customers (continued)*

(a) Rendering of services

Revenue from SaaS solutions is measured on a transactional basis and is recognised over time, by measuring the value to the customer of the services rendered to date, with no rights of return once consumed, because the customer simultaneously receives and consumes the benefits provided by the Group. In particular, revenue on usage-based service contracts with a specified rate but an unspecified quantity is recognised utilising the right to invoice practical expedient resulting in revenue being recognised in the amount for which the Group has the right to invoice as service is rendered. The Group's revenue from SaaS services are billed to customers mostly on a monthly basis.

The Group's VPC solutions related to customisation services, the revenue of which is recognised at a point in time upon acceptance of customised services by customers. The Group also provides extended warranty services to its customers of VPC solutions and the revenue generated therefrom is recognised over the period of extended warranty services rendered.

Revenue from other miscellaneous services is recognised over time by measuring customers' usages of services, because the customer simultaneously receives and consumes the benefits provided by the Group.

(b) Sale of products

Revenue from the sale of products is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the products.

#### *Other income*

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

#### *Contract assets*

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

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 2. ACCOUNTING POLICIES (continued)

### 2.4 MATERIAL ACCOUNTING POLICIES (continued)

#### *Contract liabilities*

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

#### *Contract costs*

Costs incurred to fulfil a contract with a customer are capitalised as an asset if all of the following criteria are met,

- (a) The costs relate directly to a contract or to an anticipated contract that the entity can specifically identify;
- (b) The costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and
- (c) The costs are expected to be recovered.

The contract costs are charged to the statement of profit or loss on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates.

#### *Share-based payments*

The Group operates a share incentive plan. Employees (including directors) and other eligible participants of the Group receive remuneration in the form of share-based payments, whereby employees and other eligible participants render services in exchange for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using a binomial model, further details of which are given in note 28 to the financial statements.

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

## 2. ACCOUNTING POLICIES (continued)

### 2.4 MATERIAL ACCOUNTING POLICIES (continued)

#### *Share-based payments (continued)*

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

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

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

#### *Pension scheme*

The Group's employees in Chinese mainland are required to participate in central pension schemes operated by local municipal governments. These entities are required to contribute certain percentages of their payroll costs to the central pension schemes. The contributions are charged to the statement of profit or loss as they become payable in accordance with the rules of the central pension schemes.

#### *Events after the reporting period*

If the Group receives information after the reporting period, but prior to the date of authorisation for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its financial statements. The Group will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Group will not change the amounts recognised in its financial statements, but will disclose the nature of the non-adjusting events and an estimate of their financial effects, or a statement that such an estimate cannot be made, if applicable.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 2. ACCOUNTING POLICIES (continued)

### 2.4 MATERIAL ACCOUNTING POLICIES (continued)

#### *Foreign currencies*

The functional currency and presentation currency of the Company are Hong Kong dollar (“HK\$”) and RMB, respectively.

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

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

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

The functional currencies of the Group’s entities not operating in Chinese mainland are currencies other than RMB. As at the end of the reporting period, the assets and liabilities of these entities are translated into the RMB at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into RMB at the exchange rates that approximate to those prevailing at the dates of the transactions.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve, except to the extent that the differences are attributable to non-controlling interests. On disposal of a subsidiary not operating in Chinese mainland, the cumulative amount in the reserve relating to that particular entity is recognised in the statement of profit or loss.

## 2. ACCOUNTING POLICIES (continued)

### 2.4 MATERIAL ACCOUNTING POLICIES (continued)

#### *Foreign currencies (continued)*

Any goodwill arising on the acquisition of an entity not operating in Chinese mainland and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of that particular entity and translated at the closing rate.

For the purpose of the consolidated statement of cash flows, the cash flows of the Group's entities not operating in Chinese mainland are translated into RMB at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of such entities which arise throughout a particular year are translated into RMB at the weighted average exchange rates for that particular year.

## 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

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

### Judgements

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

#### *Accounting for companies governed under the contractual arrangements as subsidiaries*

The Company does not directly or indirectly hold any equity interests in T&I Net Communication and its subsidiaries. Nevertheless, under the contractual arrangements as detailed in note 2.1 to the financial statements, the directors of the Company determine that the Group has the power to govern the financial and operating policies of T&I Net Communication so as to obtain benefits from its activities. As such, T&I Net Communication is accounted for as a subsidiary of the Group for accounting purposes.

#### *Deferred tax assets*

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

### Judgements (continued)

#### *Deferred tax assets (continued)*

The Group has tax losses of RMB304,878,000 (2024: RMB297,837,000) carried forward. These losses related to subsidiaries that have a history of losses, have not expired, and may not be used to offset taxable income elsewhere in the Group. The subsidiaries have neither any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Group has determined that it cannot recognise deferred tax assets on the tax losses carried forward.

Further details on deferred taxes are disclosed in note 26 to the financial statements.

#### Estimation uncertainty

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

#### *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 cash-generating units (the “CGUs”) to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the CGUs and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill at 31 December 2025 was RMB96,220,000 (2024: RMB97,852,000). Further details are given in note 15 to the financial statements.

#### *Provision for expected credit losses on trade receivables and contract assets*

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on the ageing for groupings of various customer segments that have similar loss patterns, where applicable.

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

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group’s historical credit loss experience and forecast of economic conditions may also not be representative of a customer’s actual default in the future. The information about the ECLs on the Group’s trade receivables and contract assets is disclosed in notes 17 and 18 to the financial statements, respectively.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 4. OPERATING SEGMENT INFORMATION

For management purposes, the Group has only one reportable operating segment, which is the provision of artificial intelligence-based customer contact solution software and related services in SaaS model and VPC model. Since this is the only reportable operating segment of the Group, no further operating segment analysis thereof is presented.

### Geographical information

#### (a) Revenue from external customers

	2025 RMB'000	2024 RMB'000
Chinese mainland	548,687	504,977
Hong Kong	998	1,378
Total	549,685	506,355

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

#### (b) Non-current assets

All of the Group's non-current assets were located in Chinese mainland as at the end of the reporting period (2024: Chinese mainland).

The non-current asset information is based on the location of the assets and excludes financial instruments and deferred tax assets.

### Information about major customers

During the year, there was no customer individually accounted for more than 10% of the Group's revenue (2024: Nil).

## 5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue from contracts with customers is as follows:

	2025 RMB'000	2024 RMB'000
SaaS solutions	517,438	474,428
VPC solutions	22,461	27,568
Other services and product sales	9,786	4,359
Total	549,685	506,355

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 5. REVENUE, OTHER INCOME AND GAINS (continued)

Disaggregation of the Group's revenue from contracts with customers by the timing of revenue recognition is set out below:

	2025 RMB'000	2024 RMB'000
Transfer over time:		
SaaS solutions	517,438	474,428
VPC solutions	4,124	4,889
Other services and product sales	9,475	4,230
Subtotal	531,037	483,547
Transfer at a point in time:		
VPC solutions	18,337	22,679
Other services and product sales	311	129
Subtotal	18,648	22,808
Total	549,685	506,355

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

	2025 RMB'000	2024 RMB'000
SaaS solutions	50,453	44,902
VPC solutions	1,426	823
Other services and product sales	15	119
Total	51,894	45,844

## 5. REVENUE, OTHER INCOME AND GAINS (continued)

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

### SaaS solutions

The performance obligation is satisfied over time as services are rendered and payment is generally due within 90 days from the billing date, except for small-sized customers where payment in advance is normally required.

### VPC solutions

The performance obligation of customisation services is satisfied at a point of time, i.e., upon acceptance of customised services by customers, and payment is generally due within 30 days from the date of acceptance. A certain percentage of payment is retained by customers until the end of the retention period as the Group's entitlement to the final payment is conditional on the satisfaction of the service quality by the customers over a certain period as stipulated in the contracts. The performance obligation of extended warranty services is satisfied over the period of extended warranty services rendered, and payment is generally due within 90 days from the billing date.

### Other services and product sales

The performance obligation of other services is satisfied over time as services are rendered and payment is generally due within 90 days from the billing date. The performance obligation of product sales is satisfied upon delivery of the products and payment is generally due within 30 days from delivery, except for small-sized customers where payment in advance is normally required.

