



BEIJING YUNJI TECHNOLOGY CO., LTD.
北京雲迹科技股份有限公司

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

Stock Code : 2670

2025
ANNUAL REPORT

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Corporate Information

Board of Directors

Executive Directors

Ms. Zhi Tao (支濤) (*Chairperson*)

Mr. Hu Quan (胡泉)

Mr. Li Quanyin (李全印)

Non-Executive Director

Mr. Wu Minghui (吳明輝)

Ms. Ma Hong (*Resigned on February 27, 2026*)

Independent Non-Executive Directors

Mr. Zhang Lihua (張立華)

Mr. Lai Yung Yuet (黎勇越)

Mr. Wang Fangjun (汪方軍)

Supervisors

Ms. Ai Baoshu (艾寶書) (*Chairperson*)

Mr. Zhang Wei (張偉) (*Appointed on April 2, 2026*)

Mr. Xue Jinlong (薛金龍)

Mr. Yu Junjie (*Resigned on December 28, 2025*)

Joint Company Secretaries

Ms. Liu Ying (劉瑩)

Ms. Ng Wai Kam (伍偉琴)

Audit Committee

Mr. Wang Fangjun (汪方軍) (*Chairperson*)

Mr. Lai Yung Yuet (黎勇越)

Mr. Wu Minghui (吳明輝)

Remuneration Committee

Mr. Zhang Lihua (張立華) (*Chairperson*)

Mr. Wang Fangjun (汪方軍)

Ms. Zhi Tao (支濤)

Nomination Committee

Ms. Zhi Tao (支濤) (*Chairperson*)

Mr. Zhang Lihua (張立華)

Mr. Wang Fangjun (汪方軍)

Authorised Representatives

Mr. Li Quanyin (李全印)

Ms. Ng Wai Kam (伍偉琴)

Auditor

KPMG

Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance

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Stock Name

YUNJI

Stock Code

2670

Company's Website

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Principal Bank(s)

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Beijing Beiyuan Road Science and Technology Finance Sub-Branch
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Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road

Chairman's Statement



Dear Shareholders,

Throughout our 12-year entrepreneurial journey, we have remained committed to our mission of “Robots, for a Happier Humanity”. In 2025, we successfully achieved the full-scale rollout of our hospitality AI agents, marking a brand-new chapter in the Company’s development.

Breakthroughs Across All Three Curves

Yunji’s three-tier core businesses form a complete closed loop of hospitality AI agents. The first curve focuses on robot hardware, delivering all-round operational capabilities encompassing “mobility + operation”. The second curve lies in HDOS, the AI digital system. Serving as the core brain of robots, it undertakes speech recognition, intent understanding, multi-robot scheduling and task decomposition. The third curve is consumer scenario operation. It targets end users across service scenarios to realize service monetization and value closed loop. Progressing in tiers and reinforcing one another, the three curves jointly drive Yunji’s leap forward towards a platform-based ecosystem.

The First Curve – Composite Polymorphic Robots: The Physical Embodiment of Embodied Intelligence. By building a system comprising “one single-arm collaborative operation robot + one UP composite polymorphic mobile robot + N interchangeable functional compartments + AIoT device network”, we break through the limitations of robotic manipulation and integrating precise operation and autonomous mobility. These solutions are widely deployed in scenarios such as delivery, laundry, loading, and cleaning, marking a leap from single-point tasks to full-scenario service coverage.

In 2025, we maintained the No.1 market share in China’s hotel service robot hospitality AI agents. Our service revenue, daily service task volume, and daily active data volume all ranked first globally.

In the same year, we also successfully delivered our factory AI agent project, extending our solutions from hospitality to industrial environments. We developed a universal Agent and an industry-specific large model for smart manufacturing, enabling “autonomous perception, decision-making and execution” across entire factory workflows – driving the evolution of production systems from a “human-driven” model to an “AI-driven” model. Under the stringent industrial standards, we become the sole core supplier to a Fortune Global 500 giant. Starting with overseas factories, we achieved the first-ever export of Chinese intelligent material moving solutions – a breakthrough from “single-site delivery” to “global rollouts”. Furthermore, we completed all R&D processes for our laundry robots, laying a solid foundation for large-scale deployment.

The Second Curve – HDOS Intelligent Operating System: The Core Brain of Intelligent Services. As an AI-native end-to-end solution, HDOS features three core capabilities: complex intent understanding, multi-robot fleet scheduling and multimodal task decomposition. These capabilities form the core moat that set us apart from pure-play robotics companies. In 2025, the number of subscribers grew nearly tenfold, as a growing number of clients recognized the ongoing value of our service capabilities – and chose to pay for them.

The Third Curve – Consumer Services & Scenario Operations: Bringing Intelligent Services to Every Industry and Everyone's Daily Life. With our Business-centric strengths in refining vertical models, we are unlocking new growth engines in the ToC market. In 2025, we continued to deepen operational efficiency and user experience within the hotel's "shopping-to-delivery" loop. In addition, we actively extended our proven models to high-value scenarios such as factories, hospitals, and residential communities – completing our strategic layout and laying a solid strategic foundation for the diversified growth of our Consumer business in the years ahead.

Forging Our Moat: Core Advantages Forged Through Relentless Focus

After 12 years of dedicated development, we have become one of the world's first hospitality AI agent enterprises to establish a fully closed data loop connecting the physical and virtual worlds. With HDOS as its "brain" and self-developed composite polymorphic robots as its "limbs", digital instructions are precisely translated into physical actions, completing the closed loop of embodied intelligence and creating a data flywheel: more services generate richer data; richer data enables AI better to understand the scenarios it serves. Meanwhile, Yunji has maintained deep commitment to both embodied intelligence and large AI models – two national strategic sectors – forging a first-mover core barrier that cannot be easily replicated.

Over the past year, we have anchored the intelligent demands of real service spaces and continuously advanced the development of our intelligent agent architecture and unified state model capabilities. Leveraging years of large-scale deployment in hospitality and diversified scenarios, we have accumulated extensive full-process multimodal and business data, consolidating a solid data foundation. By virtue of our layered architecture and intelligent agent methodology, we are building a unified world model that integrates physical perception and digital state. This enables intent understanding, task planning, resource scheduling and execution closed-loop in complex scenarios, further elevating our spatial intelligent service capabilities on an ongoing basis.

Embracing the Market Valued in Trillions and Expanding Growth Ahead

We operate in a market valued in trillions. Even within the hotel scenario alone, the value we can generate per guest per day is already substantial – and that is just the beginning. Move beyond hotels, and the addressable market grows exponentially – taking us far beyond the trillions. To date, Yunji has established in-depth partnerships with leading global hotel groups. Every expansion into a new scenario delivers predictable incremental growth. This is not merely a concept; it is a reality unfolding before us.

Upholding Our Founding Values and Committing to Long-Term Growth

Being indispensable lies at the very core of our purpose. We help hotels reduce costs and enhance efficiency, freeing staff from repetitive tasks to focus on human-centric and value-driven services. The true purpose of robots is to empower people, not to replace them. Looking ahead, we make the following solemn commitments: continuously increasing R&D investment and focusing on core technology iteration; taking the lead in advancing industry ecosystem norms and standard development; embracing green and low-carbon practices to support sustainable industry growth; and attracting top global talents while building outstanding development platforms.

This is our mission, as well as our unwavering commitment: "Robots, for a Happier Humanity".

Best regards,

Beijing Yunji Technology Co., Ltd.

北京雲迹科技股份有限公司

Zhi Tao

Chairwoman of the Board, Executive Director and President

Financial Highlights

	Year ended 31 December			
	2025 RMB'000	2024 RMB'000	2023 RMB'000	2022 RMB'000
Results				
Revenue	301,242	244,775	145,153	161,280
Cost of sales	(187,879)	(138,357)	(105,996)	(122,009)
Gross profit	113,363	106,418	39,157	39,271
Loss before income tax	(295,232)	(184,963)	(264,523)	(365,420)
Loss for the year attributable to owners of the Company	(294,901)	(184,963)	(264,523)	(365,420)
Loss for the year	(295,232)	(184,963)	(264,523)	(365,420)
Basic and diluted loss per share (expressed in RMB per share)	(4.65)	(2.99)	(4.28)	(5.91)

	As at 31 December			
	2025 RMB'000	2024 RMB'000	2023 RMB'000	2022 RMB'000
Assets and liabilities				
Total assets	1,054,816	510,927	517,191	647,362
Total liabilities	194,590	2,029,649	1,873,247	1,751,453
Total equity/(deficits)	860,226	(1,518,722)	(1,356,056)	(1,104,091)



Management Discussion and Analysis

I. Business Review

In 2025, upholding its mission of “Robots Making Humans Happier”, the Group was committed to building a globally leading AI agent ecosystem. Leveraging the deep integration of “Embodied Intelligence” and “Disembodied Intelligence”, we have deployed tens of thousands of AI agents across diverse settings such as hotels, factories and hospitals, redefining the boundaries of intelligent service experiences.

During the Reporting Period, the Group achieved a total revenue of RMB301.2 million, representing a steady year-on-year increase of 23.1%. Most notably, we achieved explosive growth of 194.1% in the applications of AI agents, marking the formal entry of our data-centric, service-driven algorithm strategy into its commercial value realization phase. By the end of 2025, we had accumulatively deployed our solutions in over 40,000 hotels and approximately 200 hospitals, with the number of HDOS subscribers surging 925% year-over-year.

Despite the impact of listing-related expenses, R&D investments, and international expansion, the Company recorded a net loss of RMB295.2 million in 2025, representing a 59.6% increase compared to 2024. The adjusted net loss for 2025 amounted to RMB113.1 million, reflecting a 310.5% increase over 2024. The Group believes that the current losses are essentially strategic foundational investments to secure access to the future trillion-dollar AI agent market:

In terms of technical architecture, we are accelerating the deployment of product and technical framework for an open ecosystem that supports low-cost, high-performance integration with diverse hardware and service ecosystems. Through global scheduling based on swarm intelligence, we have achieved precise alignment between supply and demand. This significantly solidifies the foundational capabilities for ecosystem development while enhancing the customer experience.

In terms of growth momentum, as we advance toward our IPO, our investments in team upgrades, ecosystem expansion, and internationalization strategy are being realized ahead of schedule. This is not only an agile response to real market demand, but also aims to propel hospitality AI agent from being “a single tool” to evolving into a stable workforce with social value. These forward-looking investments, while putting pressure on short-term profits, are steadily transforming into core competencies with high stickiness. They will directly translate into enhanced revenue quality and profit resilience for the Group going forward.

Management Discussion and Analysis

1. Products and technology R&D

- ***Robots and functional kits***

In the hardware field, we focused on enhancing robots' environmental perception capabilities, operational flexibility, and deployment efficiency to support their large-scale application in more complex and diverse scenarios.

- Great breakthrough in high-precision spatial perception and mapping capabilities: The Company has successfully developed and mass-produced a portable high-precision spatial modeling device. This device employs a multi-sensor fusion solution, functioning not only as a standalone mapping tool but also integrating deeply with robotic chassis through standardized interfaces. This empowers terminals with real-time spatial awareness and autonomous decision-making capabilities in complex outdoor environments and unstructured settings such as underground parking garages. By integrating real-time loop optimization and dynamic gradient recognition algorithms for large-scale scenarios with automated semantic annotation workflows, we have shortened the traditional mapping deployment process, which previously took hours, to tens of minutes, achieving an order-of-magnitude improvement in deployment efficiency, significantly lowering the delivery costs for large-scale robot fleets.
- Industry-leading next-generation 3D vision perception system: We have completed the development and deployment verification of a next-generation 3D obstacle detection model. This model constructs a proprietary visual perception algorithm system by deeply integrating depth information with visual images. By leveraging cutting-edge techniques such as quantization-aware training and model distillation, we successfully streamlined the model to a million-parameter scale. This optimization reduced the end-to-end inference latency to within 10 milliseconds while achieving a high classification accuracy of 97.87%. This breakthrough resolved the industry bottleneck of running high-performance AI algorithms in real time on low-computing-power edge devices, providing core assurance for the safe and efficient operation of products in dynamic and complex environments.
- Wireless charging technology has been applied to the UP composite polymorphic robot, enabling large-scale mass production. An ultra-low-cost takeaway warehousing function was launched, enabling the handling of over 200 daily food deliveries.



Management Discussion and Analysis

- **AI digitalization system**

In the realm of AI digitalization system, we centered our efforts around HDOS, continuously enhancing the cognitive, interactive, and decision-making capabilities of our AI agents. We have successfully extended our technological capabilities from service scenarios into industrial domains, pioneering new application areas.

- The intelligent diagnostic system has achieved large-scale application. During the Reporting Period, the Company completed the comprehensive iteration and deployment of its AI Agent intelligent diagnostic system (HQAS). This system employs a hybrid architecture that combines a rule engine and a large language model reasoning engine, balancing efficient parsing in deterministic scenarios with generalized handling of long-tail faults. It can achieve end-to-end automated closed-loop analysis in complex operational environments such as robotics and AIoT interactions, significantly reducing the frequency of manual maintenance interventions.

- Vertical Voice Intelligent Technology Drives Full Scenario Upgrade of Hotel Services

Focusing on the hotel space service scenarios, the Company continued to improve the HDOS-based voice intelligence system, and built a full-process voice interaction capability covering check-in, guest control, service request, consumption interaction and departure services, so as to upgrade from single-point voice function to full-scenario intelligent service portal.

Through the unified voice intelligence platform, the Company has realized multi-terminal access such as robots, guest room terminals, applets and telephone systems, forming a unified interactive portal across devices and service processes, making voice an important digital portal for hotel services, significantly improving service efficiency and user experience.

In terms of core technical capabilities, the Company has built a vertical semantic understanding model and multi-modal voice interaction system for hotel scenarios, and achieved high-precision semantic understanding and stable speech recognition capabilities through large-scale scenario data training and continuous optimization:

- Intention understanding accuracy 98.5% +
- Identification accuracy of early warning for critical services 96.6% +
- Error rate of speech recognition <5%
- Supporting 23 languages and mixed Chinese and English recognition

Management Discussion and Analysis

At present, the voice intelligence system has been applied on a large scale in thousands of hotels, processing the interaction data of hundreds of millions of users, and promoting the transformation of hotel services from traditional manual service mode to intelligent, automated and full-process digital operation.

- Industrial AI diagnostic solution achieved commercial delivery. During the Reporting Period, the Company extended its AI agent technology into the industrial manufacturing sector. Targeting production line fixture fault diagnosis scenarios, we developed and delivered an industrial expert-level agent diagnostic system based on large language models. This system adopts a multi-agent collaborative architecture, constructing causal analysis models centered on the three dimensions of personnel, machinery, and materials. Driven by dual engines (knowledge engine and case engine), it enables end-to-end diagnostics spanning from fault phenomena identification to root cause localization and ultimately to the generation of improvement solutions. The system also possesses online learning capabilities, supporting automatic feedback loops from experts and continuous iterative optimization of the model. The system can reduce the time required for a single diagnosis from 40-120 minutes for traditional manual methods to 9-18 minutes, achieving a diagnosis completion rate of 97.2%. In addition, a comprehensive toolchain covering data annotation, knowledge extraction, model training, and evaluation empowers clients to independently build knowledge reserves and update models.

In 2025, the Company participated in and completed the formulation of 11 national and industry standards. In the field of technological research and development, the Company's innovation capabilities have gained international recognition. In June 2025, the Company won the "Special Jury Commendation Gold Award" at the 50th Geneva International Invention Exhibition. Thanks to its outstanding performance in the embodied intelligence field, the Company was honored on the "2025 AI Technology Top 50 Giants" list in June 2025. In July 2025, the Hotel Digitalization Committee of China Hospitality Association officially designated Yunji as a Digitalization Practice Base. This recognition not only acknowledged Yunji's innovative contributions to hotel digitalization but also established a benchmark for the industry's intelligent transformation. In September 2025, the Company was selected for Frost & Sullivan's 2025 China AI Agent Annual List. In November 2025, "Hotel AI agent HDOS" featured in the 2025 Digital Solutions for Hospitality Scenarios: A Collection (AI-Special Issue), establishing an industry benchmark. In November 2025, at the inaugural Beijing Smart Hotel Robot Challenge and Application Competition, the Company won three championships in cleaning and sweeping, entertainment and interaction, and guest room services, comprehensively validating the product's leading edge in real-world implementation. In December 2025, Yunji was selected as a member of the Beijing Key Laboratory of Embodied Interaction Intelligence. As of December 31, 2025, the Company has been granted a cumulative total of 997 invention patents, utility model patents, and design patents.



Management Discussion and Analysis

2. Scenario applications

We believe that the true value of AI lies in its real-world applications. On a consolidated basis, as of December 31, 2025, we have deployed our solutions in over 40,000 hotels (December 31, 2024: over 30,000 hotels) and approximately 200 hospitals (December 31, 2024: approximately 130 hospitals).

In 2025, our average daily number of robots online simultaneously reached approximately 32,000 units (including robots sold prior to the track record period and those still operational in 2025), representing an 18.5% increase compared to 27,000 units in 2024.

In 2025, leveraging the functionality and value of HDOS products in hotel settings, significant progress was made in expanding the user base. As at December 31, 2025, the number of HDOS subscribers reached 2,430, representing a 925% increase compared to the 237 subscribers recorded as at December 31, 2024.

3. Milestones in capital market

On October 16, 2025 (the “**Listing Date**”), the Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited as “the first listed company specializing in hospitality robotic-based AI agents”, becoming the fourth specialist technology company successfully listed under Chapter 18C of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The net proceeds from this offering will be used to continuously enhance our R&D capabilities over the next five years, further refine our robotic agent technology, improve the versatility and adaptability of our products and services, strengthen our commercialization capabilities both within and outside China, and serve as working capital and for other general corporate purposes.

Management Discussion and Analysis

II. Outlook

According to Frost & Sullivan, China's hospitality robotic-based AI agent market (including AI agents with and without physical robotic forms) is experiencing rapid growth. In terms of revenue, the market size of China's hospitality robotic-based AI agent market grew from RMB1.8 billion in 2020 to RMB3.7 billion in 2024, representing a CAGR of 19.8%. Driven by advancements in AI technology, the increasing versatility and scalability of robotic-based AI agents, growing demand from downstream industries for high-quality, efficient, and consistent services, and favorable government policies, China's hospitality robotic-based AI agent market is expected to expand further. It is expected to reach RMB13.5 billion by 2029, with a CAGR of 29.3% from 2024 to 2029. The State Council's Opinions on Deepening the Implementation of the "AI+" Initiative, released in August 2025, outlined short – and medium-term development goals. As China's leading robotic-based AI agent enterprise, Yunji has consistently positioned robots and AI agents as its core business. Centering on embodied intelligence and disembodied intelligence technology R&D and commercialization, we are committed to enhancing our products' capabilities in "intelligent mobility, intelligent operation, and intelligent scheduling". Specifically, we plan to implement the following strategies to achieve our objectives.

1. To enhance commercialization capabilities by exploring broader application scenarios and building a vibrant ecosystem

- ***Expanding the coverage of our products and services***

Historically, our strategic focus was placed on the hotel scenario. In 2025, this industry contributed 81.0% of our total revenue. Building on this foundation, we will further deepen our service expertise and advance AI-driven products and services tailored to emerging customer needs and operational challenges, ensuring our leadership in this core market. This includes, but is not limited to, providing more extended services for this scenario based on UP composite polymorphic robots, such as trash collection, luggage delivery, security and quality inspection, and interactive guidance services. Additionally, new products will be introduced, including noodle-cooking robots, stir-fry robots, and general-purpose collaborative robots (offering laundry services, convenience shopping services, room service, etc.).

- ***Developing consumer markets***

According to Frost & Sullivan, there is significant unmet demand in the B2C market. Taking the hotel scenario as an example, in 2024, the operating revenue of star-rated hotels nationwide reached RMB155.7 billion, with a CAGR of 6.3% from 2020 to 2024. By targeting the B2C market, we can diversify our revenue streams, reach a broader audience, and enhance our growth potential in the coming years. As of December 31, 2025, the number of vending machines operated through our online mall in hotel settings had reached 2,231 units. We plan to increase the number of our vending machines operated in hotels and deploy front-end warehouses to meet consumer shopping demands within hotel environments.



Management Discussion and Analysis

2. To optimize our products and services to enhance their adaptability across multiple vertical industries

- ***Enriching the product and service portfolio***

We plan to continuously enhance and expand our product and service offerings to meet the diverse needs of various industry scenarios. As part of this strategy, we will further enrich our product and service portfolio, such as offering context-aware interactive modules, versatile manipulator robots, and embodied chassis with enhanced adaptability to diverse scenarios. This diverse range of products and services will enable us to address a broader spectrum of business needs and user environments, delivering more customized solutions.

- ***Enhancing the adaptability of products and services***

We plan to enhance the versatility and adaptability of our products and services through continuous hardware and software upgrades, enabling deployment across diverse application scenarios while improving their scalability. In terms of hardware, we will remain focused on optimizing the UP series and introduce new, more flexible universal hardware products. This ensures that our robots can serve multiple purposes while maintaining outstanding performance across diverse environments, enhancing customer efficiency. In terms of software, we will expand our proprietary HDOS platform to enable seamless integration with a broader range of AIoT devices and third-party software systems. This will allow us to reduce marginal costs of scaling while ensuring efficient interoperability across diverse devices and platforms. Specifically, we will establish a comprehensive hotel AI agent system that extends service boundaries beyond the guest stay to unoccupied room scenarios, and extends customer lifecycles through membership operations and repeat purchase systems following their checkout. Concurrently, we will deepen service offerings during stays, including integrated guest control systems, late-night services, and personalized product recommendations, to enhance end-user experience and marketing conversion rates. In addition, we will develop industry-leading end-to-end voice interaction capabilities. By integrating smart speakers, smart panels, smart toys, and other devices to expand interaction touchpoints, we will establish voice as the primary service entry point, thereby enhancing service efficiency and user retention.

Management Discussion and Analysis

- ***Multi-scenario adaptive intelligent scheduling system***

The Company will focus on developing a new generation of intelligent scheduling systems based on Agent architecture. Unlike traditional fixed-rule scheduling engines, this system possesses environmental perception, task reasoning, and autonomous decision-making capabilities. It can dynamically generate and optimize scheduling strategies based on operational objectives and constraints across diverse business scenarios. At the functional level, this system can not only handle path planning and traffic coordination for robotic transport capacity, but also serve as a scene-level task scheduling hub, centrally managing the invocation and coordination of various execution skills. This system integrates the semantic understanding capabilities of large language models with the online optimization mechanisms of reinforcement learning, enabling the automatic decomposition of complex tasks, resource allocation, and dynamic fine-tuning of execution strategies. In addition, the system incorporates an environmental situation prediction algorithm based on spatio-temporal sequence modeling, enabling short-term forecasting of key indicators such as transportation capacity supply and demand within the scene and channel load. This facilitates the evolution of scheduling decisions from reactive responses to proactive anticipation. At the application level, this scheduling system adopts a design philosophy centered on scenario abstraction and modularized capabilities, with planned adaptations for diverse sectors including industrial manufacturing, hospitality services, and medical logistics. The Company is expected to enhance the reuse efficiency of its technical assets and scaling delivery capabilities by supporting multi-scenario deployments through a unified scheduling kernel.

3. To enhance technical capabilities

As a leader in robotics innovation, our Company is committed to driving transformative advancements across hardware, software, and intelligent systems. By integrating advanced technologies and fostering collaboration, we aim to deliver versatile, high-performance products and services that address the evolving needs of industries worldwide.

- ***Hardware capability enhancement and innovation***

We plan to improve the functionality of our composite polymorphic robots by enhancing their operational capabilities. We will build enhanced multi-task closed-loop execution systems that enable basic grasping to precision manipulation. Simultaneously, our modular architecture enables multi-compartments scalability and functional reconfiguration, empowering robots with unprecedented adaptability to address diverse operational scenarios.

We plan to enhance general-purpose mobility capabilities by expanding the embodied chassis to include omnidirectional mobility, stronger lifting and cargo-swapping capabilities, improved mobile navigation and positioning, and greater environmental adaptability, while also extending its functionality to semi-outdoor scenarios. Additionally, the embodied chassis delivers robust power output capabilities, enabling it to function as an independent platform for external mobile navigation applications.



Management Discussion and Analysis

- ***Software capability intelligentization***

We are embedding intelligence at the core of our software systems, which are integrated into our robots, to enable autonomous decision-making and adaptability. Our multimodal intelligent decision-making framework will integrate multimodal LLMs to empower robots with context-aware task execution. This allows robots to autonomously adjust workflows in unstructured environments using real-time visual-language reasoning.

- ***Productization of embodied operational capabilities and chassis platform upgrades***

The Company will promote the commercialization of the mobile manipulator. In the hotel setting, we will focus on developing automated pickup and delivery solutions tailored for the linen washing process. This aims to extend our product capabilities from “mobile transportation” to “mobile operation”, thereby expanding the scope of services and value potential. At the algorithmic level, the Company will focus on developing visual perception and operation planning algorithms tailored for unstructured environments. This includes generating grasping strategies for flexible objects and implementing whole-body coordination control algorithms for mobile platforms and manipulators, in order to ensure that robots can execute precise operations while in motion. The aforementioned algorithmic framework is designed to address the challenges of uncertainty in open environments, such as diverse object shapes and random placement, thereby establishing a technological foundation for the large-scale replication of operational scenarios. Meanwhile, the Company will conduct platform-level upgrades based on its existing UP series chassis and develop specialized chassis products tailored for embodied operation scenarios. This chassis will undergo targeted enhancements in areas such as dynamic stability, load capacity, and interface standardization to meet the requirements for base rigidity and coordinated control during the operation of the manipulator. The Company anticipates that this chassis can be offered as a standardized hardware platform to support ecosystem partners in integrating upper-layer embodied applications.

4. To expand our global presence

As part of our long-term growth strategy, we intend to increase our investment in expanding into international markets, with a particular focus on developed regions and emerging markets. Our goal is to enhance the global penetration of our products and services, and leverage our existing advantages to drive market leadership outside of China. In 2026, we will designate Japan, Southeast Asia and Hong Kong as priority markets for expansion and increase our investment.

Management Discussion and Analysis

5. To enhance operational efficiency and intelligence levels

- ***Development of intelligent agents based on business processes***

In 2026, we will increase investment in the development of AI agent capabilities. We will develop capabilities including a multi-agent workflow platform, a RAG knowledge base system, a process orchestration system, and intelligent diagnostics, while establishing a company-wide knowledge base and data accumulation system. The core objective of this investment is to establish a “company-wide intelligent hub”, transforming AI from a mere tool into a collaborative engine that integrates sales, delivery, after-sales service, and product management processes. This initiative will enable cross-departmental data integration, automated task decomposition, real-time status tracking, and systematic outcome documentation, thereby driving a structural upgrade in organizational operations.

By restructuring business processes of enterprises through AI agents, we will, centering on the “Intelligent Hub”, integrate sales preparation, solution generation, contracts and quotations, delivery management, after-sales support, and customer success into a fully orchestrable AI agent system, in order to achieve end-to-end intelligence across the entire lifecycle from demand identification to delivery closure. During the sales stage, solutions and Q&A are automatically generated through the knowledge base and product agent, shortening the sales cycle. During the delivery stage, task agents automatically assign tasks and track progress, enhancing fulfillment efficiency. During the after-sales stage, intelligent diagnostics and reporting agents enable automatic issue identification and proactive service recommendations. The ultimate goal is to upgrade business processes from “linear workflows dependent on human experience” to “intelligent collaborative systems that are schedulable, monitorable, and optimizable”.

- ***Intelligent operation and maintenance and service optimization system based on spatial scene modeling***

The Company will develop an intelligent operation and maintenance system based on the operational data throughout the entire lifecycle of robots. The system will continuously collect and analyze the robot’s operational trajectories in real-world scenarios, sensor statuses, task execution results, and environmental interaction data through modeling, so as to build operational status monitoring and anomaly diagnosis capabilities covering both individual units and clusters. At the operation and maintenance level, the system will learn characteristics from historical failure patterns to enable automatic attribution of high-frequency anomalies and trend-based early warnings. At the service optimization level, the system will identify bottlenecks affecting service efficiency and user experience by analyzing spatial scenario-based operational data feedback, driving continuous iterative optimization of scheduling strategies and robot behaviors. The Company expects that this system will significantly reduce operation and maintenance costs following large-scale deployment, while providing a data foundation for quantifying service quality assessments and enabling continuous improvement.

III. Financial Review

Revenue from Main Operations

During the year, the Group achieved a revenue of RMB301.2 million, representing an increase of RMB56.5 million or 23.1% as compared to RMB244.8 million in 2024.

1. Revenue by business line

The table below sets forth the breakdown of our revenue by business line for the periods indicated:

Business Segments	2025 RMB'000	Percentage	2024 RMB'000	Percentage
Robots and functional kits	213,311	70.8%	188,894	77.2%
– Sales of products	210,183	69.8%	186,605	76.3%
– Rental income	3,128	1.0%	2,289	0.9%
AI digitalization system	87,931	29.2%	55,881	22.8%
– AI-driven robotic fundamental services	54,055	17.9%	44,364	18.1%
– AI agent applications	33,876	11.3%	11,517	4.7%
Total	301,242	100.0%	244,775	100.0%

Robots and functional kits: During the year, this business line achieved a revenue of RMB213.3 million, representing an increase of 12.9% as compared to RMB188.9 million in 2024, accounting for 70.8% of the total revenue, among which the revenue from sales of products was RMB210.2 million, representing a year-on-year increase of 12.6%, mainly because our products have been more widely adopted in the hospitality scenarios; the revenue from product rental was RMB3.1 million, representing a year-on-year increase of 36.6%, reflecting the gradual market recognition of the lease-based model.

AI digitalization system: During the year, this business line achieved a revenue of RMB87.9 million, representing an increase of 57.3% as compared to RMB55.9 million in 2024, accounting for 29.2% of the total revenue, among which the revenue from AI-driven robotic fundamental services was RMB54.1 million, representing a year-on-year increase of 21.8%, mainly due to the continuous growth in customers subscribing to our AI-driven robotic fundamental services; the revenue from AI agent applications was RMB33.9 million, representing a significant year-on-year increase of 194.1%, mainly due to the growth in customized service revenue and an increase in HDOS subscribers.

Management Discussion and Analysis

2. Revenue by scenario

Our products and services with high scalability and adaptability can meet the needs across a wide range of scenarios in different industries such as hotels, technologies, factories, commercial buildings and medical institutions.

The following table sets forth the breakdown of our revenue by scenarios for the periods indicated:

Scenarios	2025 RMB'000	Percentage	2024 RMB'000	Percentage
Hotels	243,881	81.0%	203,120	83.0%
Technologies	29,643	9.8%	11,384	4.7%
Factories	15,092	5.0%	3,061	1.2%
Commercial buildings	5,636	1.9%	16,210	6.6%
Medical institutions	3,219	1.1%	1,593	0.7%
Others	3,771	1.3%	9,407	3.8%
Total	301,242	100.0%	244,775	100.0%

Hotel scenarios are the main source of the revenue of the Group. During the year, the revenue from hotel scenarios was RMB243.9 million, accounting for 81.0% of the revenue, representing an increase of 20.1% as compared to RMB203.1 million in 2024. Our long-standing leading position, brand strengths and product advantages in the hotel scenarios have laid a solid foundation for our accelerated growth in these scenarios.

The revenue from technology scenarios was RMB29.6 million, accounting for 9.8% of the revenue, representing an increase of 160.4% as compared to RMB11.4 million in 2024, primarily due to the greater empowerment of the Group's ecosystem partners by leveraging the advantages of leading technologies and products. The revenue from factory scenarios was RMB15.1 million, accounting for 5.0% of the revenue, representing an increase of 393.0% as compared to RMB3.1 million in 2024, primarily due to the fact that the Group leveraged on the existing advantages of the factory scenarios and upgraded its products to meet more demand.

3. Revenue by region

The Group's revenue is primarily derived from sales to customers in Chinese mainland.

The following table sets forth the breakdown of our revenue by region for the periods indicated:

Nature of Customers	2025 RMB'000	Percentage	2024 RMB'000	Percentage
Chinese mainland	282,183	93.7%	234,852	95.9%
Other countries or regions	19,059	6.3%	9,923	4.1%
Total	301,242	100.0%	244,775	100.0%



Management Discussion and Analysis

During the year, the revenue from the Chinese mainland amounted to RMB282.2 million, accounting for 93.7% of revenue, representing an increase of 20.2% compared with RMB234.9 million in 2024. We continued to strengthen the expansion of overseas markets. During the year, the revenue from sales in other countries or regions reached RMB19.1 million, accounting for 6.3% of revenue, representing an increase of 92.1% compared with RMB9.9 million in 2024.

Cost of Sales

During the year, the Group's cost of sales was RMB187.9 million, representing an increase of RMB49.5 million or 35.8% as compared to RMB138.4 million in 2024. The growth of the cost of sales mainly changes synchronously with the growth of revenue.

Gross Profit and Gross Margin

During the year, the Group achieved a gross profit of RMB113.4 million, representing an increase of RMB6.9 million as compared to RMB106.4 million in 2024. The gross margin decreased from 43.5% in 2024 to 37.6% in 2025, representing a decrease of 5.9%. The fluctuation in gross profit margin was mainly attributable to the strategic adjustment of product mix. To further consolidate the Group's leading position in hotel scenario, the Group proactively promoted product portfolios with stronger market penetration, which are highly competitive with relatively low average selling price and profit margin.

R&D Expenses

During the year, R&D expenses amounted to RMB62.2 million, representing an increase of RMB4.8 million or 8.3% as compared to RMB57.4 million in 2024. The increase in R&D expenses is mainly due to the Company's continued increase in R&D investment in key technologies, which led to forward-looking investments.

Selling and Marketing Expenses

During the year, selling and marketing expenses amounted to RMB87.9 million, representing an increase of RMB29.8 million or 51.1% as compared to RMB58.2 million in 2024. The significant increase in the selling and marketing expenses is mainly due to the Company's increased efforts in market expansion, channel construction and brand investment and its active exploration of emerging businesses and international investment.

Administrative Expenses

During the year, the administrative expenses amounted to RMB143.6 million, representing an increase of RMB87.5 million or 155.9% as compared to RMB56.1 million in 2024. The significant increase in administrative expenses is mainly due to the increase in share-based payments expenses and listing expenses.

Other Net Income

During the year, the other net income was RMB15.0 million, representing a decrease of RMB7.0 million or 31.9% as compared to RMB22.0 million in 2024, mainly due to the increase in exchange losses.

Impairment Losses on Trade Receivables

During the year, the impairment losses on trade receivables amounted to RMB26.1 million, representing an increase of RMB16.4 million or 169.9% as compared to RMB9.7 million in 2024. The significant increase in the impairment losses on trade receivables is mainly due to: (1) the expansion of revenue scale, resulting in a corresponding increase in the balance of trade receivables; (2) some customers have been granted longer credit periods.