The Group has selected to choose practical expedients not to disclose the amounts of transaction prices allocated to the remaining performance obligations as at the end of the reporting period because the Group's services of SaaS solutions and VPC solutions are either (i) expected to be recognised as revenue within one year, or (ii) billed to the customers based on usage with pre-determined rates and as the performance obligations are satisfied.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 5. REVENUE, OTHER INCOME AND GAINS (continued)

An analysis of the Group's other income and gains is as follows:

	2025 RMB'000	2024 RMB'000
<u>Other income</u>		
Bank interest income	6,731	8,126
Investment income from financial investments at amortised cost	811	485
Investment income from financial investments at fair value through profit or loss	769	1,298
Government grant*	1,539	1,793
Others	463	42
<b>Total other income</b>	<b>10,313</b>	11,744
<u>Gains</u>		
Fair value gains on financial investments at fair value through profit or loss	685	–
Gain on early termination of a lease	2	84
Foreign exchange gains, net	226	–
<b>Total gains</b>	<b>913</b>	84
<b>Total other income and gains</b>	<b>11,226</b>	11,828

\* Various government grants during the year were mainly attributable to the Group's development in software industry and investment in research and development, as well as tax-related benefits. There are no unfulfilled conditions or contingencies relating to these government grants.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 6. PROFIT BEFORE TAX

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

	Notes	2025 RMB'000	2024 RMB'000
Cost of services provided		<b>272,263</b>	243,758
Cost of products sold		<b>257</b>	201
Depreciation of property, plant and equipment*	13	<b>692</b>	932
Depreciation of right-of-use assets*	14(a)	<b>6,681</b>	7,402
Amortisation of other intangible assets	16	<b>3,265</b>	3,176
Lease payments not included in the measurement of lease liabilities*	14(c)	<b>2,183</b>	1,776
Auditor's remuneration		<b>1,720</b>	1,720
Employee benefit expense (excluding directors' and chief executive's remuneration (note 8))*:			
Wages, salaries and social welfare benefits		<b>160,866</b>	174,747
Equity-settled share-based payment expense	28	<b>1,206</b>	2,377
Pension scheme contributions (defined contribution scheme)**		<b>12,629</b>	14,416
<b>Total</b>		<b>174,701</b>	191,540
Impairment/(reversal of impairment) of financial and contract assets, net:			
Impairment/(reversal of impairment) of trade receivables	17	<b>(1,124)</b>	5,725
Reversal of impairment of contract assets	18	<b>(56)</b>	(549)
Reversal of impairment of financial assets included in prepayments, other receivables and other assets	20	<b>(46)</b>	(540)
<b>Total</b>		<b>(1,226)</b>	4,636
Penalties and late fees***		<b>111</b>	257
Fair value losses on financial investments at fair value through profit or loss, net***		<b>–</b>	169
Loss on disposal/write-off of property, plant and equipment***		<b>22</b>	61
Loss on lease modifications***		<b>34</b>	–
Foreign exchange losses, net***		<b>–</b>	666

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 6. PROFIT BEFORE TAX (continued)

\* The amounts of the following expenses are included in the cost of services provided:

	2025 RMB'000	2024 RMB'000
Depreciation of property, plant and equipment	125	109
Depreciation of right-of-use assets	1,372	2,709
Lease payments not included in the measurement of lease liabilities	1,961	1,496
Employee benefit expense	7,708	10,110

\*\* There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

\*\*\* These items are included in "Other expenses and losses" in the consolidated statement of profit or loss.

## 7. FINANCE COSTS

An analysis of finance costs is as follows:

	2025 RMB'000	2024 RMB'000
Interest on lease liabilities	334	469

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

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

	2025 RMB'000	2024 RMB'000
Fees	360	360
Other emoluments:		
Salaries, allowances and benefits in kind	2,390	2,758
Discretionary performance related bonuses	2,313	2,282
Pension scheme contributions	297	244
Subtotal	5,000	5,284
Total	5,360	5,644

### (a) Independent non-executive directors

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

	2025 RMB'000	2024 RMB'000
Mr. LI Zhiyong	120	120
Mr. LI Pengtao	120	120
Ms. WENG Yang	120	120
Total	360	360

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

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (continued)

### (b) Executive directors and the chief executive

	Fees RMB'000	Salaries, allowances and benefits in kind RMB'000	Discretionary performance related bonuses RMB'000	Pension scheme contributions RMB'000	Total remuneration RMB'000
Year ended 31 December 2025					
Mr. WU Qiang*	-	758	1,150	96	2,004
Mr. PAN Wei	-	757	620	93	1,470
Mr. LI Jin	-	686	293	85	1,064
Mr. AN Jingbo	-	189	250	23	462
<b>Total</b>	<b>-</b>	<b>2,390</b>	<b>2,313</b>	<b>297</b>	<b>5,000</b>

Year ended 31 December 2024

Mr. WU Qiang*	-	689	620	61	1,370
Mr. PAN Wei	-	689	565	61	1,315
Mr. LI Jin	-	688	465	61	1,214
Mr. AN Jingbo	-	692	632	61	1,385
<b>Total</b>	<b>-</b>	<b>2,758</b>	<b>2,282</b>	<b>244</b>	<b>5,284</b>

\* Mr. WU Qiang is also the chief executive of the Company.

On 28 March 2025, Mr. AN Jingbo resigned as an executive director of the Company.

On 21 November 2025, Mr. LI Jin resigned as an executive director of the Company.

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

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 9. FIVE HIGHEST PAID EMPLOYEES

There was one director at 31 December 2025 included in the five highest paid employees during the year (2024: three). Details of the remuneration of the four (2024: two) highest paid employees who are neither a director nor chief executive of the Company for the year are as follows:

	2025 RMB'000	2024 RMB'000
Salaries, allowances and benefits in kind	2,865	1,906
Discretionary performance related bonuses	4,361	1,160
Equity-settled share-based payment expense	165	1,242
Pension scheme contributions	231	128
<b>Total</b>	<b>7,622</b>	<b>4,436</b>

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

	Number of employees	
	2025	2024
HK\$1,000,001 to HK\$1,500,000	–	–
HK\$1,500,001 to HK\$2,000,000	1	1
HK\$2,000,001 to HK\$2,500,000	3	–
HK\$3,000,001 to HK\$3,500,000	–	1
<b>Total</b>	<b>4</b>	<b>2</b>

Certain non-director and non-chief executive highest paid employees were granted restricted share units of the Company during the prior years in respect of their services to the Group, under the share award arrangement of the Group, further details of which are set out in note 28 to the financial statements. The fair value of such restricted share units, which has been recognised in the statement of profit or loss over the vesting period, was determined as at the date of grant and the amount included in the financial statements for the current year is included in the above non-director and non-chief executive highest paid employees' remuneration disclosures.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 10. INCOME TAX

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

### Cayman Islands

Pursuant to the relevant rules and regulations of the Cayman Islands, the Group is not subject to any income tax in the Cayman Islands.

### Hong Kong

The Hong Kong profits tax rate is 16.5% during the year (2024: 16.5%). Under the two-tiered profits tax rates regime, the first HK\$2,000,000 (2024: HK\$2,000,000) of assessable profits of the Group's subsidiary incorporated in Hong Kong, TI Cloud (HK) Limited, arising in Hong Kong are taxed at 8.25% (2024: 8.25%) and its remaining assessable profits are taxed at 16.5% (2024: 16.5%).

### Singapore

The Singapore profits tax rate during the year was 17% (2024: 17%). No provision for Singapore profits tax has been made as the Group did not generate any assessable profits arising in Singapore during the year.

### Chinese mainland

Pursuant to the Corporate Income Tax Law of the PRC and the respective regulations, the entities which operate in Chinese mainland are subject to corporate income tax ("CIT") at a rate of 25% (2024: 25%) on the taxable income. During the year, two subsidiaries (2024: two) were entitled to a preferential tax rate of 15% because they were "High and New Technology Enterprises". In addition, certain other subsidiaries of the Group operating in Chinese mainland were entitled to an effective preferential tax rate of 5% of the taxable income within RMB3,000,000, for the year ended 31 December 2025 (2024: 5%), because they were regarded as "small-scaled minimal profit enterprises", one of the criteria of which is with annual taxable income no more than RMB3,000,000 during the corresponding year.

	2025 RMB'000	2024 RMB'000
Current – Hong Kong		
Charge for the year	12	69
Overprovision in prior years	(1)	(9)
Current – Chinese mainland		
Charge for the year	208	191
Underprovision in prior years	42	4
Deferred tax charged/(credited) for the year (note 26)	(549)	1,138
Total tax charge/(credit) for the year	(288)	1,393

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 10. INCOME TAX (continued)

A reconciliation of the tax expense/(credit) applicable to profit or loss before tax at the statutory tax rates for the countries/jurisdictions in which the Company and its subsidiaries are domiciled and/or operate to the tax expense/(credit) at the effective tax rate is as follows:

	2025 RMB'000	2024 RMB'000
Profit/(loss) before tax		
Cayman Islands	1,316	656
Hong Kong	155	815
Singapore	(22)	–
Chinese mainland	59,085	33,922
<b>Total</b>	<b>60,534</b>	<b>35,393</b>
Tax at the statutory tax rates		
Cayman Islands	–	–
Hong Kong	26	134
Singapore	(4)	–
Chinese mainland	14,771	8,481
<b>Total tax at the statutory rates</b>	<b>14,793</b>	<b>8,615</b>
Lower tax rates enacted by relevant authorities	(6,523)	(3,788)
Adjustments in respect of current tax of previous periods	41	(5)
Expenses not deductible for tax	189	(238)
Additional deductible allowance for research and development expenses	(7,710)	(8,182)
Tax losses utilised from previous periods	(1,381)	–
Tax losses not recognised	100	2,179
Temporary differences not recognised	203	2,812
<b>Tax credit at the Group's effective rate</b>	<b>(288)</b>	<b>1,393</b>

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 11. DIVIDENDS

	2025 RMB'000	2024 RMB'000
Proposed final 2025 – HK10 cents per ordinary share	15,687	N/A
Declared final 2024 – HK10 cents per ordinary share	N/A	15,924
Total	15,687	15,924

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

## 12. EARNINGS PER SHARE

The calculation of the basic earnings per share amount for the year is based on the profit for the year attributable to ordinary equity holders of the Company, and the weighted average number of ordinary shares of 173,814,058 (2024: 173,937,792) outstanding during the year.

No adjustment has been made to the basic earnings per share amounts presented for the years ended 31 December 2025 and 2024 in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue during the years ended 31 December 2025 and 2024.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 13. PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements RMB'000	Office equipment RMB'000	Electronics equipment RMB'000	Motor vehicles RMB'000	Total RMB'000
<b>31 December 2025</b>					
At 1 January 2025:					
Cost	182	771	16,900	786	18,639
Accumulated depreciation	(15)	(671)	(15,329)	(748)	(16,763)
Net carrying amount	167	100	1,571	38	1,876
At 1 January 2025, net of accumulated depreciation					
	167	100	1,571	38	1,876
Additions	211	3	732	-	946
Disposals/write-off	-	(4)	(36)	-	(40)
Depreciation provided during the year (note 6)	(84)	(8)	(600)	-	(692)
At 31 December 2025, net of accumulated depreciation	294	91	1,667	38	2,090
At 31 December 2025:					
Cost	393	707	16,594	786	18,480
Accumulated depreciation	(99)	(616)	(14,927)	(748)	(16,390)
Net carrying amount	294	91	1,667	38	2,090

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 13. PROPERTY, PLANT AND EQUIPMENT (continued)

	Leasehold improvements RMB'000	Office equipment RMB'000	Electronics equipment RMB'000	Motor vehicles RMB'000	Total RMB'000
<b>31 December 2024</b>					
At 1 January 2024:					
Cost	766	764	18,415	786	20,731
Accumulated depreciation	(766)	(658)	(16,549)	(748)	(18,721)
Net carrying amount	–	106	1,866	38	2,010
At 1 January 2024, net of accumulated depreciation					
	–	106	1,866	38	2,010
Additions	182	9	683	–	874
Disposals/write-off	–	(1)	(75)	–	(76)
Depreciation provided during the year (note 6)	(15)	(14)	(903)	–	(932)
At 31 December 2024, net of accumulated depreciation					
	167	100	1,571	38	1,876
At 31 December 2024:					
Cost	182	771	16,900	786	18,639
Accumulated depreciation	(15)	(671)	(15,329)	(748)	(16,763)
Net carrying amount	167	100	1,571	38	1,876

## 14. LEASES

### Group as a lessee

The Group has certain lease contracts for buildings for its office and server use. Leases of buildings generally have lease terms between two and three years. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

#### (a) *Right-of-use assets*

The carrying amounts of right-of-use assets for buildings and the movements during the year are as follows:

	2025 RMB'000	2024 RMB'000
Carrying amount at 1 January	8,670	12,000
New leases	7,073	5,129
Depreciation charge	(6,681)	(7,402)
Early termination of a lease	(73)	(1,057)
Lease modifications	(366)	–
Carrying amount at 31 December	<b>8,623</b>	8,670

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 14. LEASES (continued)

### Group as a lessee (continued)

#### (b) Lease liabilities

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

	2025 RMB'000	2024 RMB'000
Carrying amount at 1 January	8,381	11,581
New leases	7,073	5,129
Accretion of interest recognised during the year	334	469
Payments	(7,080)	(7,657)
Early termination of a lease	(75)	(1,141)
Lease modifications	(332)	–
<b>Carrying amount at 31 December</b>	<b>8,301</b>	<b>8,381</b>
Analysed into:		
Current portion – repayable within one year	4,268	6,336
Non-current portion		
– repayable in the second year	3,203	1,573
– repayable in the third to fifth years, inclusive	830	472
<b>Total non-current portion of lease liabilities</b>	<b>4,033</b>	<b>2,045</b>

The maturity analysis of lease liabilities is disclosed in note 35 to the financial statements.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 14. LEASES (continued)

### Group as a lessee (continued)

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

	2025 RMB'000	2024 RMB'000
Interest on lease liabilities	334	469
Depreciation charge of right-of-use assets	6,681	7,402
Gain on early termination of a lease	(2)	(84)
Loss on lease modifications	34	–
Expense relating to short-term leases	2,183	1,776
<b>Total amount charged to profit or loss</b>	<b>9,230</b>	<b>9,563</b>

(d) The total cash outflow for leases is disclosed in note 30(c) to the financial statements.

## 15. GOODWILL

	2025 RMB'000	2024 RMB'000
Cost and net carrying amount at 1 January	97,852	99,544
Exchange realignment	(1,632)	(1,692)
<b>Cost and net carrying amount at 31 December</b>	<b>96,220</b>	<b>97,852</b>

There was no accumulated impairment of goodwill as at 31 December 2025 (2024: Nil).

### Impairment testing of goodwill

Goodwill acquired through business combinations is allocated to the Group's cash-generating units group in respect of the provision of artificial intelligence-based customer contact solution software and related services in SaaS model and VPC model (the "Customer Contact Solution CGUs group") for impairment testing.

The recoverable amount of the Customer Contact Solution CGUs group has been determined based on a value in use calculation using cash flow projections based on financial budgets covering a five-year period approved by senior management. The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 15. GOODWILL (continued)

### Impairment testing of goodwill (continued)

#### Revenue growth and perpetual growth rates

Revenue growth rates were estimated ranging from 2% to 9% (2024: 4% to 13%) per annum for the Customer Contact Solution CGUs group throughout the five-year financial budgets, as determined by management with reference to the historical rates in prior years, adjusted by management's outlook of expected market development. Cash flows beyond the five-year period are extrapolated by using a perpetual growth rate of 1.8% (2024: 1.8%), which is same as the expected long-term average consumer price index growth rate of the PRC.

#### Discount rate

Discount rate was estimated to be 16% (2024: 15%) which is before tax and represents the current market assessment of the risks specific to the Customer Contact Solution CGUs group, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates.

The values assigned to the key assumptions are consistent with external information sources.