Management Discussion and Analysis

Changes in the Carrying Amount of Redemption Liabilities

During the year, the changes in the carrying amount of redemption liabilities amounted to RMB103.8 million, representing a decrease of RMB28.1 million or 21.3% as compared to RMB131.9 million in 2024. The changes are mainly due to the derecognition of redemption liabilities due to the termination of redemption rights granted for investors upon listing, which caused us to cease to recognize changes in their carrying amounts.

Loss for the Year

During the year, the Group incurred a loss for the year amounting to RMB295.2 million, representing an increase of RMB110.2 million or 59.6% as compared to the loss of RMB185.0 million in 2024. The increase in the loss is mainly due to the increase in expenses during the above period.

Non-IFRS Measure

To supplement our financial information, which is presented in accordance with IFRS Accounting Standards, we also provide adjusted net loss as a non-IFRS measure, which is not required by, or presented in accordance with, the IFRS Accounting Standards. We believe that this non-IFRS measure facilitates comparisons of results of operations from period to period, aiming to provide useful information to investors in understanding and evaluating our results of operations in the same manner it helped our management. However, our presentation of adjusted net loss (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The application of the non-IFRS measure has limitations as an analytical tool, and you should not consider it in isolation from, or as substitute for analysis of, our results of operations or financial condition as reported under IFRS Accounting Standards.

We define adjusted net loss (non-IFRS measure) as loss for the year adjusted by adding back listing expenses, share-based payments expenses and changes in the carrying amount of redemption liabilities. Listing expenses are expenses relating to the Listing. The share-based payment expenses relate to share awards granted by us to participants of the Share Incentive Scheme and are non-cash in nature. Changes in the carrying amount of redemption liabilities are related to the redemption right granted to our Pre-IPO Investors and are non-cash in nature. Such redemption liabilities are reclassified from liabilities to equity upon Listing.

	2025 RMB'000	2024 RMB'000
Loss for the year	(295,232)	(184,963)
– Listing expenses	37,047	3,238
– Share-based payments expenses	41,286	22,297
– Changes in the carrying amount of redemption liabilities	103,766	131,869
Adjusted net loss (non-IFRS measure)	(113,133)	(27,559)

The adjusted net loss (non-IFRS measure) attributable to equity shareholders of the Company for the year was RMB113.1 million, representing an increase of 310.5% as compared to RMB27.6 million in 2024. This was mainly because that the Company made forward-looking investments in research and development, management and sales systems based on the next stage of scale expansion: such as the introduction of high-end talents and AI upgrade; as well as investing in emerging businesses and internationalization, channel construction and brand investment.

CONTINGENT LIABILITIES

As of December 31, 2025, the Group had no material contingent liabilities.

CHARGE ON ASSETS

As of December 31, 2025, the Group had no asset mortgages.

FINANCIAL POSITION

The shareholders' equity increased from the deficit of RMB1,518.7 million as of December 31, 2024 to equity of RMB860.2 million as of December 31, 2025, mainly due to the reclassification of redemption liabilities to equity with the termination of redemption rights granted to investors upon listing in 2025 and an increase in share capital and share premiums resulting from the initial public offering in 2025.

Capital Structure, Working Capital and Financial Resources

The Company's H shares were listed on the Main Board of Hong Kong Stock Exchange on October 16, 2025. As of December 31, 2025, the Company had 62,599,638 H shares in issue with a par value of RMB1 per share and 7,153,544 unlisted shares with a par value of RMB1 per share.

In 2025, the Group maintained a sound financial position. The Group's total assets increased from RMB510.9 million as of December 31, 2024 to RMB1,054.8 million as of December 31, 2025, while the Group's total liabilities decreased from RMB2,029.6 million as of December 31, 2024 to RMB194.6 million as of December 31, 2025. The Group's debt-to-asset ratio decreased from 397.2% as of December 31, 2024 to 18.4% as of December 31, 2025. This reduction was primarily attributable to the increase in share capital and share premium resulting from the initial public offering in 2025, as well as the reclassification of redemption liabilities from liabilities into equity upon the listing.

Historically, the Group financed its working capital requirements and capital expenditures primarily through cash generated from operations, equity investments, and the net proceeds from the Company's global offering. As of December 31, 2025, the Group's cash and cash equivalents amounted to RMB233.4 million, compared to RMB105.5 million as of December 31, 2024. The Group's cash and cash equivalents primarily comprise cash and bank balances held by the Group. As of December 31, 2025, the Group's time deposits with banks were RMB595.5 million, as compared to RMB94.0 million as of December 31, 2024.

As of December 31, 2025, the vast majority of the Group's cash and cash equivalents and time deposits with banks were denominated in Renminbi, USD and Hong Kong dollars.

As of December 31, 2025, the Group had no bank borrowings.

Management Discussion and Analysis

Key Financial Ratios

The following table sets forth the Group's key financial ratios for December 31, 2025 and December 31, 2024:

Financial ratios	December 31, 2025	December 31, 2024
Current ratio	580.6%	21.3%
Debt-to-asset ratio	18.4%	397.2%

Current ratio is calculated by dividing total current assets by total current liabilities at the end of the relevant year.

Debt-to-asset ratio is calculated by dividing total liabilities by total assets at the end of the relevant year.

MARKET RISKS

The Group is exposed to various types of market risks, including fluctuations in interest rates and risk of change in industrial regulatory policies.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to the cash and bank deposits held by the Group. For the purpose of controlling the interest rate risk associated with certain cash holdings and bank deposits, interest-bearing banks, the Group mainly places them in appropriate cash and cash equivalents and time deposits with banks at fixed or floating rates.

The Group did not use any interest rate swaps to hedge its exposure to interest rate risk during the Year.

Risk of changes in industry regulatory policies

An array of laws, regulations and rules on China's robotic-based AI agent industry constitute the external regulatory and legal environment for the Company's ordinary and continuous operation and have great influence on the Company's business development, production and operation, domestic and international trade, and capital investment etc. Changes in relevant industry regulatory policies may have corresponding effects on the Company's production and operation.

Foreign exchange risk

Due to the global development of the Group's business and the establishment of overseas branches, our revenue is denominated in Renminbi, USD and Hong Kong dollars, and the proceeds from the initial public offering are denominated in Hong Kong dollars, hence the Group is exposed to foreign exchange risk to a certain extent. The Group manages its foreign exchange risk through regular review and monitoring. The Group adopts hedging measures to mitigate certain risks as and when appropriate. The directors consider that the foreign currency risk arising from the recognised assets and liabilities is minimal. The Group uses forward foreign exchange contracts to hedge part of its foreign exchange exposure. These forward foreign exchange contracts do not qualify for hedge accounting and are measured at fair value through profit or loss.

Management Discussion and Analysis

Use of Proceeds from the Global Offering

The Company was listed on the Stock Exchange on October 16, 2025. The net proceeds from the Global Offering (after deduction of the underwriting fees and commissions and expenses payable by the Company in relation to the Global Offering) amounted to approximately HK\$678.0 million (including the net proceeds of approximately HK\$95.5 million received by the Company from the exercise of the over-allotment option in November 2025).

The Company will apply the net proceeds from the Global Offering in accordance with the intended use as set out in the Prospectus. The following table sets out the intended uses of our net proceeds from the Global Offering:

Purposes	Approximate percentage of total net proceeds from the Global Offering	Net proceeds from Global Offering (HK\$ million)	Utilised net proceeds from the Global Offering as of December 31, 2025 (HK\$ million)	Unutilised net proceeds from the Global Offering as of December 31, 2025 (HK\$ million)	Expected timeline for the utilisation of the unutilised amount
For continuously enhancing our R&D capabilities	60%	406.8	15.1	391.7	By the end of 2029
For improving our commercialization capabilities in and beyond the PRC	30%	203.4	20.2	183.2	By the end of 2029
For working capital and other general corporate purposes	10%	67.8	11.2	56.6	By the end of 2029
Total		678.0	46.5	631.5	

The expected timetable for the use of the unutilised net proceeds is based on the Board's best estimate of the market conditions of the business and is subject to adjustment in light of market conditions. If there is any change in the use of the net proceeds, an appropriate announcement will be made by the Company.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in the section headed "Use of Proceeds" in the Prospectus and in the section headed "Use of Proceeds from the Global Offering" in this report, the Group did not have plan for material investments and acquisition of capital assets as at the date of this report.

Biographical Details of Directors, Supervisors and Senior Management

Executive Directors

Ms. ZHI Tao (支濤), aged 54, was appointed as our Director on August 22, 2014 and re-designated as our executive Director on February 6, 2025. She has also been the chairwoman of our Board since April 2019.

With over 15 years of industry experience, Ms. Zhi has gained in-depth understanding of the automation sector in China and acquired rich corporate management experience. Prior to the foundation of our Group, Ms. Zhi served as the chief executive officer at Beijing Yingweisi Technology Co., Ltd. (北京英維思科技有限公司) from June 2008 to December 2013. She then founded our Group and served as our supervisor from January 2014 to August 2014, the chief executive officer from August 2014 to February 2025, and has been our president since February 2025. She has also held directorship in certain subsidiaries of our Group, including Anhui Yunzhiji since August 2014 and Shanghai Renyun since May 2018.

Ms. Zhi's expertise in automation business is highly recognized nationwide, evidenced by numerous honors and awards she received, including, among others, the Excellent Technical Worker by the Chinese Association for Artificial Intelligence (CAAI) (中國人工智能學會) in 2020, the Most Innovative Hotelier of the Year by The Center of Asia Hotel Forum (亞洲酒店論壇中心) in 2019, and the third prize of Technological Invention Award of "Wu Wenjun Artificial Intelligence Technology Award" (吳文俊人工智能科學技術獎技術發明獎) in 2019. She has also held positions at a number of public offices and associations throughout her career, including the vice president of Robot Funder Club (中關村雙創服務機器人產業聯盟) elected in October 2017, the vice president of Hotel Digitalization Professional Committee of the China Hospitality Association (中國飯店協會酒店數字化專業委員會) since July 2022 and a member of the Ninth Council of Chinese Association for Artificial Intelligence (CAAI) (中國人工智能學會) since March 2025.

Ms. Zhi obtained her bachelor's degree in engineering from Xi'an Jiaotong University (西安交通大學) in July 1993 and her master's degree in business administration from University of Science and Technology of China (中國科學技術大學) in December 2003.

Mr. HU Quan (胡泉), aged 54, was appointed as our Director on August 22, 2014 and re-designated as our executive Director on February 6, 2025. He has been our general manager since our establishment and acted as our president from our establishment to February 2025. He has also been a supervisor in certain subsidiaries of our Group, including Anhui Yunzhiji since August 2014 and Shanghai Renyun since May 2018.

Mr. Hu has over 20 years of experience in corporate management. From February 2005 to May 2009, he worked at Shanghai Nielsen Market Research Co., Ltd./NetRatings China (上海尼爾森市場研究有限公司/互聯網研究) with his last position being the vice president. From June 2010 to December 2013, he was the chief operating officer at Beijing Miaozhen System Co., Ltd. (北京秒針信息諮詢有限公司).

Mr. Hu obtained his bachelor's degree in engineering geomechanics from North China University of Water Resources and Electric Power (華北水利水电大學) (formerly known as North China College of Water Resources and Electric Power (華北水利水电學院)) in July 1993.



Biographical Details of Directors, Supervisors and Senior Management

Mr. LI Quanyin (李全印), aged 43, was appointed as our Director on April 27, 2020 and re-designated as our executive Director on February 6, 2025. He acted as our technical director from our establishment to February 2016 and our chief product officer from March 2016 to February 2025, and has been our chief executive officer since February 2025. He has also held key positions in certain subsidiaries of our Group, including an executive director of Suzhou Yunji since September 2021 and an executive director and manager of Beijing Yunxuan since March 2020.

Mr. Li has approximately 20 years of experience in internet technology and over 10 years of experience in robotic project management. He worked as a software development engineer at ForSure Inc. (北京富訊盈科網絡技術有限公司) from April 2008 to November 2008. Subsequently, he was a vice director of product department at Beijing Miaozen System Co., Ltd. (北京秒針信息諮詢有限公司) till January 2014.

Mr. Li obtained his bachelor's degree in computer science and technology from Nankai University (南開大學) in June 2006 and his master's degree in business administration from Peking University (北京大學) in June 2019. Mr. Li was also admitted by the school of automation of Beijing Institute of Technology (北京理工大學) in September 2024 to study artificial intelligence and is currently a candidate for a doctoral degree.

Non-executive Director

Mr. WU Minghui (吳明輝), aged 44, was appointed as our Director on January 29, 2014 and re-designated as our non-executive Director on February 6, 2025.

Mr. Wu has over 20 years of experience in software development and algorithm research and over 18 years of experience in the big data and AI industries. As a co-founder of our Company, he has been a shareholder and served as a Director since our foundation. Mr. Wu is the founder, executive director, chairman of the board, chief executive officer and chief technology officer of Leading Smart Holdings Limited (匯智控股有限公司) and currently serves as an entrepreneurship mentor at Peking University (北京大學) and Renmin University of China (中國人民大學).

Mr. Wu received a bachelor's degree in mathematics in June 2004 and a master's degree in computer science in July 2007 from Peking University (北京大學), where he is also pursuing a Ph.D. degree in electronics and information.

Biographical Details of Directors, Supervisors and Senior Management

Independent Non-executive Directors

Mr. ZHANG Lihua (張立華), aged 54, was appointed as our independent Director on December 6, 2021 and re-designated as our independent non-executive Director on February 6, 2025.

Mr. Zhang has over 20 years of experience in technological industries and over 10 years of experience in corporate management. He joined AGEIA Technologies in December 2002 where he served as a principal engineer and a director of engineering and left in February 2008. From February 2008 to December 2010, he worked at NVIDIA Corporation (stock code: NVDA.NASDAQ) as a senior manager. Then, he joined MulticoreWare and worked as the vice president and general manager of imaging and professional services business. Subsequently, Mr. Zhang founded Changchun Boli Electronics Co., Ltd. (長春博立電子科技有限公司) in August 2011, where he served as a supervisor till November 2019 and the chairman of the board since then. He has also been a distinguished professor, doctoral supervisor and vice president of the institute of engineering and applied technology (工程與應用技術研究院) and the executive vice president of the institute of intelligent robots (智能機器人研究院) of Fudan University (復旦大學) since September 2017.

Mr. Zhang is a well-regarded figure and holds positions at a number of public offices and associations throughout his career. He is the chairman of the Human-machine Fusion Intelligence Professional Committee of the Chinese Association for Artificial Intelligence (CAAI) (中國人工智能學會人機融合智能專業委員會). He is also the deputy director of Engineering Research Center of Intelligent Robot Ministry of Education (智能機器人教育部工程研究中心) and a member of the National Beacon Committee's Biometric Identification Subcommittee (SAC/TC28/SC37) (全國信息技術標準化技術委員會生物特徵識別分技術委員會) and the leader of the Behavior Identification Working Group (行為識別工作組). Mr. Zhang is also the deputy leader of the Medical and Engineering Technology Transformation and Application Group of the Management Branch of the China Medical Equipment Association (中國醫學裝備協會管理分會醫學與工程技術轉化應用學組).

Mr. Zhang obtained his bachelor's degree in automatic control from Tsinghua University (清華大學) in July 1994 and his master's degree and doctoral degree in control theory and control engineering from Tsinghua University (清華大學) in June 2000. Mr. Zhang was recognized as a senior engineer by the Human Resources and Social Security Bureau of Jilin province in January 2019.



Biographical Details of Directors, Supervisors and Senior Management

Mr. LAI Yung Yuet (黎勇越), aged 59, was appointed as our independent non-executive Director on February 6, 2025.

Mr. Lai has over 30 years of experience in technological industries. From September 1993 to June 1995, Mr. Lai was the team leader in Dow Jones Telerate (Australia) Pty Limited. He then worked as an information technology manager at MTEL International Inc. from December 1995 to March 1998. From April 1998 to December 1999, he worked at LHS Hong Kong Limited as the pre-sales team leader of North Asia. Subsequently, he served at DreamMotor.com as the vice president of information technology department from December 1999 to February 2001. From March 2001 to July 2001, Mr. Lai was a pre-sales consultant at Logica Limited. After that, he joined Deloitte & Touche Management Solutions Ltd and worked as a senior manager from June 2002 to January 2004. From June 2004 to December 2004, he was a senior consulting manager at CyberNET Group Limited. Mr. Lai then joined Langham Hotels International Limited as a group director of information technology in January 2005 and has been the vice president of information technology since March 2008.

Mr. Lai obtained his bachelor's degree in science from University of Wisconsin-Madison in May 1989, his master's degree in commerce from University of New South Wales in October 1994 and his postgraduate diploma of business administration from Warwick Business School in March 2008. He holds the globally recognized qualification named Certified Information System Security Professional and he was accredited as a Microsoft Certified System Engineer by Microsoft. Mr. Lai was also admitted as a member of the Australian Computer Society in December 1994.

Mr. WANG Fangjun (汪方軍), aged 50, was appointed as our independent non-executive Director on February 6, 2025.

Mr. Wang has gained in-depth understanding of accounting policy with his over 20 years of experience in teaching and research on accounting. Mr. Wang has been working at the school of management of Xi'an Jiaotong University (西安交通大學) since January 2004, where he successively served as a lecturer, an associate professor and a professor.

Mr. Wang served as an independent director and the chairman of the audit committee of several listed companies, including (i) Tande Co., Ltd. (天地源股份有限公司) (stock code: 600665.SH) from December 2015 to July 2022; (ii) Yangling Metron New Material Co., Ltd. (楊凌美暢新材料股份有限公司) (stock code: 300861.SZ) from February 2018 to March 2024; (iii) AVIC Chengdu Aircraft Company Limited (中航成飛股份有限公司) (formerly known as Zhonghang Electronic Measuring Instruments Co., Ltd. (中航電測儀器股份有限公司)) (stock code: 302132.SZ) from April 2018 to January 2025; and (iv) Xi'an Qujiang Cultural Tourism Co., Ltd. (西安曲江文化旅遊股份有限公司) (stock code: 600706.SH) from September 2018 to March 2024.