## 16. OTHER INTANGIBLE ASSETS

	Software RMB'000	Franchise right RMB'000	Brand name RMB'000	Total RMB'000
<b>31 December 2025</b>				
At 1 January 2025:				
Cost	13,538	3,800	3,200	20,538
Accumulated amortisation	(6,076)	(1,457)	(1,280)	(8,813)
Net carrying amount	7,462	2,343	1,920	11,725
At 1 January 2025, net of accumulated amortisation	7,462	2,343	1,920	11,725
Additions	895	–	–	895
Amortisation provided during the year (note 6)	(1,865)	(760)	(640)	(3,265)
At 31 December 2025, net of accumulated amortisation	6,492	1,583	1,280	9,355
At 31 December 2025:				
Cost	14,433	3,800	3,200	21,433
Accumulated amortisation	(7,941)	(2,217)	(1,920)	(12,078)
Net carrying amount	6,492	1,583	1,280	9,355

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 16. OTHER INTANGIBLE ASSETS (continued)

	Software RMB'000	Franchise right RMB'000	Brand name RMB'000	Total RMB'000
<b>31 December 2024</b>				
At 1 January 2024:				
Cost	11,450	3,800	3,200	18,450
Accumulated amortisation	(4,300)	(697)	(640)	(5,637)
Net carrying amount	7,150	3,103	2,560	12,813
At 1 January 2024, net of accumulated amortisation				
	7,150	3,103	2,560	12,813
Additions	2,088	–	–	2,088
Amortisation provided during the year (note 6)	(1,776)	(760)	(640)	(3,176)
At 31 December 2024, net of accumulated amortisation				
	7,462	2,343	1,920	11,725
At 31 December 2024:				
Cost	13,538	3,800	3,200	20,538
Accumulated amortisation	(6,076)	(1,457)	(1,280)	(8,813)
Net carrying amount	7,462	2,343	1,920	11,725

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 17. TRADE AND BILLS RECEIVABLES

	2025 RMB'000	2024 RMB'000
Trade receivables	151,489	125,731
Impairment	(16,309)	(18,942)
Net carrying amount	135,180	106,789
Bills receivable	2,500	575
Total trade and bills receivables	137,680	107,364

The Group's trading terms with its customers are mainly on credit, except for small-sized customers, where payment in advance is normally required. The credit period is generally 30 days to 90 days. The Group seeks to maintain strict control over its outstanding receivables and overdue balances are reviewed regularly by senior management. Trade receivables are settled in accordance with the terms of the respective contracts. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the date of services rendered and net of loss allowance, is as follows:

	2025 RMB'000	2024 RMB'000
Within 12 months	133,870	104,903
13 to 24 months	1,310	1,886
Total	135,180	106,789

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

	2025 RMB'000	2024 RMB'000
At beginning of year	18,942	13,336
Impairment losses/(reversal of impairment losses) (note 6)	(1,124)	5,725
Amount written off as uncollectible	(1,509)	(119)
At end of year	16,309	18,942

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 17. TRADE AND BILLS RECEIVABLES (continued)

The decrease in the loss allowance during the year ended 31 December 2025 was mainly due to an decrease in the loss allowance of RMB2,633,000 as a result of decrease in gross amounts of trade receivables aged within one to two years. The increase in the loss allowance during the year ended 31 December 2024 was mainly due to the increase in the loss allowance of RMB5,657,000 as a result of increases in gross amounts of trade receivables aged within one year and over two years.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on the specifically identifiable circumstances attributable to individual customers and ageing for groupings of various customer segments with similar loss patterns, where applicable. The calculation reflects the probability-weighted outcome and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

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

As at 31 December 2025

	Ageing			Total
	Within 12 months	13 to 24 months	Over 24 months	
Expected credit loss rate	3.28%	69.00%	100.00%	10.77%
Gross carrying amount (RMB'000)	138,413	4,222	8,854	151,489
Expected credit losses (RMB'000)	4,542	2,913	8,854	16,309

As at 31 December 2024

	Ageing			Total
	Within 12 months	13 to 24 months	Over 24 months	
Expected credit loss rate	5.38%	73.35%	100.00%	15.07%
Gross carrying amount (RMB'000)	110,869	7,080	7,782	125,731
Expected credit losses (RMB'000)	5,967	5,193	7,782	18,942

Bills receivable are subject to impairment using the low credit risk simplification under the general approach. At each reporting date, the Group evaluates whether the bills receivable are considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the credit ratings of the debt investments. The Group did not recognise any impairment loss on bills receivable as at 31 December 2025 (2024: Nil).

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 18. CONTRACT ASSETS

	<b>31 December 2025 RMB'000</b>	31 December 2024 RMB'000	1 January 2024 RMB'000
Contract assets	<b>269</b>	1,183	5,241
Impairment	<b>(7)</b>	(63)	(777)
Net carrying amount	<b>262</b>	1,120	4,464

Contract assets are initially recognised for revenue earned from services relating to VPC solutions as the receipt of consideration is conditional on successful completion of the projects. Upon completion of services rendered and/or acceptance by the customers, the amounts recognised as contract assets are reclassified to trade receivables.

The decrease in contract assets for the years ended 31 December 2025 and 2024 was mainly due to the decrease in the ongoing services relating to VPC solutions.

The expected timing of recovery or settlement for contract assets as at the end of the reporting period is as follows:

	<b>2025 RMB'000</b>	2024 RMB'000
Within one year	<b>262</b>	1,120

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

	<b>2025 RMB'000</b>	2024 RMB'000
At beginning of year	<b>63</b>	777
Reversal of impairment loss (note 6)	<b>(56)</b>	(549)
Amount written off as uncollectible	<b>-</b>	(165)
At end of year	<b>7</b>	63

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

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 18. CONTRACT ASSETS (continued)

Set out below is the information about the credit risk exposure on the Group's contract assets using a provision matrix:

	2025 RMB'000	2024 RMB'000
Expected credit loss rate	2.60%	5.33%
Gross carrying amount (RMB'000)	269	1,183
Expected credit losses (RMB'000)	7	63

## 19. CONTRACT COSTS

Contract costs represent direct and incremental costs incurred relating to contracts of VPC solutions.

## 20. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

	2025 RMB'000	2024 RMB'000
Current:		
Prepayments	8,326	10,306
Deposits	7,918	5,890
Other receivables	4,489	8,787
Prepaid other taxes	84	463
Subtotal – current	20,817	25,446
Impairment	(598)	(644)
Total – current	20,219	24,802
Non-current:		
Other receivables	1,593	552
Total – non-current	1,593	552
Total	21,812	25,354

## NOTES TO FINANCIAL STATEMENTS

31 December 2025

### 20. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS (continued)

The Group applies an expected credit loss model to evaluate the credit losses for financial assets included in prepayments, other receivables and other assets. The Group's movements in the loss allowance for impairment of financial assets included in prepayments, other receivables and other assets are as follows:

	2025 RMB'000	2024 RMB'000
At beginning of year	644	1,184
Reversal of impairment losses (note 6)	(46)	(540)
At end of year	598	644

The decrease in the loss allowance for the years ended 31 December 2025 and 2024 was due to the decrease of gross amount of doubtful receivables.

### 21. FINANCIAL INVESTMENTS

	2025 RMB'000	2024 RMB'000
Non-current:		
Financial asset at fair value through profit or loss (note (a))	3,866	3,379
Financial assets at amortised cost (note (b))	40,248	–
Total – non-current	44,114	3,379
Current:		
Financial assets at fair value through profit or loss* (note (c))	40,106	55,069
Financial assets at amortised cost* (note (d))	25,554	15,132
Total – current	65,660	70,201
Total financial investments	109,774	73,580

\* A certificate of deposit and structured deposit amounting to RMB10,000,000 and RMB15,000,000, respectively, were restricted as at 31 December 2025 because the identification document of the legal representative of the subject group company expired as at 31 December 2025.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 21. FINANCIAL INVESTMENTS (continued)

Notes:

- (a) It was an unlisted equity investment which was classified as a financial asset at fair value through profit or loss as the Group has not elected to recognise the fair value gain or loss through other comprehensive income.
- (b) They were certificates of deposits issued by major banks in Chinese mainland with original maturity dates over one year. They were acquired by the Group with the objective to hold them to collect contractual cash flows upon their maturities; and therefore they were stated at amortised cost.
- (c) They were structured deposits which were mandatorily classified as financial assets at fair value through profit or loss as their contractual cash flows are not solely payments of principal and interest.
- (d) It was a principal-protected debt investment issued by licensed wealth management companies operating in Chinese mainland. It was acquired by the Group with the objective to hold it to collect contractual cash flows upon its maturity; and therefore it was stated at amortised cost.