Mr. Wang has profound influence in accounting field, evidenced by numerous honors and awards he received. He received Wang Kuancheng Educational Talent Award (王寬誠育才獎) and The Ninth Teaching Excellence Award (第九屆教學卓越獎) granted by Xi'an Jiaotong University (西安交通大學) in September 2012 and August 2024, respectively. He also won the ACCA Teaching Excellence Award 2013 (ACCA 2013 年度優秀專業指導教師) in November 2013.

Mr. Wang obtained his bachelor's degree in auditing, his master's degree in accounting and his doctoral degree in business administration from Xi'an Jiaotong University (西安交通大學) in July 1995, March 2000 and November 2003, respectively. He was recognized as the professor in accounting by the Human Resources and Social Security Bureau of Shaanxi province in November 2021 and obtained the qualification as an independent director for listed companies issued by the Shanghai Stock Exchange in January 2016.

Biographical Details of Directors, Supervisors and Senior Management

BIOGRAPHICAL DETAILS OF SUPERVISORS AND SENIOR MANAGEMENT SUPERVISORS

Ms. Ai Baoshu (艾寶書), aged 58, joined our Group in August 2015 as the director of supply chain and has been a Supervisor and the chairwoman of the Board of Supervisors since November 2021.

Ms. Ai has approximately 25 years of experience in the automation industry. From December 2000 to July 2006, she worked at Beijing SE Potevio Mobile Communications Co., Ltd. (北京索愛普天移動通信有限公司). From August 2006 to November 2014, she worked at Beijing Lite-On Mobile Electronic and Telecommunication Components Co., Ltd. (北京光寶移動電子電信部件有限公司). Subsequently, she worked at Beijing Shouxing Hezhong Technology Co., Ltd. (北京首興合眾科技有限公司) before she joined our Group in August 2015.

Ms. Ai obtained her bachelor's degree in computer and applications from Yanshan University (燕山大學) (formerly known as Northeastern Heavy Machinery Institute (東北重型機械學院)) in July 1991. She was admitted as an Intermediate Engineer in Computer and Automatic Control (計算機與自控中級工程師) by the Intermediate Professional and Technical Position Evaluation Committee of Beijing (北京市中級專業技術職務評審委員會) in November 1996.

Mr. Zhang Wei (張偉), aged 37, was appointed as a Supervisor of the Company in April 2026. Since December 2024, Mr. Zhang has been serving as the assistant to the general manager of Suzhou New District State-owned Capital Holding Group Co., Ltd. Regarding his previous experience, Mr. Zhang held various positions of staff member and deputy section chief in the Internal Control Department at Suzhou New District Economic Development Group Corporation* (now renamed as Suzhou SND Group Co., Ltd.) from July 2013 to December 2018. From May 2017 to December 2019, he served as the deputy finance director of Suzhou Xingang Property Services Co., Ltd.* (now renamed as Suxin Joyful Life Services Co., Ltd., which has been listed on the Stock Exchange since 2022 with stock code: 2152). Subsequently, from December 2019 to October 2021, he held various positions including vice financial director and Level-2 financial director at Suzhou SND Technology Industry Development Co., Ltd. From October 2021 to April 2022, he served as assistant to director of the Internal Control Department at Suzhou SND Group Co., Ltd. From April 2022 to December 2024, he served as deputy director of the Internal Control and Legal Affairs Department of Suzhou SND Group Co., Ltd. Meanwhile, seconded to the Audit Division of the General Office of the National Development and Reform Commission of the People's Republic of China, he worked there from October 2023 to October 2024. Mr. Zhang obtained a bachelor's degree and a master's degree in management from Nanjing University in June 2010 and June 2013, respectively. Mr. Zhang is a Senior Accountant and Intermediate Economist.

Mr. XUE Jinlong (薛金龍), aged 43, joined our Group in February 2018 as the director of internal audit and has been a Supervisor since November 2021. He has also been a supervisor in certain subsidiaries of our Group, including Shenzhen Yunzhiji since October 2018, Chengdu Yunkuo since February 2021, Beijing Zhengzhi since June 2024 and Henan Yunji since October 2024.

* For identification purpose only



Biographical Details of Directors, Supervisors and Senior Management

Mr. Xue has over 10 years of experience in financial accounting. Prior to joining our Group, he worked at Huapu Tianjian Consulting (Beijing) Co., Ltd. (華普天健諮詢(北京)有限公司) from January 2011 to March 2014. Then, he served as a financial manager at Inner Mongolia Mengdu Sheep Industry Food Co., Ltd. (內蒙古蒙都羊業食品股份有限公司). Subsequently, he worked at Haining Huali Audiovisual Film and Television Culture Co., Ltd. (海寧華麗視聽影視文化有限公司) from November 2016 to October 2017.

Mr. Xue obtained his bachelor's degree in international economics and trade from Shenyang Aerospace University (瀋陽航空航天大學) in July 2005. He has been a non-practicing certified public accountant (非執業註冊會計師) certified by Beijing Institute of Certified Public Accountants since October 2017.

SENIOR MANAGEMENT

Ms. ZHI Tao (支濤), see “Executive Directors” for her detailed background.

Mr. HU Quan (胡泉), see “Executive Directors” for his detailed background.

Mr. LI Quanyin (李全印), see “Executive Directors” for his detailed background.

Mr. ZHOU Chuanbo (周傳波), aged 47, joined our Group in January 2025 and has served as our chief financial officer since then.

Mr. Zhou has more than 20 years of experience in financial management and accounting and over eight years in capital market affairs management. Prior to joining our Group, Mr. Zhou was a senior associate in PricewaterhouseCoopers China from August 2004 to April 2007. From April 2007 to April 2008, he worked at Maersk (China) Ltd. (馬士基(中國)有限公司) as a deputy financial manager. Subsequently, he worked as an accounting manager of the finance department at TMT Multi Modal Transportation Company Limited (上海鐵洋多式聯運有限公司), a joint venture of A.P. Moller Maersk Group from April 2008 to February 2009. From April 2009 to June 2014, he worked at China Risun Group Limited (中國旭陽集團有限公司) (formerly known as China Risun Coal Chemicals Group Limited (中國旭陽煤化工集團有限公司) (stock code: 1907.HK) as a general manager of the finance department and company secretary department and also served as the company secretary. He then served at China New Higher Education Group (中國新高教集團有限公司) (stock code: 2001.HK) as the financial director till December 2016. From January 2017 to December 2018, he worked at Leysen Jewellery Inc. (萊紳通靈珠寶股份有限公司) (stock code: 603900.SH) with his last position as the financial head. Mr. Zhou joined IVD Medical Holding Limited (華檢醫療控股有限公司) (stock code: 1931.HK) in March 2019 and worked as the chief financial officer until March 2024, responsible for the overall financial management and capital market, where he subsequently acted as the vice president from March 2024 to January 2025, primarily responsible for investing and financing affairs and capital market affairs management.

Mr. Zhou obtained his bachelor's degree in international finance and his master's degree in economics majoring in international trade from Beihang University (北京航空航天大學) in July 2001 and March 2004, respectively. He was qualified as a chartered accountant in January 2004 in the PRC, and was admitted as a member of the Association of Chartered Certified Accountants in September 2010 and the Hong Kong Institute of Certified Public Accountants in October 2013.

Biographical Details of Directors, Supervisors and Senior Management

Ms. LIU Ying (劉瑩), aged 41, joined our Group in December 2020 and served as our financial director from December 2020 to December 2022. She was appointed as our Board secretary in November 2021 and our financial vice president in January 2023. She was also appointed as our joint company secretary on January 24, 2025 with effect from the Listing Date. Ms. Liu was appointed as the Co-CFO of the Company in March 2026. She has been a supervisor of Hainan Yunji since May 2021.

Ms. Liu has more than 15 years of experience in accounting and financial management. Prior to joining our Group, Ms. Liu was an accountant in Shell China Exploration and Production Co., Ltd. (殼牌中國勘探與生產有限公司) from November 2007 to August 2009. From November 2009 to October 2016, she was a financial manager at Lenovo (Beijing) Limited (聯想(北京)有限公司). Subsequently, she was a vice financial director at Leshi Internet Information & Technology (Beijing) Co., Ltd. (樂視網信息技術(北京)股份有限公司) from November 2016 to November 2017. She then served as a financial director at Xinjiang Liuyi Cultural Industry Development Co., Ltd. (新疆六藝文化產業發展有限公司) (formerly known as Xinjiang Liuyi Film and Television Media Co., Ltd. (新疆六藝影視傳媒股份有限公司)) from January 2018 to December 2020.

Ms. Liu obtained her bachelor's degree in economics and mathematics from University of Toronto in November 2007 and her master's degree in applied finance from Macquarie University in October 2021. She was admitted as a fellow member of CPA Australia in December 2022. She also obtained the Qualification Certificate of Board Secretary from the Shanghai Stock Exchange in February 2023.

JOINT COMPANY SECRETARIES

Ms. LIU Ying (劉瑩) is the joint company secretary of our Company. See “—Senior Management” for her detailed background.

Ms. NG Wai Kam (伍偉琴) was appointed as one of the joint company secretaries of our Company on January 24, 2025 with effect from the Listing Date. Ms. Ng has more than 10 years of experience in the company secretarial field. She is currently a senior manager of company secretarial services of Tricor Services Limited, where she is responsible for providing corporate secretarial and compliance services to Hong Kong listed companies as well as multinational, private and offshore companies. Ms. Ng is a chartered secretary, a chartered governance professional, an associate of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.

Ms. Ng obtained her bachelor's degree in business administration from Hong Kong Shue Yan University (香港樹仁大學) in July 2011.



Corporate Governance Report

The board (the “Board”) of directors (the “Directors”) of the Company is pleased to report to the shareholders of the Company (the “Shareholders”) on the corporate governance of the Company for the year ended 31 December 2025.

CORPORATE GOVERNANCE CULTURE AND VALUE

The Company is committed to ensuring that its affairs are conducted in accordance with high ethical standards. This reflects its belief that, in the achievement of its long-term objectives, it is imperative to act with probity, transparency and accountability. By so acting, the Company believes that Shareholder wealth will be maximised in the long term and that its employees, those with whom it does business and the communities in which it operates will all benefit.

Corporate governance is the process by which the Board instructs management of the Group to conduct its affairs with a view to ensuring that its objectives are met. The Board is committed to maintaining and developing robust corporate governance practices that are intended to ensure:–

- satisfactory and sustainable returns to Shareholders;
- that the interests of those who deal with the Company are safeguarded;
- that overall business risk is understood and managed appropriately;
- the delivery of high-quality products and services to the satisfaction of customers; and
- that high standards of ethics are maintained.

CORPORATE GOVERNANCE PRACTICES

The Board is committed to achieving good corporate governance standards.

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

The Company has adopted the principles and code provisions of the Corporate Governance Code (the “CG Code”) contained in Appendix C1 of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) as the basis of the Company’s corporate governance practices.

The Company’s Shares have been listed on the Main Board of the Stock Exchange since 16 October 2025 (the “Listing Date”). The Company has in place a corporate governance framework and has established a set of policies and procedures based on the CG Code contained in Appendix C1 of the Listing Rules on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Such policies and procedures provide the infrastructure for enhancing the Board’s ability to implement governance and exercise proper oversight on business conduct and affairs of the Company.

Corporate Governance Report

In the opinion of the Directors, the Company has complied with all the applicable code provisions as set out in the CG Code during the period from the Listing Date to 31 December 2025. The Company will continue to review and monitor its corporate governance practices to ensure compliance with CG code.

The Company has also put in place certain recommended best practices as set out in the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix C3 to the Listing Rules since the Listing Date.

Specific enquiry has been made of all the Directors and the Directors have confirmed that they have complied with the Model Code during the period from the Listing Date to 31 December 2025.

The Company also requires officers and employees of the Group who, because of such office or employment, is likely to possess inside information in relation to the Company or its securities, be also bound by the Model Code, which prohibits them to deal in securities of the Company at any time when he/she possesses inside information in relation to those securities. No incident of non-compliance of the Model Code by the relevant officers and employees was noted by the Company for the period from the Listing Date to the date of this report.

BOARD OF DIRECTORS

The Company is headed by an effective Board which assumes responsibility for its leadership and control and be collectively responsible for promoting the Company’s success by directing and supervising the Company’s affairs. Directors take decisions objectively in the best interests of the Company.

The Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company’s business and regularly reviews the contribution required from a Director to perform his responsibilities to the Company and whether the Director is spending sufficient time performing them that are commensurate with their role and the Board responsibilities. The Board includes a balanced composition of Executive Directors and Non-executive Directors (including Independent Non-executive Directors) so that there is a strong independent element on the Board, which can effectively exercise independent judgement.

Board Composition

The Board currently comprises seven Directors, consisting of three Executive Directors, namely Ms. Zhi Tao, Mr. Hu Quan and Mr. Li Quanyin, a Non-executive Director, namely Mr. Wu Minghui, and three Independent Non-executive Directors, namely Mr. Zhang Lihua, Mr. Lai Yung Yuet and Mr. Wang Fangjun. Ms. Zhi Tao is the Chairwoman.

The Board currently comprises the following Directors: –

Executive Directors

Ms. Zhi Tao (*Chairwoman*)

Mr. Hu Quan

Mr. Li Quanyin (*Chief Executive Officer*)

Non-executive Directors

Mr. Wu Minghui

Independent Non-executive Directors

Mr. Zhang Lihua

Mr. Lai Yung Yuet

Mr. Wang Fangjun

Each of our Directors confirms that he or she (i) has obtained the legal advice referred to under Rule 3.09D of the Listing Rules on 24 February 2025, and (ii) understands his or her obligations as a director of a listed issuer under the Listing Rules. The Company has entered into formal service agreements and letters of appointment with its executive directors, non-executive directors and independent non-executive directors respectively, setting out the principal terms and conditions of their respective appointments. Pursuant to the Articles of Association, each Director shall be appointed for a term of three years, subject to re-election upon expiry of the term.

The biographical information of the Directors is set out in the section headed “Biographical Details of Directors, Supervisors and Senior Management” of this Annual Report. The relationships between the Directors are disclosed in the respective Director’s biography under the section “Biographical Details of Directors, Supervisors and Senior Management” of this Annual Report. Save as disclosed above, there is no relationships (including financial, business, family or other material/relevant relationship(s)) between the Board members and in particular, between the Chairwoman and the Chief Executive Officer.

Corporate Governance Report

Directors' Attendance Records

Name of Director	Attendance/Number of Meetings			
	Board	Audit Committee	Remuneration Committee	Nomination Committee
Executive Directors				
Ms. Zhi Tao	2/2	N/A	N/A	N/A
Mr. Hu Quan	2/2	N/A	N/A	N/A
Mr. Li Quanyin	2/2	N/A	N/A	N/A
Non-executive Directors				
Mr. Wu Minghui	2/2	1/1	N/A	N/A
Ms. Ma Hong (Resigned on February 27, 2026)	1/2	N/A	N/A	N/A
Independent Non-executive Directors				
Mr. Zhang Lihua	2/2	N/A	N/A	N/A
Mr. Lai Yung Yuet	2/2	1/1	N/A	N/A
Mr. Wang Fangjun	2/2	1/1	N/A	N/A

Board Meetings

Regular Board meetings should be held at least four times a year involving active participation, either in person or through electronic means of communication, of a majority of Directors. As the Company was listed on the Main Board of the Stock Exchange on 16 October 2025, the period during which the Board of Directors performed its statutory and governance duties does not constitute a full financial year. During this period, the Board convened two formal meetings to duly discharge its responsibilities and review and approve all key matters. In addition, through regular receipt of management reports and various informal yet efficient communication methods such as teleconferences, Board members ensured the continuous and effective performance of the Board's governance functions.

Responsibilities, Accountabilities and Contributions of the Board and Management

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

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

All Directors, including Non-executive Directors and 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 appropriate 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.

Chairman and Chief Executive Officer

The positions of Chairman and Chief Executive Officer are held by Ms. Zhi Tao and Mr. Li Quanyin respectively. The Chairman provides leadership and is responsible for the effective functioning and leadership of the Board. The Chief Executive Officer focuses on the Company's business development and daily management and operations generally.

Independent Non-executive Directors

During the period from the Listing Date to the year ended 31 December 2025, the Board 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 received written annual confirmation from each of the Independent Non-executive Directors in respect of his independence in accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules. The Company is of the view that all Independent Non-executive Directors are independent.

Board Independence Evaluation

The Company has established a Board Independence Evaluation Mechanism the period from the Listing Date and up to 31 December 2025 which sets out the processes and procedures to ensure a strong independent element on the Board, which allows the Board effectively exercises independent judgment to better safeguard Shareholders' interests.

The Board Independence Evaluation Mechanism is available on the website of the Company.

The objectives of the evaluation are to improve Board effectiveness, maximise strengths, and identify the areas that need improvement or further development. The evaluation process also clarifies what actions of the Company need to be taken to maintain and improve the Board performance, for instance, addressing individual training and development needs of each Director.

Corporate Governance Report

Pursuant to the Board Independence Evaluation Mechanism, the Board will conduct annual review on its independence. The Board Independence Evaluation Report will be presented to the Board which will collectively discuss the results and the action plan for improvement, if appropriate.

During the period from the Listing Date to the year ended 31 December 2025, all Directors has completed the independence evaluation in the form of a questionnaire individually and supplemented by individual interviews. The Board Independence Evaluation Report was presented to the Board and the evaluation results were satisfactory.

During the period from the Listing Date to the year ended 31 December 2025, the Board reviewed the implementation and effectiveness of the Board Independence Evaluation Mechanism and the results were satisfactory.