## 22. CASH AND CASH EQUIVALENTS, RESTRICTED CASH AND TIME DEPOSITS

	2025 RMB'000	2024 RMB'000
Cash and bank balances	84,959	100,760
Short-term deposits	35,000	35,000
Time deposits	38,658	819
Cash and cash equivalents	158,617	136,579
Time deposits not included in cash and cash equivalents:		
Short-term*	107,488	137,828
Long-term	31,507	35,452
Restricted cash:		
Short-term	19,585	2,405
Long-term	-	168
Cash and cash equivalents, restricted cash and time deposits	317,197	312,432

- \* A time deposit amounting to RMB15,000,000 was restricted as at 31 December 2025 because the identification document of the legal representative of the subject group company expired as at 31 December 2025.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 22. CASH AND CASH EQUIVALENTS, RESTRICTED CASH AND TIME DEPOSITS (continued)

At the end of the reporting period, the Group's cash and cash equivalents, restricted cash and time deposits in RMB placed in Chinese mainland banks amounted to RMB184,801,000 (2024: RMB170,033,000). The RMB is not freely convertible into other currencies, however, under the Chinese mainland's Foreign Exchange Control Regulations and Administration of Settlement, and Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are available for withdrawals with seven-day notices in advance depending on the immediate cash requirements of the Group, and earn interest at the short-term deposit rates. Time deposits are made for varying periods within three years depending on the cash requirements of the Group, and earn interest at the respective term deposit rates. The bank balances, short-term deposits and time deposits are deposited with creditworthy banks with no recent history of default. Restricted cash mainly arose from the expiration of the identification document of the legal representative of the subject group company as at 31 December 2025, and related to performance guarantee deposits for certain sales contracts of the Group and the implementation of control measures with respect to certain employment-related matters of the Group.

## 23. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on the date of services rendered or the billing date, is as follows:

	2025 RMB'000	2024 RMB'000
Within 12 months	30,946	24,792
13 to 24 months	2,440	3,581
Over 24 months	1,683	371
Total	35,069	28,744

The trade payables are non-interest-bearing and are normally settled on ninety-day terms.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 24. CONTRACT LIABILITIES

An analysis of contract liabilities arising from short-term advances received from customers is as follows:

	<b>31 December 2025 RMB'000</b>	31 December 2024 RMB'000	1 January 2024 RMB'000
SaaS solutions	<b>66,905</b>	50,453	44,902
VPC solutions	<b>565</b>	1,426	823
Other services and product sales	<b>4</b>	15	119
<b>Total</b>	<b>67,474</b>	51,894	45,844

The increase in contract liabilities for the year ended 31 December 2025 and 2024 was mainly due to the increase in short-term advances received from customers in relation to SaaS solutions at the end of the reporting period.

## 25. OTHER PAYABLES AND ACCRUALS

	<b>2025 RMB'000</b>	2024 RMB'000
Payroll and welfare payables	<b>36,123</b>	28,277
Other tax payables	<b>4,912</b>	4,113
Other payables	<b>6,731</b>	14,119
<b>Total</b>	<b>47,766</b>	46,509

Other payables are non-interest-bearing and have an average term within one year.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 26. DEFERRED TAX

The movements in deferred tax assets/(liabilities) during the year are as follows:

	Note	Fair value adjustments arising from acquisition of a subsidiary and a business RMB'000	Fair value adjustments of financial investments at fair value through profit or loss RMB'000	Impairment of financial assets RMB'000	Right-of-use assets RMB'000	Lease liabilities RMB'000	Total RMB'000
At 1 January 2024		(1,073)	(13)	1,430	(1,543)	1,503	304
Deferred tax credited/(charged) to profit or loss	10	263	3	(1,430)	669	(643)	(1,138)
At 31 December 2024 and 1 January 2025		(810)	(10)	-	(874)	860	(834)
Deferred tax credited/(charged) to profit or loss	10	552	(6)	-	(30)	33	549
At 31 December 2025		(258)	(16)	-	(904)	893	(285)

For presentation purpose, certain deferred tax assets and liabilities have been offset in the statement of financial position. The following is an analysis of the deferred tax balances of the Group for financial reporting purpose:

	2025 RMB'000	2024 RMB'000
Net deferred tax assets recognised in the consolidated statement of financial position	-	3
Net deferred tax liabilities recognised in the consolidated statement of financial position	(285)	(837)
Net deferred tax liabilities	(285)	(834)

## 26. DEFERRED TAX (continued)

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

	2025 RMB'000	2024 RMB'000
Tax losses		
expired in one to five years	9,545	7,232
expired in one to ten years	295,333	290,605
Deductible temporary differences	16,915	19,649
<b>Total</b>	<b>321,793</b>	<b>317,486</b>

Tax losses arising in Chinese mainland will expire in five and ten years for offsetting against future taxable profits. Deferred tax assets have not been recognised in respect of the above items as it is not considered probable that taxable profits will be available against which the above items can be utilised.

The Group is liable for withholding taxes on dividends distributed by those subsidiaries established in Chinese mainland in respect of earnings generated from 1 January 2008. The applicable rate is 5% or 10% for the Group.

At the end of the reporting period, no deferred tax 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 Chinese mainland. In the opinion of the directors, it is not probable that these subsidiaries will distribute such earnings in the foreseeable future. The aggregate amount of temporary differences associated with investments in subsidiaries in Chinese mainland for which deferred tax liabilities have not been recognised totalled RMB228,935,000 as at 31 December 2025 (2024: RMB178,770,000). These temporary differences are subject to the CIT rate of 25% upon their transfers to the WFOE via the contractual arrangements.

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

# NOTES TO FINANCIAL STATEMENTS

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## 27. SHARE CAPITAL

	31 December 2025		31 December 2024	
	USD'000	RMB'000 equivalent	USD'000	RMB'000 equivalent
Issued and fully paid:				
174,000,400 (2024: 174,000,400)				
ordinary shares at USD0.0001 each	17	114	17	114

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

	Number of shares in issue	Share capital		Share premium RMB'000	Treasury shares RMB'000	Total RMB'000
		USD'000	RMB'000			
At 1 January 2024	174,000,400	17	114	247,984	–	248,098
Repurchase of shares (note)	–	–	–	–	(576)	(576)
At 31 December 2024 and 1 January 2025	174,000,400	17	114	247,984	(576)	247,522
Repurchase of shares (note)	–	–	–	–	(509)	(509)
At 31 December 2025	174,000,400	17	114	247,984	(1,085)	247,013

Note:

During the year ended 31 December 2025, the Company paid a total consideration of RMB509,000 (2024: RMB576,000) to purchase 198,600 (2024: 258,400) shares of USD0.0001 each, all of which were classified as treasury shares at 31 December 2025, for the purpose of raising capital in the future and for the share incentive plan.

## 28. SHARE-BASED PAYMENTS

The Group operates a share incentive plan for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations through the grant of restricted shares or restricted share units of the Company. Eligible participants of the share incentive plan include any directors, supervisors, full-time executives, officers, managers, or employees of the Group or any of its subsidiaries, or any advisor or consultant in which the chief executive officer of the Company considers has contributed or will contribute to the Group. The Company's share incentive plan became effective on 13 May 2021 and, unless otherwise terminated, will remain in force for 10 years from that date.

The maximum number of ordinary shares underlying the share Incentive plan is 26,550,000 ordinary shares of the Company, which is held by TI YUN Limited, a company incorporated in the British Virgin Islands and established as a nominee to hold in trust for the ordinary shares of the Company underlying the share incentive plan. Any further issue of new ordinary shares of the Company in excess of this limit is subject to shareholders' approval.

The offer for the grant of restricted share units of the Company may be accepted for a period stated in the offer document. The restricted share units are vested according to a vesting schedule as set out in the respective offer for the grant. The consideration for the restricted share unit are determined by the chief executive officer of the Company.

The restricted share units of the Company are to be vested, released and converted into the ordinary shares of the Company in three equal tranches on the 6-month, 18-month and 30-month anniversaries, respectively, of the listing date of the Company (except for one employee whose restricted share units are subject to five equal tranches on the 6-month, 18-month, 30-month, 42-month and 54-month anniversaries, respectively, of the listing date of the Company) for those granted prior to the IPO. The restricted share units of the Company are to be vested, released and converted into the ordinary shares of the Company in three equal tranches on the 12-month, 24-month and 36-month anniversaries, respectively, of the grant dates for those granted after the IPO.

The movement of the number of restricted shares and restricted share units during the year is as follows:

	Restricted shares		Restricted share units	
	2025	2024	2025	2024
At 1 January 500,000	<b>7,217,570</b>	1,466,860	<b>956,582</b>	
Granted during the year	–	–	–	926,500
Vested during the year	<b>(500,000)</b>	(6,698,210)	<b>(562,347)</b>	(386,222)
Cancelled during the year	–	(19,360)	<b>(36,667)</b>	(30,000)
At 31 December	–	500,000	<b>867,847</b>	1,466,860

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 28. SHARE-BASED PAYMENTS (continued)

The fair value of restricted share units granted and the amount of share-based payment expense during the year are as follows:

	2025	2024
Fair value of restricted share units granted:		
Total amount (RMB'000)	–	1,517
Per share amount (RMB)	–	1.64
Share-based payment expense (RMB'000) attributable to restricted share units granted in:		
current year	–	617
prior years	1,206	1,760
Total share-based payment expense	1,206	2,377

The fair value of restricted share units granted in 2024 were estimated as at the date of grant using a binominal model, taking into account the terms and conditions upon which the restricted share units were granted. Inputs to the model included fair value of the Company's shares as at respective grant dates ranging from HK\$2.28 to HK\$4.89, expected volatility ranging from 67.85% to 74.14%, expected dividend of nil, exercise multiple of 1.5, exercise price of HK\$4.1, risk-free interest rate ranging from 3.12% to 3.40%, and forfeiture rate of 5%.

## 29. RESERVES

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

### (a) Capital reserve

Capital reserve represents the capital and capital reserve amounts of T&I Net Communication prior to the completion of the Reorganisation.

### (b) Share-based payment reserve

Share-based payment reserve represents the fair value of the restricted shares and restricted share units of the Company granted to the Group's employees but are yet to convert into ordinary shares to release to grantees, as further explained in the accounting policy for share-based payment in note 2.4 to the financial statements. They will be transferred to the capital reserve upon the release of ordinary shares of the Company to the grantees.

### (c) Statutory reserves

Statutory reserve represents the amounts set aside from the retained profits by certain subsidiaries established in the PRC and is not distributable as dividend. In accordance with the relevant regulations, the Company's subsidiaries established in the PRC are required to allocate at least 10% of their after-tax profit according to the PRC accounting standards and regulations to legal reserves until such reserves have reached 50% of registered capital. These reserves can only be used for specific purposes and are not distributable or transferable to loans, advances, or cash dividends.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 30. NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWS

### (a) Major non-cash transactions

During the year, the Group had non-cash additions to right-of-use assets and lease liabilities of RMB7,073,000 (2024: RMB5,129,000), in respect of lease arrangements for buildings.

### (b) Changes in liabilities arising from financing activities

#### *Lease liabilities*

	2025 RMB'000	2024 RMB'000
At beginning of year	8,381	11,581
Changes from financing cash flows	(6,746)	(7,188)
New leases	7,073	5,129
Early termination of a lease	(75)	(1,141)
Lease modifications	(332)	–
Interest expense	334	469
Interest paid classified as operating cash flows	(334)	(469)
At end of year	8,301	8,381

### (c) Total cash outflow for leases

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

	2025 RMB'000	2024 RMB'000
Within operating activities	2,517	2,245
Within financing activities	6,746	7,188
Total	9,263	9,433

## 31. COMMITMENTS

At the end of the reporting period, the Group did not have any material capital commitment.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 32. RELATED PARTY TRANSACTIONS

### Compensation of key management personnel of the Group

	2025 RMB'000	2024 RMB'000
Short term employee benefits	6,484	5,040
Post-employment benefits	377	244
<b>Total compensation of key management personnel</b>	<b>6,861</b>	<b>5,284</b>

Further details of directors' and the chief executive's emoluments are included in note 8 to the financial statements.

## 33. FINANCIAL INSTRUMENTS BY CATEGORY

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

### Financial assets

As at 31 December 2025

	Financial assets at fair value through profit or loss – mandatorily designated as such RMB'000	Financial assets at amortised cost RMB'000	Total RMB'000
Trade receivables	–	135,180	135,180
Bills receivable	–	2,500	2,500
Financial assets included in other receivables and other assets	–	13,945	13,945
Financial investments	43,972	65,802	109,774
Restricted cash	–	19,585	19,585
Long-term time deposits	–	31,507	31,507
Short-term time deposits	–	107,488	107,488
Cash and cash equivalents	–	158,617	158,617
<b>Total</b>	<b>43,972</b>	<b>534,624</b>	<b>578,596</b>

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 33. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

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

### Financial assets (continued)

As at 31 December 2024

	Financial assets at fair value through profit or loss – mandatorily designated as such RMB'000	Financial assets at amortised cost RMB'000	Total RMB'000
Trade receivables	–	106,789	106,789
Bills receivable	–	575	575
Financial assets included in other receivables and other assets	–	14,585	14,585
Financial investments	58,448	15,132	73,580
Restricted cash	–	2,573	2,573
Long-term time deposits	–	35,452	35,452
Short-term time deposits	–	137,828	137,828
Cash and cash equivalents	–	136,579	136,579
<b>Total</b>	<b>58,448</b>	<b>449,513</b>	<b>507,961</b>

### Financial liabilities

	Financial liabilities at amortised cost	
	2025 RMB'000	2024 RMB'000
Trade payables	35,069	28,744
Financial liabilities included in other payables and accruals	6,731	14,119
Lease liabilities	8,301	8,381
<b>Total</b>	<b>50,101</b>	<b>51,244</b>

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 34. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

### Financial assets

	Carrying amounts		Fair values	
	2025 RMB'000	2024 RMB'000	2025 RMB'000	2024 RMB'000
Financial investments at fair value through profit or loss	43,972	58,448	43,972	58,448
Long-term financial investments at amortised cost	40,248	–	40,248	–
Long-term time deposits	31,507	35,452	31,903	35,947
Long-term restricted cash	–	168	–	158
Long-term other receivables and other assets	1,593	552	1,441	517
<b>Total</b>	<b>117,320</b>	<b>94,620</b>	<b>117,564</b>	<b>95,070</b>

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

The Group's senior management is responsible for determining the policies and procedures for the fair value measurement of financial instruments. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the senior management.

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

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 34. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

### Financial assets (continued)

The Group's financial investments at fair value through profit or loss comprise structured deposits and an unlisted equity investment included in financial investments at fair value through profit or loss. The fair values of structured deposits have been calculated using a Monte Carlo simulation model to generate the key input values which are to determine the returns of structured deposits, and then a discounted cash flow valuation model based on the average key input values and market interest rates of instruments with similar terms and risks. The fair value of the unlisted equity investment has been estimated using a market-based valuation technique based on assumptions that are not supported by observable market prices or rates. The valuation requires that directors to determine comparable public companies (peers) based on industry and to calculate an enterprise equity value-to-research and development expenses ("EV/R&D") multiple for each comparable companies identified. The multiple is calculated by dividing the enterprise value of the comparable company by the research and development expenses amount. The multiple is then discounted for considerations such as illiquidity. The directors believe that the estimated fair values resulting from EV/R&D multiple, which are recorded in the consolidated statement of financial position, and the related changes in fair value, which is recorded in profit or loss, are reasonable and are the most appropriate values.

The Group's long-term portion of other receivables and other assets were security deposits in relating to lease contracts for buildings. The fair values of long-term financial investments at amortised cost, long-term time deposits, long-term restricted cash and long-term other receivables and other assets have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities.

Below is a summary of significant unobservable inputs to the valuation of the unlisted equity investment together with a quantitative sensitivity analysis:

As at 31 December 2025

	Significant unobservable inputs	Range/value	Increase/ (decrease) in input %	Increase/ (decrease) in fair value RMB'000
Unlisted equity investment	EV/R&D multiple of peers	11.47–43.41	5 (5)	211 (141)
	Discount for lack of marketability	40%	5 (5)	(70) 141

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 34. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

### Financial assets (continued)

As at 31 December 2024

	Significant unobservable inputs	Range/value	Increase/ (decrease) in input %	Increase/ (decrease) in fair value RMB'000
Unlisted equity investment	EV/R&D multiple of peers	13.06–40.66	5 (5)	144 (216)
	Discount for lack of marketability	40%	5 (5)	(144) 72

The discount for lack of marketability represents the amounts of premiums and discounts determined by the Group that market participants would take into account when pricing the investments.