Appointment and Re-election of Directors

Directors serve three-year terms, and the Director can be re-elected and reappointed at the end of the term. The term of office of a Director shall be calculated from the date of appointment until the expiration of the term of office of the current Board of Directors. If the term of office of a Director expires without timely re-election, the original Director shall still perform the duties of a Director in accordance with laws, administrative regulations, departmental rules, regulatory rules of the place where the Company's shares are listed ("the Listing Place Rules") and the provisions of these Articles of Association before the newly elected Director takes office.

The term of office of the directors shall be provided for by the Articles of Association, but each term of office shall not exceed three years. A director may seek re-election upon expiry of the said term. A director shall continue to perform his/her duties as a director in accordance with the laws, administrative regulations and the Articles of Association until a duly re-elected director takes office, if re-election is not conducted in a timely manner upon the expiry of his/her term of office or if the resignation of directors results in the number of directors being less than the quorum. Where a director resigns, he/she shall notify the company in written form, and the resignation shall become effective on the day when the company receives the notice.

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 has received a formal and comprehensive 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. Such induction shall be supplemented by visits to the Company's key plant sites and meetings with senior management of the Company.

Directors should participate in appropriate continuous professional development to develop and refresh their knowledge and skills. Internally-facilitated briefings for Directors would be arranged and reading material on relevant topics would be provided to Directors where appropriate.



Corporate Governance Report

All Directors are encouraged to attend relevant training courses at the Company's expenses.

During the period from the Listing Date to the year ended 31 December 2025, the Company organized training sessions conducted by the qualified professionals/legal advisers for all Directors. The training sessions covered a wide range of relevant topics including Directors' duties and responsibilities, corporate governance and regulatory updates. In addition, relevant reading materials including compliance manual/legal and regulatory updates/seminar handouts have been provided to the Directors for their reference and studying.

The training records of the Directors for the period from the Listing Date to the year ended 31 December 2025 and up to date of this Annual Report are summarized as follows:

Directors	Type of Training ^{Note}
<i>Executive Directors</i>	
Ms. Zhi Tao	*B
Mr. Hu Quan	*B
Mr. Li Quanyin	*B
<i>Non-Executive Directors</i>	
Mr. Wu Minghui	*B
Ms. Ma Hong (resigned on 27 February 2026)	*B
<i>Independent Non-Executive Directors</i>	
Mr. Zhang Lihua	*B
Mr. Lai Yung Yuet	*B
Mr. Wang Fangjun	*A/B

Note:

Types of Training

A: *Attending training sessions, including but not limited to briefings, seminars, conferences and workshops*

B: *Reading relevant news alerts, newspapers, journals, magazines and relevant publications*

Corporate Governance Report

BOARD COMMITTEES

Our Board delegates certain responsibilities to various committees. In accordance with the relevant PRC laws and regulations and the Corporate Governance Code as set out in Appendix C1 to the Listing Rules, our Company has established three committees, namely, the Audit Committee, the Remuneration Committee and the Nomination Committee, for overseeing particular aspects of the Company's affairs. All Board committees of the Company are established with specific written terms of reference which deal clearly with their authority and duties. The terms of reference of the Audit Committee, Remuneration Committee and Nomination Committee are posted on the Company's website and the Stock Exchange's website and are available to Shareholders upon request.

Audit Committee

We have established an Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The Audit Committee consists of three Directors, namely Mr. Wang Fangjun, Mr. Lai Yung Yuet and Mr. Wu Minghui. The chairperson of the Audit Committee is Mr. Wang Fangjun, who holds the appropriate accounting and related financial management expertise as required under Rules 3.10(2) and 3.21 of the Listing Rules.

The terms of reference of the Audit Committee are of no less exacting terms than those set out in the CG Code.

The primary duties of the Audit Committee include but are not limited to:

- making recommendations to our Board on the appointment, reappointment and removal of external auditor, monitoring the external auditor's independence and evaluating the effectiveness of the audit process and their performance;
- monitoring integrity of our financial statements and annual report and accounts, half-year report and, if prepared for publication, quarterly reports, and reviewing significant financial reporting judgements contained therein;
- reviewing and discussing the financial reporting system, risk management and internal control systems;
- coordinating the communication among management, internal audit department, related departments and external auditor; and
- other responsibilities as authorized by our Board or required by the relevant laws and regulations.

During the period from the Listing Date to December 31, 2025, the Audit Committee held one meeting to review the significant issues on operational and compliance controls, the effectiveness of the risk management and internal control systems and internal audit function, appointment of external auditors and engagement of non-audit services, discussion on 2025 Audit Plan and relevant scope of works and arrangements for employees to raise concerns about possible improprieties.

The Audit Committee also met the external auditors KPMG without the presence of the Executive Directors.

Remuneration Committee

We have established a Remuneration Committee with written terms of reference in compliance with the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The Remuneration Committee consists of three Directors, namely Mr. Zhang Lihua, Mr. Wang Fangjun and Ms. Zhi Tao. The chairperson of the Remuneration Committee is Mr. Zhang Lihua.

The terms of reference of the Remuneration Committee are of no less exacting terms than those set out in the CG Code.

The primary duties of the Remuneration Committee include but are not limited to:

- making recommendations to our Board on the policy and structure for the remuneration of Directors, Supervisors and senior management and on the establishment of a formal and transparent procedure for developing remuneration policy;
- making recommendations to our Board on the remuneration packages of executive Directors, Supervisors and senior management and the remuneration of non executive Directors;
- reviewing and approving compensation payable to executive Directors, Supervisors and senior management of our Company 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;
- reviewing and approving 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; and
- review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules.

As the Company was listed on the Main Board of the Stock Exchange on 16 October 2025, no Remuneration Committee meeting was held during the year ended December 31, 2025.

The remuneration of the senior management (excluding Executive Directors), whose biographical details are included in section headed “Biographical Details of Directors, Supervisors and Senior Management” of this Annual Report, during the year falls within the following bands:

Remuneration Bands (RMB)	Number of Senior Management
2,500,001 to 3,000,000	1
3,000,001 to 3,500,000	1
3,500,001 to 4,000,000	1
10,500,001 to 11,000,000	1

Corporate Governance Report

The Company's remuneration policy is to ensure that the remuneration offered to employees, including Directors and senior management, is based on skill, knowledge, responsibilities and involvement in the Company's affairs. The remuneration packages of Executive Directors are also determined with reference to the Company's performance and profitability, the prevailing market conditions and the performance or contribution of each Executive Director. The remuneration for the Executive Directors comprises basic salary, pensions and performance/discretionary bonus. Executive Directors shall receive awards to be granted under the Company's share award scheme. The remuneration policy for Non-Executive Directors and Independent Non-executive Directors is to ensure that Non-Executive Directors and Independent Non-executive Directors are adequately compensated for their efforts and time dedicated to the Company's affairs, including their participation in Board committees. The remuneration for the Non-Executive Directors and Independent Non-executive Directors mainly comprises Director's fee which is determined with reference to their duties and responsibilities by the Board. Non-Executive Directors and Independent Non-executive Directors shall not receive awards to be granted under the Company's share award scheme. Individual Directors and senior management have not been involved in deciding their own remuneration.

Nomination Committee

We have established a Nomination Committee with written terms of reference in compliance with the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The Nomination Committee consists of three members, namely Ms. Zhi Tao, Mr. Zhang Lihua and Mr. Wang Fangjun. The chairperson of the Nomination Committee is Ms. Zhi Tao.

The terms of reference of the Nomination Committee are of no less exacting terms than those set out in the CG Code.

The primary duties of the Nomination Committee include but are not limited to:

- reviewing the structure, size and composition (including the skills, knowledge and experience) of our Board at least annually, assisting the Board in maintaining a board skills matrix, and making recommendations on any proposed changes to our Board to complement our Company's corporate strategy;
- identifying individuals who are suitably qualified to become Board members and selecting or making recommendations to our Board on the selection of individuals nominated for directorships;
- assessing the independence of independent non-executive Directors;
- making recommendations to the Board on the appointment or reappointment of Directors; and
- supporting our Company's regular evaluation of the Board's performance.

In assessing the Board composition, the Nomination Committee would take into account various aspects as well as factors concerning Board diversity as set out in the Company's Board Diversity Policy. The Nomination Committee would discuss and agree on measurable objectives for achieving diversity on the Board, where necessary, and recommend them to the Board for adoption.

In identifying and selecting suitable candidates for directorships, the Nomination Committee would consider the candidate's relevant criteria as set out in the Director Nomination Policy that are necessary to complement the corporate strategy and achieve Board diversity, where appropriate, before making recommendation to the Board.

As the Company was listed on the Main Board of the Stock Exchange on 16 October 2025, no Nomination Committee meeting was held during the year ended 31 December 2025.

Board Diversity Policy

The Company has adopted a Board Diversity Policy which sets out the approach to achieve diversity of the Board and is available on the website of the Company. The Company recognizes and embraces the benefits of having a diverse Board and sees increasing diversity at the Board level as an essential element in maintaining the Company's competitive advantage.

Pursuant to the Board Diversity Policy, the Nomination Committee reviews regularly the structure, size and composition of the Board and where appropriate, make recommendations on changes to the Board to complement the Company's corporate strategy and to ensure that the Board maintains a balanced diverse profile. In relation to reviewing and assessing the Board composition, the Nomination Committee is committed to diversity at all levels and will consider a number of aspects, including but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge and regional and industry experience.

The Company aims to maintain an appropriate balance of diversity perspectives that are relevant to the Company's business growth and is also committed to ensuring that recruitment and selection practices at all levels (from the Board downwards) are appropriately structured so that a diverse range of candidates are considered.

The Board will consider setting measurable objectives to implement the Board Diversity Policy and review such objectives from time to time to ensure their appropriateness and ascertain the progress made towards achieving those objectives.

An analysis of the Board's current composition based on the measurable objectives is set out below:

Gender

Male: six Directors
Female: one Director

Designation

Executive Directors: three Directors
Non-executive Directors: one Director
Independent Non-executive Directors: three Directors

Nationality

Chinese: six Directors
Australian: one Director

Age Group

41-50: three Directors
51-60: four Directors

Educational Background

Business Administration: three Directors
Account and Finance: one Director
Legal: one Director
Other: three Directors

Business Experience

Accounting & Finance: one Director
Legal: one Director
Experience related to the Company's business:
five Directors

Corporate Governance Report

The Nomination Committee and the Board considered that the current composition of Board is sufficiently diverse.

The Nomination Committee will review the Board Diversity Policy, as appropriate, to ensure its effectiveness.

Gender Diversity

The Company values gender diversity across all levels of the Group. The following table sets out the gender ratio in the workforce of the Group, including the Board and senior management as at the date of this Annual Report:

	Female	Male
Board	14.3% (1)	85.7% (6)
Senior Management	40.0% (2)	60.0% (3)
Other employees	26.4% (84)	73.6% (234)
Overall workforce	26.3% 86	73.7% 241

The Board had targeted to achieve and had achieved at least 14.3% (1) of female Directors, 40.0% (2) of female senior management and 26.3% (86) of female employees of the Group and considers that the above current gender diversity is satisfactory.

Details on the gender ratio of the Group together with relevant data can be found in the Environmental, Social and Governance Report on pages 114 of this Annual Report.

Director Nomination Policy

The Board has delegated its responsibilities and authority for selection and appointment of Directors to the Nomination Committee of the Company.

The Company has adopted a Director Nomination Policy which sets out the selection criteria and nomination process and the Board succession planning considerations in relation to nomination and appointment of Directors of the Company and aims to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the Company and the continuity of the Board and appropriate leadership at Board level.

The nomination process set out in the Director Nomination Policy is as follows:

Appointment of New Director

- (i) The Nomination Committee and/or the Board may select candidates for directorship from various channels, including but not limited to internal promotion, re-designation, referral by other member of the management and external recruitment agents.
- (ii) The Nomination Committee and/or the Board should, upon receipt of the proposal on appointment of new Director and the biographical information (or relevant details) of the candidate, evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship.
- (iii) If the process yields one or more desirable candidates, the Nomination Committee and/or the Board should rank them by order of preference based on the needs of the Company and reference check of each candidate (where applicable).
- (iv) The Nomination Committee should then recommend to the Board to appoint the appropriate candidate for directorship, as applicable.
- (v) For any person that is nominated by a Shareholder for election as a Director at the general meeting of the Company, the Nomination Committee and/or the Board should evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship.

Where appropriate, the Nomination Committee and/or the Board should make recommendations to Shareholders in respect of the proposed election of Director at the general meeting.

Re-election of Director at General Meeting

- (i) The Nomination Committee and/or the Board should review the overall contribution and service to the Company of the retiring Director and the level of participation and performance on the Board.
- (ii) The Nomination Committee and/or the Board should also review and determine whether the retiring Director continues to meet the criteria as set out above.
- (iii) The Nomination Committee and/or the Board should then make recommendation to Shareholders in respect of the proposed re-election of Director at the general meeting.

Corporate Governance Report

Where the Board proposes a resolution to elect or re-elect a candidate as Director at the general meeting, the relevant information of the candidate will be disclosed in the circular to Shareholders and/or explanatory statement accompanying the notice of the relevant general meeting in accordance with the Listing Rules and/or applicable laws and regulations.

The Director Nomination Policy sets out the criteria for assessing the suitability and the potential contribution to the Board of a proposed candidate, including but not limited to the following:

- Character and integrity;
- Qualifications including professional qualifications, skills, knowledge and experience that are relevant to the Company's business and corporate strategy;
- Diversity in all aspects, including but not limited to gender, age (18 years or above), cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service;
- Requirements of Independent Non-executive Directors on the Board and independence of the proposed Independent Non-executive Directors in accordance with the Listing Rules; and
- Commitment in respect of available time and relevant interest to discharge duties as a member of the Board and/or Board committee(s) of the Company.

During the year ended 31 December 2025, there was no change in the composition of the Board.

The Nomination Committee will review the Director Nomination Policy, as appropriate, to ensure its effectiveness.

RISK MANAGEMENT AND INTERNAL CONTROLS

The Company strictly complies with the Corporate Governance Code (the "CG Code") contained in Appendix 14 of the Listing Rules of the Stock Exchange as well as the revised requirements effective July 1, 2025. With risk management and internal controls at the core of its corporate governance, the Company has established a "three-in-one" management system integrating risk management, internal controls and compliance, so as to ensure the steady operation of its business and safeguard the interests of Shareholders and relevant stakeholders. The risk management and internal control measures are designed to manage, rather than eliminate, the risk of failing to achieve business objectives, and can only provide reasonable, but not absolute, assurance against material misstatement or loss.

Responsible Parties for Risk Management and Internal Controls

The Board of Directors bears ultimate responsibility for the effectiveness of the relevant systems. It is responsible for formulating risk management strategies, overseeing system operation and ensuring resource allocation. The Board delegates day-to-day oversight responsibilities to the Audit Committee, where independent non-executive directors constitute a majority. The management, under the supervision of the Board, is responsible for designing, implementing, and monitoring the risk management and internal control systems. It regularly reports significant risks, internal control deficiencies, and remediation progress to the Board and the Audit Committee, and strictly complies with the annual training requirements for Directors. The Internal Audit Department reports directly to the Audit Committee. It conducts independent inspections and assessments in accordance with the annual audit plan, identifies internal control deficiencies and follows up on rectification to form a closed-loop management mechanism, thereby ensuring the independence and effectiveness of supervision.

Establishment and Operation of the Risk Management System ***Risk Management Framework***

In accordance with the 2025 revised requirements of the CG Code of the Stock Exchange and relevant COSO frameworks, the Company has established a three-tier risk management framework tailored to its business characteristics, clarifying the responsibilities of parties at all levels to achieve deep integration of risk management and business development. The Company has put in place a three-tier risk management structure composed of the Board of Directors, the Audit Committee and various departments, ensuring efficient implementation of risk management from top to bottom. The Company has established a systematic risk management process covering risk identification, assessment, response and reporting. This framework ensures the orderly execution of risk control activities and safeguards the stable operation of the Company.

The Company has adopted a risk management system to manage risks associated with its business and operations. The system includes the following components:

- Risk Identification: Identifying risks that may affect the Company's operations and business.
- Risk Assessment: Analyzing the likelihood of risks and their impact on the Company's business and assessing the risk portfolio accordingly.
- Management: Determining risk management strategies and internal control procedures to prevent, avoid or mitigate risks; continuously monitoring risks and ensuring the establishment of effective and appropriate internal control procedures; and keeping the management regularly informed of the results and effectiveness of risk management and internal controls.

Establishment and Operation of the Internal Control System ***Internal Control Framework***

The Company has formulated a series of internal control policies, measures and procedures covering the five core elements including control environment and risk assessment. These are designed to provide reasonable assurance in achieving the objectives of efficient operations, reliable financial reporting, and compliance with applicable laws and regulations:

Corporate Governance Report

- (a) The Company has developed detailed policies and procedures covering R&D, sales, procurement, finance and investments, intellectual property protection, information security, environmental protection, and occupational health and safety, and provides regular training to employees on these matters. The Company regularly reviews and continuously optimizes its internal control system. The Internal Audit Department and business departments dynamically revise and improve internal control systems based on actual operating conditions.
- (b) The Company has established anti-bribery and anti-corruption management policies in its relevant rules, prohibiting bribery, fraud and corruption. The Internal Audit Department shall oversee the conduct of all employees, investigate violations and propose disciplinary recommendations in accordance with such policies.
- (c) The Company has clearly defined reporting channels and investigation and handling mechanisms in its anti-fraud management policies. Reporting channels are available on the Group's official website and in relevant contracts and are communicated to employees during new hire onboarding training, enabling stakeholders to report any improprieties potentially related to the Company in a safe, anonymous and confidential manner.
- (d) The Company has established ESG guidelines to mitigate the potential impact of ESG-related risks on its operations and other societal stakeholders. Through scientific and comprehensive policies and management systems, it effectively controls potential ESG-related risks and ensures compliance with applicable laws and regulations in all material respects.
- (e) Regarding the handling and disclosure of inside information, the Company has adopted an information disclosure management policy that clarifies the obligations of insiders, reporting procedures and the disclosure responsibilities of relevant personnel, and arranges timely self-inspections accordingly. The Company monitors potential inside information and engages intermediaries to determine whether such information constitutes inside information or requires disclosure.