### Fair value hierarchy

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

#### Assets measured at fair value

	Fair value measurement using			Total RMB'000
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	
Financial investments at fair value through profit or loss				
As at 31 December 2025	–	40,106	3,866	43,972
As at 31 December 2024	–	55,069	3,379	58,448

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 34. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

### Fair value hierarchy (continued)

#### Assets measured at fair value (continued)

The movements in fair value measurements within Level 3 during the year are as follows:

	2025 RMB'000	2024 RMB'000
Financial investments at fair value through profit or loss		
At 1 January	3,379	–
Purchases	–	3,553
Fair value gains/(losses) recognised in profit or loss	487	(174)
At 31 December	3,866	3,379

#### Assets for which fair values are disclosed

	Fair value measurement using			Total RMB'000
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	
Long-term financial investments at amortised cost				
As at 31 December 2025	–	40,850	–	40,850
As at 31 December 2024	–	–	–	–
Long-term time deposits				
As at 31 December 2025	–	31,903	–	31,903
As at 31 December 2024	–	35,947	–	35,947
Long-term restricted cash				
As at 31 December 2025	–	–	–	–
As at 31 December 2024	–	158	–	158
Long-term other receivables and other assets				
As at 31 December 2025	–	1,441	–	1,441
As at 31 December 2024	–	517	–	517

## 34. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

### Fair value hierarchy (continued)

#### *Assets for which fair values are disclosed (continued)*

The Group did not have any financial liabilities measured at fair value or for which fair values are disclosed as at the end of the reporting period (2024: Nil).

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (2024: Nil).

## 35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise cash, short-term deposits and short-term time deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

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

### Foreign currency risk

The Group has transactional currency exposures. Such exposures arise from expenses incurred by the Company as well as the Company's cash and bank deposits in currencies other than the Company's functional currency, i.e., HK\$.

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the USD exchange rate, with all other variables held constant, of the Group's profit/(loss) before tax (due to changes in fair values of monetary assets and liabilities) and the Group's equity (excluding retained profits):

	Increase/ (decrease) in the USD exchange rate %	Increase/ (decrease) in profit before tax RMB'000	Increase/ (decrease) in loss before tax RMB'000	Increase/ (decrease) in equity RMB'000
As at 31 December 2025				
If HK\$ weakens against USD	1	1,015	N/A	–
If HK\$ strengthens against USD	(1)	(1,015)	N/A	–
As at 31 December 2024				
If HK\$ weakens against USD	1	1,021	N/A	–
If HK\$ strengthens against USD	(1)	(1,021)	N/A	–

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

### Credit risk

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

### Maximum exposure and year-end staging

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

The amounts presented are gross carrying amounts for financial assets.

As at 31 December 2025

	12-month ECLs		Lifetime ECLs		Total RMB'000
	Stage 1 RMB'000	Stage 2 RMB'000	Stage 3 RMB'000	Simplified approach RMB'000	
Trade receivables*	-	-	-	151,489	151,489
Bills receivable	2,500	-	-	-	2,500
Contract assets*	-	-	-	269	269
Financial assets included in prepayments, other receivables and other assets					
– Normal**	13,945	-	-	-	13,945
– Doubtful**	-	-	598	-	598
Financial investments at amortised cost#	65,802	-	-	-	65,802
Restricted cash#	19,585	-	-	-	19,585
Long-term time deposits#	31,507	-	-	-	31,507
Short-term time deposits#	107,488	-	-	-	107,488
Cash and cash equivalents#	158,617	-	-	-	158,617
<b>Total</b>	<b>399,444</b>	<b>-</b>	<b>598</b>	<b>151,758</b>	<b>551,800</b>

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

### Credit risk (continued)

#### Maximum exposure and year-end staging (continued)

As at 31 December 2024

	12-month		Lifetime ECLs		Total
	ECLs		Simplified		
	Stage 1	Stage 2	Stage 3	approach	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Trade receivables*	–	–	–	125,731	125,731
Bills receivable	575	–	–	–	575
Contract assets*	–	–	–	1,183	1,183
Financial assets included in prepayments, other receivables and other assets					
– Normal**	14,585	–	–	–	14,585
– Doubtful**	–	–	644	–	644
Financial investments at amortised cost#	15,132	–	–	–	15,132
Restricted cash#	2,573	–	–	–	2,573
Long-term time deposits#	35,452	–	–	–	35,452
Short-term time deposits#	137,828	–	–	–	137,828
Cash and cash equivalents#	136,579	–	–	–	136,579
<b>Total</b>	<b>342,724</b>	<b>–</b>	<b>644</b>	<b>126,914</b>	<b>470,282</b>

\* For trade receivables and contract assets to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in notes 17 and 18 to the financial statements, respectively.

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

# Not yet past due

Further quantitative data in respect of the Group’s exposure to credit risk arising from trade receivables and contract assets are disclosed in notes 17 and 18 to the financial statements.

Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral. Concentrations of credit risk are managed by customer/counterparty. There are no significant concentrations of credit risk within the Group as the customer bases of the Group’s trade receivables are widely dispersed in different sectors and industries.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

### Liquidity risk

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

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

As at 31 December 2025

	On demand or less than one year RMB'000	One to five years RMB'000	Total RMB'000
Trade payables	35,069	–	35,069
Financial liabilities included in other payables and accruals	6,731	–	6,731
Lease liabilities	4,722	4,146	8,868
<b>Total</b>	<b>46,522</b>	<b>4,146</b>	<b>50,668</b>

As at 31 December 2024

	On demand or less than one year RMB'000	One to five years RMB'000	Total RMB'000
Trade payables	28,744	–	28,744
Financial liabilities included in other payables and accruals	14,119	–	14,119
Lease liabilities	6,679	2,425	9,104
<b>Total</b>	<b>49,542</b>	<b>2,425</b>	<b>51,967</b>

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

### Capital management

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

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

The Group monitors capital using a gearing ratio, which is net debt divided by the capital plus net debt. Net debt includes trade payables, financial liabilities included in other payables and accruals, and lease liabilities, less cash and bank deposits. Capital includes equity. The gearing ratios as at the end of the reporting periods were as follows:

	2025 RMB'000	2024 RMB'000
Trade payables	35,069	28,744
Financial liabilities included in other payables and accruals	6,731	14,119
Lease liabilities	8,301	8,381
Less: Cash and cash equivalents	158,617	136,579
Short-term time deposits	107,488	137,828
Net debt	<b>(216,004)</b>	(223,163)
Equity	<b>548,000</b>	507,453
Capital and net debt	<b>331,996</b>	284,290
Gearing ratio*	N/A	N/A

\* As at 31 December 2025 and 2024, the Group's cash and cash equivalent and short-term time deposits exceeded aggregated amounts of trade payables, financial liabilities included in other payables and accruals, and lease liabilities. As such, no gearing ratios were presented.

## 36. EVENTS AFTER THE REPORTING PERIOD

Subsequent to the end of the reporting period, in January and February 2026, the Company purchased 115,400 of its ordinary shares at a total consideration of RMB436,000.

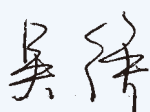
# NOTES TO FINANCIAL STATEMENTS

31 December 2025

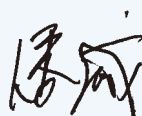
## 37. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

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

	2025 RMB'000	2024 RMB'000
NON-CURRENT ASSETS		
Investments in subsidiaries	7,400	6,368
Due from subsidiaries	110,511	107,262
Financial investments	3,866	3,379
<b>Total non-current assets</b>	<b>121,777</b>	117,009
CURRENT ASSETS		
Prepayments, other receivables and other assets	893	1,865
Time deposits	69,613	131,833
Cash and cash equivalents	49,248	8,041
<b>Total current assets</b>	<b>119,754</b>	141,739
CURRENT LIABILITIES		
Other payables and accruals	2,529	1,794
Due to subsidiaries	10,763	8,906
<b>Total current liabilities</b>	<b>13,292</b>	10,700
<b>NET CURRENT LIABILITIES</b>	<b>106,462</b>	131,039
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>228,239</b>	248,048
<b>Net assets</b>	<b>228,239</b>	248,048
EQUITY		
Share capital	114	114
Treasury shares	(1,085)	(576)
Reserves	229,210	248,510
<b>Total equity</b>	<b>228,239</b>	248,048



WU Qiang  
Director



PAN Wei  
Director

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 37. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

Note:

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

Year ended 31 December 2025

	Share premium RMB'000	Capital reserve RMB'000	Exchange fluctuation reserve RMB'000	Accumulated losses RMB'000	Total RMB'000
At 1 January 2025	247,984	6,249	18,203	(23,926)	248,510
Profit for the year	-	-	-	1,316	1,316
Exchange differences on translation of the Company	-	-	(5,898)	-	(5,898)
Total comprehensive loss for the year	-	-	(5,898)	1,316	(4,582)
Equity-settled share-based payment arrangement	-	1,206	-	-	1,206
Final 2024 dividends declared	-	-	-	(15,924)	(15,924)
At 31 December 2025	247,984	7,455	12,305	(38,534)	229,210

Year ended 31 December 2024

	Share premium RMB'000	Capital reserve RMB'000	Exchange fluctuation reserve RMB'000	Accumulated losses RMB'000	Total RMB'000
At 1 January 2024	247,984	3,872	12,909	(24,582)	240,183
Profit for the year	-	-	-	656	656
Other comprehensive income for the year:					
Exchange differences on translation of the Company	-	-	5,294	-	5,294
Total comprehensive income for the year	-	-	5,294	656	5,950
Equity-settled share-based payment arrangement	-	2,377	-	-	2,377
At 31 December 2024	247,984	6,249	18,203	(23,926)	248,510

## 38. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 30 March 2026.

## DEFINITIONS

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

“affiliate(s)”	with respect to any specified person, any other person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person
“Articles” or “Articles of Association”	the amended and restated articles of association of our Company conditionally adopted on June 16, 2022 which shall become effective on the Listing Date and as amended from time to time, a summary of which is set out in the section headed “Summary of the Constitution of the Company and Company Laws of the Cayman Islands” in Appendix III in the Prospectus
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Audit Committee”	the audit committee of the Company
“Auditor”	Ernst & Young, the auditor of the Company
“Beijing Tianchuang Chuangrun”	Beijing Tianchuang Chuangrun Investment Center (Limited Partnership) (北京天創創潤投資中心(有限合夥)), a limited partnership established under the laws of the PRC on June 1, 2015
“Beijing Tiandi Rongchuang”	Beijing Tiandi Rongchuang Venture Capital Co., Ltd. (北京天地融創創業投資有限公司), a limited company incorporated under the laws of the PRC on February 21, 2006, being the general partner of Beijing Tianchuang Chuangrun
“Beijing Yunhao”	Beijing Yunhao Investment Center (Limited Partnership) (北京雲昊投資中心(有限合夥)), a limited partnership established under the laws of the PRC on May 12, 2015
“Beijing Yunhao Industrial Investment Consulting”	Beijing Yunhao Industrial Investment Consulting Co., Ltd. (北京雲昊興業投資顧問有限公司), a limited Company established under the laws of the PRC on June 1, 2015, being the general partner of Beijing Yunhao, Beijing Yunjing and Beijing Yunyu
“Beijing Yunjing”	Beijing Yunjing Industrial Investment Center (Limited Partnership) (北京雲景興業投資中心(有限合夥)), a limited partnership established under the laws of the PRC on May 12, 2015
“Beijing Yunyu”	Beijing Yunyu Consulting Management Center (Limited Partnership) (北京雲昱諮詢管理中心(有限合夥)), a limited partnership established under the laws of the PRC on November 24, 2020

## DEFINITIONS

“Board”	the board of directors of our Company
“China”, or “the PRC”	the People’s Republic of China and, except where the context requires and only for the purpose of this report, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan. “Chinese” shall be construed accordingly
“Companies Ordinance”	Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Company”, “our Company”, or “the Company”	TI Cloud Inc. (天潤雲股份有限公司), an exempted company with limited liability incorporated in the Cayman Islands on March 31, 2021 and the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 2167)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“connected transaction(s)”	has the meaning ascribed to it under the Listing Rules
“Consolidated Affiliated Entities”	the entities that we control through the Contractual Arrangements, being T&I Net Communication and its subsidiaries
“Contractual Arrangement(s)”	the series of contractual arrangements entered into by, among others Tianrun Cloud (Beijing) Technology Co., Ltd., T&I Net Communication and the Registered Shareholders (as applicable), details of which are described in the section headed “Contractual Arrangements” in the Prospectus
“Controlling Shareholder(s)”	has the meaning ascribed to it under the Listing Rules and unless the context otherwise requires, refers to Mr. WU Qiang, Mr. PAN Wei, Hanyun Inc., Xinyun Inc., EastUp Holding Limited, and Connect The Unconnected Limited
“Corporate Governance Code”	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
“Director(s)”	the director(s) of our Company
“ESG Committee”	the environmental, social and governance committee of the Company
“Global Offering”	the Hong Kong Public Offering and the International Offering as defined in the Prospectus
“Group”, “our Group”, “the Group”, “we”, “us”, or “our”	the Company, its subsidiaries and the Consolidated Affiliated Entities from time to time

## DEFINITIONS

“HK” or “Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong dollars” or “HK dollars” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“IFRSs”	International Financial Reporting Standards, as issued from time to time by the International Accounting Standards Board
“Listing”	the listing of the Shares on the Main Board
“Listing Date”	June 30, 2022, the date on which the Shares are listed and on which dealings in the Shares are first 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, supplemented or otherwise modified from time to time
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with GEM of the Stock Exchange
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 of the Listing Rules
“Mr. Wu” or “Mr. WU Qiang”	Mr. WU Qiang (吳強), an executive Director, Chairman of the Board, our Chief Executive Officer and one of our Controlling Shareholders
“Nomination Committee”	the nomination committee of the Company
“Prospectus”	the prospectus of the Company dated June 21, 2022
“Registered Shareholders”	the current registered shareholders of T&I Net Communication, being Mr. Wu, Beijing Tianchuang Chuangrun, Beijing Yunjing, Beijing Yunhao, Mr. Li, Mr. Pan, Mr. An and Beijing Yunyu, details of which are set out in the section headed “Contractual Arrangements” in the Prospectus
“Remuneration Committee”	the remuneration committee of the Company
“Reorganisation”	the corporate restructuring of the Group in preparation for the Listing, as described in the section headed “History, Reorganisation and Corporate Structure” in the Prospectus
“Reporting Period”	year ended December 31, 2025

## DEFINITIONS

“RMB” or “Renminbi”	Renminbi, the lawful currency of PRC
“RSU(s)”	a restricted share unit award to be granted to a participant under the Share Incentive Plan
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share Incentive Plan”	the share incentive plan of our Company adopted by the Board on May 13, 2021, the principal terms of which are set out in the section headed “Statutory and General Information – D. Share Incentive Plan” in Appendix IV to the Prospectus
“Share(s)”	ordinary share(s) in the share capital of our Company with par value of US\$0.0001 each
“Shareholder(s)”	holder(s) of our Share(s)
“Stock Exchange” or “Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary” or “subsidiaries”	has the meaning ascribed to it thereto in section 15 of the Companies Ordinance
“substantial shareholder(s)”	has the meaning ascribed to it in the Listing Rules
“T&I Net Communication”	Beijing T&I Net Communication Technology Co., Ltd. (北京天潤融通科技股份有限公司), a limited liability company established in Beijing, the PRC on February 23, 2006, and is one of our Consolidated Affiliated Entities by virtue of the Contractual Arrangements
“United States”, “U.S.” or “US”	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
“US dollars”, “U.S. dollars”, “US\$” or “USD”	United States dollars, the lawful currency of the United States
“WFOE”	TI Cloud (Beijing) Technology Co., Ltd. (天潤雲(北京)科技有限公司), a limited liability company established in Beijing, the PRC on April 28, 2021, an indirect wholly-owned subsidiary of our Company
“%”	per cent

# GLOSSARY OF TECHNICAL TERMS

“AI”	Artificial Intelligence
“application”	application software designed to run on smartphones and other mobile devices
“ASR”	Automatic Speech Recognition, a technology that uses machine-learning algorithms to convert spoken language to text
“cloud-based”	applications, services or resources made available to users on demand via the Internet from a cloud computing provider’s servers with access to shared pools of configurable resources
“machine learning”	an AI application that provides systems the ability to automatically learn and improve from experience without being explicitly programmed
“NLP”	Natural Language Processing, AI-powered function to engage in text – and voice-based intelligent interactions
“SaaS”	Software as a Service, a cloud-based software licensing and delivery model in which software and associated data are centrally hosted
“VPC”	as a special category of public cloud, is an isolated cloud hosted within a public cloud environment and accessed exclusively by one user