The Company reviews its risk management and internal control systems annually. During the Reporting Period, the Company's management confirmed to the Board of Directors and the Audit Committee the effectiveness of the risk management and internal control systems. The Board of Directors has reviewed and believes that the Company's risk management and internal control systems for the Reporting Period are complete and adequate and have operated fully effectively in all material controls (including financial, operational, and compliance controls), sufficient to safeguard the interests of all stakeholders of the Group.

The Company has established an Internal Audit Department. The Internal Audit Department is responsible for performing independent review of the adequacy and effectiveness of the risk management and internal control systems. The Internal Audit Department examined key issues in relation to the accounting practices and all material controls and provided its findings and recommendations for improvement to the Audit Committee.

The management has reported to the Board and the Audit Committee on the effectiveness of the risk management and internal control systems for the year ended 31 December 2025. The Board concluded that the risk management and internal control systems during the Reporting Period were effective and adequate through its annual review and reviews conducted by the Internal Audit Department and the Audit Committee.

Anti-Corruption and Whistleblowing Policy

The Company has in place the Whistleblowing Policy and system for employees of the Company and those who deal with the Company to raise concerns, in confidence and anonymity, with the Audit Committee about possible improprieties in any matters related to the Company.

The Company has also in place the Anti-Fraud Policy to safeguard against corruption and bribery within the Company. The Company has an internal reporting channel that is open and available for employees of the Company to report any suspected corruption and bribery. Employees can also make anonymous reports to the internal anti-corruption department, which is responsible for investigating the reported incidents and taking appropriate measures. The Company continues to carry out anti-corruption and anti-bribery activities to cultivate a culture of integrity, and actively organizes anti-corruption training and inspections to ensure the effectiveness of anti-corruption and anti-bribery.

The Company has developed its disclosure policy which provides a general guide to the Company's Directors, senior management and relevant employees in handling confidential information, monitoring information disclosure and responding to enquiries. Control procedures have been implemented to ensure that unauthorized access and use of inside information are strictly prohibited.

DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements with the support of the accounting and finance team.

The Directors have prepared the financial statements in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board. Appropriate accounting policies have also been used and applied consistently except the adoption of revised standards, amendments to standards and interpretation.

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 Directors are of the view that they give a true and fair view of the financial position, performance and cash flow of the Group for the year ended 31 December 2025, and the disclosure of other financial information and report therein complies with relevant legal requirements.

The statement of the external auditors of the Company about their reporting responsibilities on the financial statements is set out in the Independent Auditors' Report of this Annual Report.

Corporate Governance Report

AUDITORS' REMUNERATION

The remuneration paid and payable to the external auditors of the Company in respect of audit services and non-audit services for the year ended 31 December 2025 is set out below:

Service Category	Fees Paid/Payable RMB'000
Audit Services	2,300
Services related to the Company's initial public offering*	6,255
Non-audit Services	
– other services	108
Total	8,663

* The services fee related to the Company's initial public offering were presented in the listing expenses disclosed in note 6(c) to the consolidated financial statements.

COMPANY SECRETARY

Ms. Liu Ying and Ms. Ng Wai Kam have been appointed as the Company's joint company secretaries. Ms. Ng Wai Kam is currently a senior manager of company secretarial services of Tricor Services Limited, where she is responsible for providing corporate secretarial and compliance services to Hong Kong listed companies as well as multinational, private and offshore companies. Ms. Ng is a chartered secretary, a chartered governance professional, an associate of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.

All Directors have access to the advice and services of the joint company secretaries on corporate governance and board practices and matters. Ms. Liu Ying, joint company secretary has been designated as the primary contact person at the Company which would work and communicate with Ms. Ng Wai Kam on the Company's corporate governance and secretarial and administrative matters.

For the year ended 31 December 2025, Ms. Liu Ying and Ms. Ng Wai Kam have undertaken not less than 15 hours of relevant professional training respectively in compliance with Rule 3.29 of the Listing Rules.

SHAREHOLDERS' RIGHTS

Convening an Extraordinary General Meeting

Pursuant to the Articles of Association of the Company, Shareholders who individually or collectively hold 10% or more of the Company's shares (excluding treasury shares) have the right to request the convening of an extraordinary shareholders' meeting from the Board and shall submit it in writing to the board of directors. The Board shall provide written feedback on whether to agree or disagree with the convening of an extraordinary shareholders' meeting within ten days after receiving the request. For more details, please refer to the Company's Articles of Association.

Putting Forward Proposals at General Meetings

Pursuant to the Articles of Association of the Company, the Company holds a shareholders' meeting, and the Board, Board of Supervisors, and Shareholders who individually or jointly hold 1% or more of the Company's Shares have the right to submit proposals to the Company. For more details, please refer to the Company's Articles of Association.

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: Room B01, 7/F, Jinqiu International Building, No. 6, Zhichun Road, Haidian District, Beijing, the PRC
(For the attention of the Company Secretary)

Email: ir@yunji.ai

For the avoidance of doubt, Shareholders 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. Shareholders' information may be disclosed as required by law.

COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

The Company considers that effective communication with Shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. The Company is endeavours to maintain an on-going dialogue with Shareholders and in particular, through annual general meetings and other general meetings. At the annual general meeting, Directors (or their delegates as appropriate) are available to meet Shareholders and answer their enquiries.

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

Shareholders' Communication Policy

The Company has in place a Shareholders' Communication Policy. 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 Board reviewed the implementation and effectiveness of the Shareholders' Communication Policy and the results were satisfactory.

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 Stock Exchange’s website (www.hkex.com.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. 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 (www.yunjichina.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) Shareholders’ Meetings

The annual general meeting and other general meetings of the Company are primary forum for communication between the Company and its Shareholders. The Company shall provide Shareholders with relevant information on the resolutions(s) proposed at a general meeting in a timely manner in accordance with the Listing Rules. The information provided shall be reasonably necessary to enable Shareholders to make an informed decision on the proposed resolution(s). Shareholders are encouraged to participate in general meetings or to appoint proxies to attend and vote at the meetings for and on their behalf if they are unable to attend the meetings. Where appropriate or required, the Chairman of the Board and other Board members, the chairmen of board committees or their delegates, and the external auditors should attend general meetings of the Company to answer Shareholders’ questions (if any). The chairman of the independent board committee (if any) should also be available to answer questions at any general meeting to approve a connected transaction or any other transaction that is subject to independent Shareholders’ approval.

(e) Shareholders' Enquiries

Enquiries about Shareholdings

Shareholders should direct their enquiries about their shareholdings to the Company's H share registrar, Tricor Investor Services Limited, via its online holding enquiry service at srhk.vistra.com, or send email to enquiries@vistra.com or call its hotline at (852) 2980 1333, or go in person to its public counter at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong

Enquiries about Corporate Governance or Other Matters to be put to the Board and the Company

The Company will not normally deal with verbal or anonymous enquiries. Shareholders may send any enquiries to the Board by email: ir@yunji.ai or by post to Room B01, 7/F, Jinqiu International Building, No. 6, Zhichun Road, Haidian District, Beijing, the PRC.

(f) Other Investor Relations Communication Platforms

Investor/analysts briefings, roadshows (both domestic and international), media interviews, marketing activities for investors and specialist industry forums etc. will be launched on a required basis.

Amendments to Constitutional Documents

The Company adopted the Articles of Association with effect from the Listing Date on October 16, 2025. On December 11, 2025 pursuant to the authorization granted by the shareholders' meeting, the Company amended certain provisions of the Articles of Association to reflect the change of the Company's registered address, as well as the adjustments to its registered capital and total number of issued shares after listing, with such amendments taking effect on December 26, 2025. The Company's shareholders' meeting also approved the amendment to the Articles of Association to reflect the proposed change of the Company name at the extraordinary shareholders' meeting on December 26, 2025. Details of the amendments are set out in the announcement and circular dated December 11, 2025. An up to date version of the Company's Articles of Association is also available on the Company's website and the Stock Exchange's website.

Report of the Board of Directors

The Board is pleased to present the annual report together with the audited consolidated financial statements of the Group (the “**Consolidated Financial Statements**”) for the year ended December 31, 2025 (the “**Reporting Period**” or the “**Year**”) since the Listing Date.

PRINCIPAL ACTIVITIES

The Company was incorporated as a joint stock company established in the PRC with limited liability in 2014. We primarily offer robots and functional kits, complemented by services under AI digitalization system. From robots that interact with the physical world to AI digitalization systems that streamline decision-making, we deliver adaptive and scalable products and services to our customers.

BUSINESS REVIEW

A fair review of the Group’s business as required under Schedule 5 to the Companies Ordinance (Cap. 622 of the Laws of Hong Kong), including the Group’s performance analysis during the year ended December 31, 2025, particulars of important events affecting the Group that have occurred since the end of the year ended December 31, 2025, as well as the possible future business development of the Group, are set out in the sections headed “Chairman’s Statement” on pages 4 to 5, “Management Discussion and Analysis” on pages 7 to 23 and “Report of the Board of Directors – Events After the Reporting Period” on page 75 of this annual report.

Possible risks and uncertainties that the Group may be facing are set out in the section headed “Principal Risks and Uncertainties” below in this report. Discussions on the environmental (including climate-related) policies and performance, compliance by the Group with the relevant laws and regulations that have a significant impact on the Group and the account of the key relationships of the Group with its stakeholders are set out in the “Environmental, Social and Governance Report” on pages 78 to 148 of this annual report.

A summary of the operating results and financial position of the Group for the most recent four financial years is set out on page 6 of this annual report. This summary does not form part of our Consolidated Financial Statements.

RESULTS AND FINAL DIVIDEND

The results of the Group for the year ended December 31, 2025 and the financial position of the Group as at December 31, 2025 are set out in the Consolidated Financial Statements on pages 155 to 159.

The Board does not recommend the payment of final dividend for the year ended December 31, 2025.

TAX ON DIVIDENDS

According to the Individual Income Tax Law promulgated on September 10, 1980, last amended on August 31, 2018 and effective on January 1, 2019, and the Regulations for the Implementation of the Individual Income Tax Law of the People's Republic of China (中華人民共和國個人所得稅法實施條例) (the "Implementing Rules of the Individual Income Tax Law") last amended on December 18, 2018 and effective on January 1, 2019, income from interest, dividends, bonuses, property leasing, property transfer and incidental income shall be subject to a proportional tax rate of 20%. In addition, according to the Notice on Issues Concerning Differentiated Individual Income Tax Policies for Dividends and Bonuses of Listed Companies (關於上市公司股息紅利差別化個人所得稅政策有關問題的通知) issued on September 7, 2015 by the Ministry of Finance, the SAT and the CSRC, where an individual acquires stocks of a listed company from public offering of the company or from the stock transfer market and holds the stocks for more than one year, the income from dividends is exempted from individual income tax. If the individual holds the stocks for one month or less, the income from dividends is fully taxable. If the individual holds the stocks for one month to one year (one year inclusive), 50% of the income from dividends is taxable. The aforesaid income is subject to an individual income tax at a flat rate of 20%.

In accordance with the EIT Law and the Implementation Rules for the Enterprise Income Tax Law, the rate of enterprise income tax shall be 25%. A non-resident enterprise income tax should be levied at a reduced rate of 10% on income originating from within China if such non-resident enterprise does not have an establishment or premise in the PRC or has an establishment or premise in the PRC but the PRC-sourced income is not connected to such establishment or premise in the PRC. Such withholding tax for non-resident enterprises is deducted at source and the payer shall be the withholding agent. The tax shall be withheld by the withholding agent from the amount paid or due for each payment.

The Circular of the State Taxation Administration on Issues Relating to the Withholding and Remitting of Enterprise Income Tax on Dividends Paid by PRC Resident Enterprises to Overseas Non-PRC Resident Enterprise Shareholders of H Shares (國家稅務總局關於中國居民企業向境外 H 股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知), which was issued by the SAT on November 6, 2008, further clarified that a PRC-resident enterprise unified withhold enterprise income tax at a rate of 10% on dividends paid to H Share shareholders of overseas non-resident enterprise for 2008 and subsequent years. After receiving dividends, the shareholder of a non-resident enterprise may apply to the competent tax authority for the treatment under the tax treaty (arrangement), and after the examination and verification by the competent tax authority, shall refund the balance between the tax paid and the tax payable calculated according to the tax rate stipulated in the tax treaty (arrangement).

Report of the Board of Directors

Pursuant to the Arrangement between the Chinese Mainland and the Hong Kong Special Administrative Region on the Avoidance of Double Taxation and the Prevention of Fiscal Evasion (內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排) signed on August 21, 2006, the PRC government may levy taxes on the dividends paid by a Chinese company to Hong Kong residents (including natural persons and legal entities) in an amount not exceeding 10% of total dividends payable by the Chinese company. If a Hong Kong resident directly holds 25% or more of the equity interest in a Chinese company, then such tax shall not exceed 5% of the total dividends payable by the Chinese company. The Fifth Protocol of the Arrangement between the Mainland of China and the Hong Kong Special Administrative Region on the Avoidance of Double Taxation and the Prevention of Fiscal Evasion issued by the State Taxation Administration (國家稅務總局關於內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排)第五議定書) effective on December 6, 2019 states that such provisions shall not apply to those arrangements or transactions, of which the main purpose includes gaining such tax benefit. The application of the dividend clause of tax agreements must comply with the Notice of the State Taxation Administration on the Issues Concerning the Application of the Dividend Clauses of Tax Agreements (國家稅務總局關於執行稅收協定股息條款有關問題的通知) and other Chinese tax laws and regulations.

Pursuant to Circular on Questions Concerning the Collection of Individual Income Tax Following the Repeal of Guo Shui Fa 1993 No. 045 (關於國稅發 [1993]045 號文件廢止後有關個人所得稅徵管問題的通知) issued by the State Taxation Administration on June 28, 2011, for domestic non-foreign-invested enterprises issuing shares in Hong Kong, its overseas individual shareholders may enjoy relevant preferential tax treatment in accordance with the tax treaties between the PRC and its country of residence, and the tax treaties between the PRC and Hong Kong (or Macao). Domestic non-foreign-invested enterprises that issue shares in Hong Kong generally are subject to withholding personal income tax at 10% of dividends and profits without application. If the individual receiving dividends is a resident of a treat country with a tax rate of less than 10%, the withholding agent shall apply on their behalf for the relevant preferential treatment in accordance with the provisions and upon approval by the competent tax authority, over-withheld taxes will be refunded. If the individual is a resident of a treaties country with a tax rate higher than 10% but lower than 20%, the withholding agent shall withhold personal income tax at the treat effective rate when paying dividends and bonuses, and no application is required in such cases. If the individual receiving dividends is a resident of a country without a tax treaty with the PRC or other circumstances exist, the withholding agent shall withhold personal income tax at the rate of 20% when paying dividends.

The Company was not aware of any shareholders that had waived or agreed to waive any dividend arrangement for the year ended December 31, 2025.

SHARE CAPITAL

Details of movements in share capital of the Company for the year ended December 31, 2025 are set out in note 26 to the Consolidated Financial Statements.

RESERVES AND DISTRIBUTABLE RESERVES

Details of movements in the reserves of the Group are set out in the consolidated statement of changes in equity of this annual report. As at December 31, 2025, the Company had no reserves available for distribution.

MAJOR CUSTOMERS, SUPPLIERS AND SUBCONTRACTORS

The aggregate revenue attributable to the Group's largest customers for the year ended December 31, 2025 accounted for approximately 5.1% (2024: 4.3%) of the Group's total revenue. The aggregate revenue attributable to the Group's five largest customers for the year ended December 31, 2025 accounted for approximately 15.7% (2024: 14.1%) of the Group's total revenue.

The aggregate purchases attributable to the Group's largest suppliers and subcontractors for the year ended December 31, 2025 accounted for approximately 27.6% (2024: 18.9%) of the Group's total purchases. The aggregate purchases attributable to the Group's five largest suppliers and subcontractors for the year ended December 31, 2025 accounted for approximately 48.8% (2024: 44.2%) of the Group's total purchases.

To the best knowledge of the Directors, none of the Directors or their close associates or any shareholders who owned more than 5% of the Company's issued share capital, excluding treasury shares (if any) had any beneficial interest in any of the Group's five largest customers or suppliers and subcontractors during the year ended December 31, 2025.

DIVIDEND POLICY

For the year ended December 31, 2025 and up to the date of this annual report, we did not declare or pay any dividends, nor did we have any dividend policy in place. Pursuant to our Articles of Association, our Board will formulate the dividends distribution plan after taking into account our future operations and earnings, capital requirements and surplus, general financial condition, contractual restriction and other factors which our Directors consider relevant. Any declaration and payment as well as the amount of dividends will be subject to our Articles of Association, applicable PRC law and approval by our shareholders. Our shareholders in a general meeting may approve any declaration of dividends, which must not exceed the amount recommended by our Board. As advised by our PRC Legal Advisor, no dividend shall be declared or payable, unless we have profits and reserves lawfully available for distribution. Any future net profit that we make will have to be first applied to make up for our historically accumulated losses, after which we will be obliged to allocate 10% of our net profit to our statutory common reserve fund until such fund has reached more than 50% of our registered capital.

SUBSIDIARIES OF THE COMPANY

The details of the subsidiaries of the Company are set out in note 13 to the Consolidated Financial Statements on page 191 of this annual report.

PROPERTY, PLANT AND EQUIPMENT

During the year ended December 31, 2025, the Group's total property, plant and equipment amounted to approximately RMB10.5 million (2024: RMB16.9 million). The details of the property, plant and equipment of the Group and their movements during the year ended December 31, 2025 are set out in note 11 to the Consolidated Financial Statements.

BORROWINGS

As of December 31, 2025, the Group had no bank borrowings.

Report of the Board of Directors

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

For the year ended December 31, 2025, to the best knowledge of the Directors, the Group has complied in all material respects with the relevant laws and regulations that have a significant impact on the business and operations of the Group. During the Reporting Period, there was no material breach of or non-compliance with applicable laws and regulations by the Group that had a significant impact on the business and operations of the Group.

SERVICE CONTRACT AND LETTER OF APPOINTMENT OF THE DIRECTORS AND SUPERVISORS

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

Executive Directors

Ms. Zhi Tao (*Chairperson*)

Mr. Hu Quan

Mr. Li Quanyin

Non-executive Directors

Mr. Wu Minghui

Ms. Ma Hong (Resigned on February 27, 2026)

Independent non-executive Directors

Mr. Zhang Lihua

Mr. Lai Yung Yuet

Mr. Wang Fangjun

Supervisors

Ms. Ai Baoshu (*Chairperson*)

Mr. Zhang Wei (Appointed on April 2, 2026)

Mr. Xue Jinlong

Mr. Yu Junjie (Resigned on December 28, 2025)

The biographical details of the Directors, Supervisors and the senior management of the Group are disclosed in the section headed "Biographical Details of Directors, Supervisors and Senior Management" on pages 24 to 30 of this annual report. Each of the Directors and Supervisors has entered into a service contract or a letter of appointment with the Company for a term of three years.

Pursuant to Article 99 and Article 147 of the Articles of Association, the term for Directors and Supervisors is three years commencing from the date of their respective appointment or re-appointment, subject to re-appointment at a shareholders' meeting.



Report of the Board of Directors

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

Each of our Directors confirms that he or she (1) has obtained the legal advice referred to under Rule 3.09D of the Listing Rules on February 24, 2025; and (2) understands his or her obligations as a director of a listed issuer under the Listing Rules.

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

MANAGEMENT CONTRACTS

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

INFORMATION ON EMPLOYEES, EMOLUMENT POLICY AND RETIREMENT SCHEME

As at December 31, 2025, the Group had 327 (2024: 239) employees, including the executive Directors. Total staff costs (including Directors' emoluments) were approximately RMB172.4 million, as compared to approximately RMB130.2 million for the year ended December 31, 2024. Remuneration is determined with reference to market norms and individual employees' performance, qualification and experience.

The Group places high value on recruiting, training and retaining its employees. The Group maintains high recruitment standards and provides competitive compensation packages. Remuneration packages for the Group's employees mainly comprise base salary, performance salary and bonus. The Group also provides both in-house and external training for our employees to improve their skills and knowledge. As required under PRC regulations, the Group participates in various employee social security plans that are organized by applicable local municipal and provincial governments, including housing, pension, medical, work-related injury, maternity, and unemployment benefit plans.

The salaries and benefits of the Group's employees are kept at a competitive level and employees are rewarded on a performance-related basis within the general framework of the Group's salary and bonus system, which is reviewed annually.

We contribute to defined contribution plans for our employees, including social pension insurance organised and implemented by local labour and social security bureau. Please refer to note 6(b) to the Consolidated Financial Statements for details. There is no provision under the defined contribution plans for forfeited contributions to be used by the Group to reduce the existing level of contributions.

Report of the Board of Directors

The Company has adopted its Pre-IPO employee stock ownership plan on December 31, 2020 and amended on February 11, 2025 (collectively, the “**Pre-IPO ESOP**”), to award the partnership interest in our share incentive platforms to the plan participants. None of Pre-IPO ESOP is subject to the provisions of Chapter 17 of the Listing Rules. As of the date of this annual report, Beijing Yunji Angel Management Partnership (Limited Partnership) (北京雲迹天使管理合夥企業(有限合夥)) is our share incentive platform, the employee stock ownership platform of our Company and one of our Controlling Shareholders. The Company adopted the H Share Award Scheme (the “**H Share Award Scheme**”) on April 2, 2026 to further improve the incentive mechanism of the Company.

The emoluments of the Directors and senior management of the Group are determined by the Board with reference to the respective responsibilities and duties, experience, individual performance, and time devoted to the Group and may be adjusted upon the recommendation of the Remuneration Committee. The Remuneration Committee was set up for reviewing the Company’s emolument policy and structure of all remuneration of the Directors and senior management of the Company.

REMUNERATION OF DIRECTORS, SUPERVISORS AND FIVE INDIVIDUALS WITH HIGHEST EMOLUMENTS

Details of the emoluments of the Directors, Supervisors and five highest paid individuals of the Group are set out in notes 8 and 9 to the Consolidated Financial Statements on pages 184 to 187 of this annual report.

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

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

DIRECTORS’ AND SUPERVISORS’ INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

No transactions, arrangements and contracts of significance in relation to the Group’s business to which the Company or any of its subsidiaries was a party and in which a Director or a supervisor or his or her connected entity had a material interest, whether directly or indirectly, subsisted at the end of the year ended December 31, 2025 or at any time during the year ended December 31, 2025.

PERMITTED INDEMNITY PROVISION

The Company has arranged for appropriate insurance in respect of legal actions arising out of corporate activities against the current Directors and senior management of the Company and its associated companies and the Directors and senior management of the Company and its associated companies who resigned, and no permitted indemnity provision was made by the Company during the Year and no permitted indemnity provision was in force as at the date of this annual report. The permitted indemnity provision is in force for the benefit of the Directors as required by the provisions of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

On December 11, 2025, the Company entered into the joint venture articles with Ms. Fu Xiaomeng, Mr. Duan Suhang, Ms. Zhi Tao, Mr. Li Quanyin, and Ms. Liu Ying to jointly establish a joint venture company (the “Transaction”) with a total capital contribution of RMB10 million, of which the Company will contribute RMB7.6 million. The joint venture company will become a non-wholly owned subsidiary of the Company.

Ms. Zhi Tao is an executive director and a controlling shareholder of the Company. As of the date of the Transaction, she and Yunji Angel Management (another controlling shareholder controlled by Ms. Zhi Tao as its general partner) collectively held approximately 32.37% of the Company’s issued shares. Furthermore, Mr. Li Quanyin is an executive director of the Company. Therefore, both Ms. Zhi Tao and Mr. Li Quanyin are connected persons of the Company, and the Transaction constitutes a connected transaction under Chapter 14A of the Listing Rules.

As all applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Transaction exceed 0.1% but are less than 5%, the Transaction constitutes a connected transaction of the Company subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, but is exempt from the independent shareholders’ approval requirement.

The establishment of the joint venture company is intended to leverage the first-mover advantage and market leadership of the Company’s robotic-based AI agents business in hospitality scenarios to further expand its deep applications in innovative scenarios. The joint venture company will focus on the synergy between robotics hardware and AI agent technologies, with an emphasis on developing robotic-based AI agent solutions for innovative scenarios. It will work in close coordination with the Company’s existing business and utilize the Company’s accumulated technology, customer resources, and market network to accelerate the commercialization of related technologies and products.

For details of the Transaction, please refer to the Company’s announcement regarding the connected transaction dated December 11, 2025, in relation to the establishment of the joint venture company.

Report of the Board of Directors

Save as disclosed in this report, the Company had not entered into any connected transactions during the year ended December 31, 2025 which is required to be disclosed in accordance with Chapter 14A of the Listing Rules. Related party transactions entered into by the Group during the year ended December 31, 2025 are disclosed in note 29 to the Consolidated Financial Statements. Other than the related party transaction disclosed in note 29 to the Consolidated Financial Statements, no transactions, arrangements, contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party, and in which a Director or his connected entity had a material interest, whether directly or indirectly, were entered into or subsisted at the end of the Reporting Period or at any time during the Reporting Period.

CONVERTIBLE SECURITIES, OPTIONS, WARRANTS OR SIMILAR RIGHTS

During the Year, the Company did not issue any convertible securities, share options, warrants or similar rights.

Share Schemes

Pre-IPO ESOP

The Group has adopted its Pre-IPO employee stock ownership plan (the "**Pre-IPO ESOP**") on December 31, 2020, which was amended on February 11, 2025. The source of awards granted to eligible participants pursuant to the Pre-IPO ESOP is the Shares of our Company held by Yunji Angel Management, the employee stock ownership platform of the Group. The Pre-IPO ESOP is not subject to the provisions of Chapter 17 of the Listing Rules as it does not involve grant of further share awards by our Company after the Listing.

(1) Purposes

The purposes of the Pre-IPO ESOP are to (i) establish a long-term effective incentive mechanism to enhance our employees' sense of responsibility, attract and retain our management members and key employees to encourage their contributions to our Company and provide incentives to them for our Company's long-term development; and (ii) align the interests of Shareholders, our Company, and employees to improve operational management and drive sustainable business performance for the achievement of the Company's long-term strategies.

(2) Participants

The eligible participants under the Pre-IPO ESOP include: (i) senior management members of our Group; (ii) mid-level management members and senior technical staff of our Group; and (iii) other core technical personnel and employees and external consultants who have made significant contributions to our Group.

(3) The total number of issuable shares and their percentage of the issued shares as at the reporting date

The source of awards granted to eligible participants pursuant to the Pre-IPO ESOP is the Shares of our Company held by Yunji Angel Management, the employee stock ownership platform of the Group. Accordingly, the Company is not required to issue new shares in connection with the Pre-IPO ESOP.

(4) Maximum cap of grantable interests for each participant

The Company has not set a maximum cap of grantable interests for each participant under the Pre-IPO ESOP.

(5) The vesting period of awards granted under the H Share Award Scheme

The Company enters into grant agreements or other documents with Grantees to stipulate specific vesting conditions and arrangements.

(6) The purchase price, the amount payable for applying for or accepting awards, and the time limit for payment or notice of payment

The purchase price is RMB1 per partnership share, or such other price as may be determined by the Board. The Company shall enter into grant agreements or other documents with Grantees to specify the specific payment arrangements (if any).

(7) The remaining validity period of the H Share Award Scheme

The Company has not set a term for the Pre-IPO ESOP. Given that the Pre-IPO ESOP does not involve the issue of new shares by the Company, there will be no dilution effect on the tradable shares upon the full vesting of all awards granted under the Pre-IPO ESOP. In addition, the Pre-IPO ESOP does not involve the grant of any share awards by our Company after the Listing.

Report of the Board of Directors

(8) Information of grant of Awards

Participant's name or category	Date of grant	Vesting period	Grant price (RMB/Share)	No. of shares granted but not yet vested as at January 1, 2025	No. of shares granted during the reporting period	No. of shares vested during the reporting period	No. of shares cancelled during the reporting period	No. of shares lapsed during the reporting period	No. of shares granted but not yet vested as at December 31, 2025
Directors									
Ms. Zhi Tao	April 1, 2021	Between grant date and listing of the Company	0.14	51,667	-	51,667	-	-	0
Mr. Hu Quan	April 1, 2021	Between grant date and listing of the Company	0.14	51,624	-	51,624	-	-	0
Mr. Li Quanyin	February 11, 2025	February 11, 2025 to February 10, 2027	1.39	0	7,811	-	-	-	7,811
Supervisors									
Ms. Ai Baoshu	December 31, 2020	Between grant date and listing of the Company	0.14	79,987	-	79,987	-	-	0
Mr. Xue Jinlong	December 31, 2020	Between grant date and listing of the Company	0.14	6,899	-	6,899	-	-	0
	April 1, 2021	Between grant date and listing of the Company	0.14	8,947	-	8,947	-	-	0
	February 11, 2025	Between 1 to 2 years	1.39	-	3,030	-	-	-	3,030
Five individuals with the highest emoluments during the reporting period (In aggregate)									
	April 1, 2021	Note (iv)	0.14	1,622,056	-	1,622,056	-	-	0
	December 31, 2020	Between grant date and listing of the Company	0.14	1,622,056	-	1,622,056	-	-	0
	April 1, 2021	Between grant date and listing of the Company	0.14	514,212	-	514,212	-	-	0
	December 27, 2021	Between grant date and listing of the Company	0.14	136,442	-	136,442	-	-	0
	January 22, 2025	Between 1 to 4 years	1.39	-	75,746	-	-	-	75,746
Other employees (In aggregate)									
	December 31, 2020	Between grant date and listing of the Company	0.14	272,574	-	272,574	0	-	0
	April 1, 2021	Between grant date and listing of the Company	0.14	193,540	-	193,540	0	-	0
	December 27, 2021	Between grant date and listing of the Company	0.14	89,394	-	89,394	0	-	0
	October 7, 2023	Between grant date and listing date of the Company/4 years (the later date)	0.14	75,756	-	37,878	0	-	37,878

Report of the Board of Directors

Participant's name or category	Date of grant	Vesting period	Grant price (RMB/Share)	No. of shares granted but not yet vested as at January 1, 2025	No. of shares granted during the reporting period	No. of shares vested during the reporting period	No. of shares cancelled during the reporting period	No. of shares lapsed during the reporting period	No. of shares granted but not yet vested as at December 31, 2025
	March 12, 2024	Between grant date and listing date of the Company/4 years (the later date)	0.14	15,152	-	-	-	15,152	0
	May 1, 2024	Between grant date and listing date of the Company/4 years (the later date)	0.14	25,576	-	19,894	0	-	5,682
	May 13, 2024	Between grant date and listing date of the Company/4 years (the later date)	0.14	6,060	-	1,515	0	-	4,545
	August 7, 2024	Between grant date and listing date of the Company/4 years (the later date)	0.14	3,028	-	757	0	-	2,271
	August 9, 2024	Between grant date and listing date of the Company/4 years (the later date)	0.14	15,152	-	3,788	-	11,364	0
	February 11, 2025	Between grant date and listing of the Company	0.14	-	926,431	308,810	-	617,621	0
	February 11, 2025	Between 1 to 2 years	0.14	-	22,728	-	-	-	22,728
	February 11, 2025	Between 1 to 2 years	1.39	-	180,116	-	-	6,060	174,056
	July 1, 2025	1 year	0.14	-	15,152	-	-	-	15,152
	August 1, 2025	1 year	0.14	-	15,152	-	-	-	15,152
Total				3,168,066	1,253,742	3,399,984	0	650,197	371,627

Notes:

- (i) All awards were granted prior to the Listing Date; hence, the closing share price immediately preceding the grant date is not applicable. Details of the fair value of the relevant awards at the grant date, together with the accounting standards and policies adopted, are set out in Note 25 to the financial statements.
- (ii) The weighted average closing price of the shares vested during the Reporting Period is not applicable, as all awards vested on or prior to the Listing Date.
- (iii) The above-mentioned named directors and/or supervisors have not been double-counted in the statistics of the five individuals with the highest total remuneration in the Reporting Period.
- (iv) The vesting of these awards is subject to an assessment of the performance of the eligible participants, which is based on an assessment of (a) the individual performance of the eligible participants, and (b) the business performance of the Group, with reference to a number of factors, including but not limited to the Group's overall performance targets and its actual results and the financial position of the Group.

Report of the Board of Directors

H Share Award Scheme

The Group has adopted the H Share Award Scheme (the “**H Share Award Scheme**”) pursuant to the resolution passed by the shareholders’ meeting on April 2, 2026. Pursuant to the H Share Award Scheme, the source of Awarded Shares comprises (i) existing H Shares purchased by the Trustee(s) on the secondary market and/or acquired through off-market transactions; and (ii) new H Shares allotted and issued by the Company (including the transfer of Treasury Shares listed on the Stock Exchange). This Scheme constitutes a share scheme subject to the provisions of Chapter 17 of the Listing Rules.

(1) Purposes

The purposes of the H Share Award Scheme are (i) to promote the achievement of long-term sustainable development and performance goals of the Company; (ii) to closely align the interests of the Grantees with those of the Shareholders, investors and the Company, thereby enhancing the cohesion of the Company and facilitating the maximization of the value of the Company; and (iii) to improve the Company’s incentive mechanism to attract, motivate and retain Grantees, including Directors, Supervisors, senior management and employees of the Company who have made outstanding contributions to the sustainable operation, development and long-term growth of the Company.

(2) Participants

The eligible participants under the H Share Award Scheme:

Employee Participants	Director(s), Supervisor(s), senior management and employee(s) of the Company and/or any of its subsidiaries;
Related Entity Participants	Director(s) and employee(s) (whether full time or part time employees) of the holding company(ies), fellow subsidiary(ies) or associated company(ies) of the Company;
Service Provider Participants (“ Service Provider Participants ”)	Service Provider Participants comprise two categories of individuals as follows: (a) Product or service provider: suppliers, consultants, advisers or agents. (b) Business partners: distributors or partners.

(3) The total number of issuable shares and their percentage of the issued shares as at the reporting date

The maximum number of Shares that may be granted and issued under the H Share Award Scheme and other share award and/or share option schemes (if any) shall be 10% of the issued share capital as at the date of approval of the H Share Award Scheme, representing 6,975,318 H Shares (the “**Scheme Mandate Limit**”), which accounts for approximately 10% of the issued shares as at the date of this annual report.

Within the Scheme Mandate Limit, the total maximum number of shares issuable in respect of all Awards granted to Service Provider Participants shall be 2% of the issued shares outstanding as at the date of approval of the H Share Award Scheme, representing 1,395,063 H Shares.

(4) Maximum limit of grantable interests for each participant

Save as required to be approved by Shareholders under the Listing Rules, the aggregate maximum number of Shares issued or to be issued under the H Share Award Scheme or any other share scheme of the Company to any single Grantee in respect of any Awarded Shares or any share awards or options granted during the 12-month period up to and including the Grant Date of such Awarded Shares shall not exceed 1% of the total number of Shares in issue (excluding any Treasury Shares) on the Grant Date. The grant of awards to connected persons shall also comply with the relevant provisions of the Listing Rules and the H Share Award Scheme.

(5) The vesting period of awards granted under H Share Award Scheme

Subject to all applicable laws, rules and regulations, the Board and/or its delegates may from time to time determine the criteria, conditions and period for the vesting of Awarded Shares under the Scheme. Unless otherwise stipulated under the Listing Rules and the H Share Award Scheme, the vesting period in respect of any Awarded Shares shall be no less than twelve (12) months from (and including) the Grant Date.

(6) The purchase price, the amount payable for applying for or accepting awards, and the time limit for payment or notice of payment

The Board and/or its delegates may in its/their absolute discretion determine whether to require the Grantees to pay any Purchase Price for obtaining the Awards and, if so required, determine the amount of the Purchase Price after taking into account the practices of comparable companies and the effectiveness of the H Share Award Scheme in attracting talents and motivating the Grantees to contribute to the long-term development of the Group.

The Grantee shall pay the corresponding Purchase Price in cash to the Company's designated bank account within a reasonable period of time as determined by the Board from time to time prior to any Vesting Date. For the avoidance of doubt, the Board and/or its delegates may determine the Purchase Price to be at nil consideration.

(7) The remaining validity period of the H Share Award Scheme

The H Share Award Scheme shall remain valid and in force for 10 years from the date of approval by the shareholders' meeting (April 2, 2026). As at the date of this annual report, the remaining term of the H Share Award Scheme is approximately 10 years.

(8) Information of grant of Awards

As of the reporting date, no awards have been granted by the Company under the H Share Award Scheme.

DIRECTORS' RIGHTS TO ACQUIRE SHARES AND DEBENTURES

Save as otherwise disclosed in this report, at no time during the Reporting Period did the Company or any of its subsidiaries enter into any arrangement whereby any director may acquire benefits by purchasing shares or debentures of the Company or any other body corporate. No director, their respective spouses or children under the age of 18 held any right to subscribe for shares or debentures of the Company or any other body corporate, nor was any such right exercised.

Report of the Board of Directors

EQUITY-LINKED AGREEMENT

The Company did not enter into any equity-linked agreement and there was no equity-linked agreement during the Year.

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

As at December 31, 2025, save as disclosed below, none of the Directors, Supervisors and chief executives of the Company had any other interests or short positions in any shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") contained in Appendix C3 of the Listing Rules:

Name of Directors/ chief executive	Class of Shares	Capacity/Nature of interest	Number of securities held ⁽¹⁾	Approximate percentage of the total issued domestic share capital	Approximate percentage of the total issued H share capital	Approximate percentage of the total share capital
Ms. Zhi Tao (支濤)	H Shares	Beneficial owner	6,016,193(L)	–	9.6%	8.6%
	H Shares	Interest in controlled corporation ⁽²⁾	6,274,865(L)	–	10.0%	9.0%
	Domestic Shares	Interest in controlled corporation ⁽²⁾	1,236,326(L)	17.3%	–	1.8%
	H Shares	Interest of a party to an agreement regarding interest in the Company	9,050,741(L)	–	14.5%	13.0%
Mr. Hu Quan (胡泉)	H Shares	Beneficial owner	4,512,147(L)	–	7.2%	6.5%
Mr. Li Quanyin (李全印)	H Shares	Beneficial owner	1,378,796(L)	–	2.2%	2.0%
Mr. Wu Minghui (吳明輝)	H Shares	Beneficial owner	2,464,882(L)	–	3.9%	3.5%

Notes:

(1) The letter "L" denotes a person's long position (as defined under Part XV of the SFO) in the domestic shares and/or H Shares.

(2) As at the date of this annual report, Ms. Zhi Tao acted as the general partner of Beijing Yunji Angel Management Partnership (Limited Partnership) ("Yunji Angel Management"). Under the SFO, Ms. Zhi Tao is deemed to be interested in the entire shares held by Beijing Yunji Angel Management Partnership (Limited Partnership).

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND/OR SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at December 31, 2025, so far as was known to the Directors, the following persons/entities (other than the Directors, Supervisors or chief executive of the Company) had, or were deemed to have, interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

Name of Shareholders	Class of Shares	Capacity/Nature of interest	Number of securities held ⁽¹⁾	Approximate percentage of the total issued domestic share capital	Approximate percentage of the total issued H share capital	Approximate percentage of the total share capital
Yunji Angel Management	H Shares	Beneficial owner	3,140,049	–	5.0%	4.5%
	Domestic Shares	Beneficial owner	1,236,326	17.3%	–	1.8%
	H Shares	Interest of a party to an agreement regarding interest in the Company	3,134,816	–	5.0%	4.5%
Mr. Yu Guangdong (于光秉)	H Shares	Interest in controlled corporation	6,613,249	–	10.6%	9.5%
Feidian Management	H Shares	Interest in controlled corporation	4,735,435	–	7.6%	6.8%
Anhui Artificial Intelligence Company	Domestic Shares	Beneficial interest	5,917,218	82.7%	–	8.5%
Hefei Industrial Investment Holdings	Domestic Shares	Interest in controlled corporation	5,917,218	82.7%	–	8.5%
Hefei Industrial Investment Group	Domestic Shares	Interest in controlled corporation	5,917,218	82.7%	–	8.5%
Linzi Tencent	H Shares	Beneficial interest	5,621,036	–	9.0%	8.1%
Ruijian Investment	H Shares	Interest in controlled corporation	5,621,036	–	9.0%	8.1%
Tencent	H Shares	Interest in controlled corporation	5,621,036	–	9.0%	8.1%

Report of the Board of Directors

Notes:

- (1) The letter "L" denotes a person's long position (as defined under Part XV of the SFO) in the shares of the Company.
- (2) Ms. Zhi acts as the general partner of Yunji Angel Management. Therefore, Ms. Zhi is deemed to be interested in all the Shares that Yunji Angel Management is deemed to be interested in by virtue of the SFO.
- (3) Pursuant to the arrangements between Individual Voting Grantors and Ms. Zhi, Ms. Zhi controls the exercise of the voting rights attaching to the Shares directly held by the Individual Voting Grantors. Pursuant to the arrangements between Investor Voting Grantors and Yunji Angel Management, Yunji Angel Management controls the exercise of the voting rights attaching to the Granted Investor Shares held by the Investor Voting Grantors. Therefore, Yunji Angel Management is deemed to be interested in the Granted Investor Shares held by the Investor Voting Grantors by virtue of the SFO.
- (4) The general partner of Feidian No. 1, Feidian No. 2, Shanghai Feidian and Hainan Feidian is Beijing Feidian Private Equity Fund Management Co., Ltd. (北京沸點私募基金管理有限公司) (formerly known as Hainan Feidian Private Equity Fund Management Co., Ltd. (海南沸點私募基金管理有限公司)) ("Feidian Management"). The general partner of Shanghai Yushu is Jiaying Feidian Yushu Equity Investment Partnership (Limited Partnership) (嘉興沸點雨樹股權投資合夥企業(有限合夥)), of which the general partner is Feidian Management. Feidian Management is owned by Mr. Yu Guangdong (于光東) as to 33.34%. The general partner of AlphaX is AlphaX Partners GP Ltd., which is ultimately controlled by Mr. Yu Guangdong. As such, Feidian Management is deemed to be interested in the Shares held by Feidian No. 1, Feidian No. 2, Shanghai Feidian, Hainan Feidian and Shanghai Yushu by virtue of the SFO. Mr. Yu Guangdong is deemed to be interested in the Shares held by Feidian No. 1, Feidian No. 2, Shanghai Feidian, Hainan Feidian, Shanghai Yushu and AlphaX by virtue of the SFO.
- (5) More than one-third equity interest of Anhui Artificial Intelligence Company is held by Hefei Industrial Investment Holdings Co., Ltd. (合肥市工業投資控股有限公司) ("**Hefei Industrial Investment Holdings**") which is in turn wholly owned by Hefei Industrial Investment Holdings (Group) Co., Ltd. (合肥市產業投資控股(集團)有限公司) ("**Hefei Industrial Investment Group**"). As such, each of Hefei Industrial Investment Holdings and Hefei Industrial Investment Group is deemed to be interested in the Shares held by Anhui Artificial Intelligence Company by virtue of the SFO.
- (6) Linzhi Tencent is wholly owned by Shenzhen Tencent Ruijian Investment Co., Ltd. (深圳市騰訊睿見投資有限公司) ("Ruijian Investment"), which is a subsidiary of Tencent Holdings Limited ("**Tencent**"). As such, each of Ruijian Investment and Tencent is deemed to be interested in the Shares held by Linzhi Tencent by virtue of the SFO.

Save as disclosed above, as at December 31, 2025, the Directors were not aware of any other persons/entities (other than the Directors and chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

Report of the Board of Directors

LOCK-UP PERIOD

The table below sets out the persons who are, together with their respective close associates, subject to lock-up requirements pursuant to Rule 18C.14 of the Listing Rules:

Name	Capacity	Aggregate number of Shares held at the date of this annual report	Approximate percentage of shareholding in the total issued share capital of the Company at the date of this annual report (%) ⁽¹⁾	Lock-up period
Key persons and their close associates				
Ms. Zhi Tao	Controlling Shareholder, co-founder, chairwoman of our Board, executive Director and president	6,016,193	8.6%	Commencing on the date of this prospectus and ending on expiry of 12 months from the Listing Date
Mr. Hu Quan ⁽²⁾	Co-founder, executive Director and general manager	4,512,147	6.5%	
Mr. Li Quanyin ⁽²⁾	Co-founder, executive Director and chief executive officer	1,378,796	2.0%	
Mr. Wu Minghui ⁽²⁾	Co-founder	2,464,882	3.5%	
Mr. Zhang Huguang ⁽²⁾	Others	694,916	1.0%	
Yunji Angel Management ⁽³⁾	Controlling Shareholder and Ms. Zhi Tao's close associate	4,376,375	6.3%	
Wenzhou Haiyin ⁽⁴⁾	Other	565,935	0.8%	
Guangkong Zhongying ⁽⁴⁾	Other	848,903	1.2%	
Maoji No. 2 ⁽⁴⁾	Other	1,194,756	1.7%	
Maoji No. 1 ⁽⁴⁾	Other	525,222	0.8%	

Report of the Board of Directors

Name	Capacity	Aggregate number of Shares held at the date of this annual report	Approximate percentage of shareholding in the total issued share capital of the Company at the date of this annual report (%) ⁽¹⁾	Lock-up period
Pathfinder SIIs				
Hangzhou Haoyue	Pathfinder SII	1,818,182	2.6%	Commencing on the date of the prospectus and ending on expiry of 6 months from the Listing Date
Lenovo Fund	Pathfinder SII	2,611,393	3.7%	
Linzhi Tencent	Pathfinder SII	5,621,036	8.1%	
QM165	Pathfinder SII	2,498,272	3.6%	
Shanghai Kehui	Pathfinder SII	1,660,077	2.4%	

Notes:

- (1) Based on the total of 69,753,182 shares issued as at the date of this annual report, immediately following the completion of the Global Offering.
- (2) Pursuant to the Individual Voting Agreement entered into between Ms. Zhi and the Individual Voting Grantors, and as acknowledged by each of the Individual Voting Grantors, commencing from November 22, 2021, the voting rights attaching to all their shares shall always be deferred to Ms. Zhi in general meetings of our Company. For details, see "History, Development and Corporate Structure – Voting Arrangements" in the prospectus.
- (3) The voting rights attaching to the shares directly held by Yunji Angel Management are controlled by Ms. Zhi through being its general partner.

The executive Directors, senior management members and key personnel responsible for our technical operations and our R&D of specialist technology products all indirectly hold the Shares through Yunji Angel Management and its limited partners as detailed below:



Report of the Board of Directors

Executive Directors and senior management members:

- Ms. Zhi, our chairwoman of the Board, an executive Director and the president;
- Mr. Hu Quan, an executive Director and the general manager;
- Ms. Liu Ying, the joint chief financial officer and the Board secretary;
- Mr. Ying Fuchen, the former chief technology officer (resigned on March 1, 2026);
- Mr. Zhao Yongbo, the former chief marketing officer (resigned on April 10, 2026);

Key personnel (excluding executive Directors and senior management):

- Mr. Gong Hanyue, the general manager of R&D Centre;
- Mr. Zhao Boxue, the general manager of Intelligent Manufacturing Centre;
- Mr. Rong Xiaofeng, the technology director.

All the respective ultimate beneficial interest in Yunji Angel Management and its limited partners held by the above executive Directors, senior management members and key personnel of our Company shall be subject to a lock-up period commencing from the date of this prospectus and ending on expiry of 12 months from the Listing Date pursuant to Rule 18C.14 of the Listing Rules.

- (4) Pursuant to the Investor Voting Agreements entered into between Yunji Angel Management and such investors and as confirmed by each investor, the voting rights attached to their underlying shares will remain vested in Yunji Angel Management at general meetings of the Company from the date on which they become shareholders. For details, see "History, Development and Corporate Structure — Voting Arrangements." in the Prospectus.

COMPETITION AND CONFLICT OF INTERESTS

For the year ended December 31, 2025, none of the Directors or Controlling Shareholders or any of their respective associates has any interests in any business that competes or may compete, directly or indirectly, with the business of the Group or has any other conflict of interests with the Group.

CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES

Save as disclosed in this annual report, the Company does not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

CONTRACT OF SIGNIFICANCE WITH CONTROLLING SHAREHOLDERS

No contract of significance (including contract of significance for the provision of services) was entered into between the Company or its subsidiaries and the Controlling Shareholders or any of its subsidiaries for the year ended December 31, 2025 or subsisted as at December 31, 2025.

TAXATION

During the Year, the Company and its subsidiaries were subject to the PRC enterprise income tax at a rate of 25% of

Report of the Board of Directors

taxable profits according to the requirements under the PRC Enterprise Income Tax Law which became effective on January 1, 2008. The relevant details are set out in note 7 to the Consolidated Financial Statements on pages 183 of this annual report.

The Company is qualified as a high and new technology enterprise and was subject to income tax at a preferential tax rate of 15% for the year ended December 31, 2025.

The Company was approved as a “High and New Technology Enterprise” and entitled to a preferential income tax rate of 15% during 2025. This qualification is subject to review by the relevant tax authority in the PRC for every three years.

PRE-EMPTIVE RIGHTS

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

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained the prescribed public float under the Listing Rules since its listing on October 16, 2025 up to the date of this annual report.

RELATIONSHIP WITH STAKEHOLDERS

The Group is committed to operating its business in a sustainable manner, while balancing the interests of multiple stakeholders, including controlling shareholders, employees, customers and suppliers. The Group regards shareholder communication as a two-way process. It strives to ensure the quality and effectiveness of information disclosure, maintain ongoing dialogue with shareholders, and carefully consider their views and feedback. This philosophy has been and will continue to be implemented through general meetings, corporate communications, interim and annual reports, and results announcement. The Company also provides an official email address on its website to receive and address shareholders' enquiries and information requests. Employees are regarded as the most important and valuable assets of the Group. Competitive remuneration packages and a sound performance appraisal system with appropriate incentives are provided and implemented to attract and motivate employees. In addition, to conform to the market standard, the Group regularly reviews the remuneration package of employees and makes necessary adjustments. Moreover, the Group understands the importance of maintaining good relationship with customers and suppliers is vital to achieve its long-term goals. Thus, senior management of the Group have kept good communication, promptly exchanged ideas and shared business update with them as and when appropriate. During the Year, there were no material disputes between the Group and its customers and suppliers.

CORPORATE GOVERNANCE REPORT

As the H Shares were listed on the Stock Exchange on the Listing Date of October 16, 2025, the CG Code was



Report of the Board of Directors

not applicable to the Company prior to the Listing Date. The Company aims to achieve high standards of corporate governance, which are crucial to the Company's development and safeguard the interests of the shareholders.

Since the Listing Date, the Company has applied the principles of good corporate governance and adopted the code provisions of the CG Code as its own code of corporate governance. The Company has complied with all applicable code provisions set out in Part 2 of the CG Code during the period from the Listing Date to December 31, 2025.

Details of the Group's corporate governance practices can be found in the Corporate Governance Report contained on pages 31 to 51 of this annual report.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code set out in Appendix C3 to the Listing Rules as the code of conduct regarding securities transactions by the Directors and Supervisors.

The Board is pleased to confirm that, after making specific enquiries with all Directors and Supervisors, all Directors and Supervisors have fully complied with the standards required according to the Model Code set out in Appendix C3 to the Listing Rules for the period from the Listing Date to December 31, 2025.

MATERIAL LEGAL PROCEEDINGS

As at the date of this annual report, none of the members of the Group is involved in any litigation or arbitration of material importance and, to the best knowledge of the Directors, there is no litigation, arbitration or claim of material importance pending or threatening any member of the Group.

LOAN AND GUARANTEE

Save as disclosed in this annual report, for the year ended December 31, 2025, the Group had not made any loan or provided any guarantee for loan, directly or indirectly, to the Directors, senior management of the Company, the Controlling Shareholders or their respective connected persons.

CONFIRMATION OF INDEPENDENCE OF THE INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company confirmed that it had received the annual confirmation of independence from each of the independent non-executive Directors in compliance with Rule 3.13 of the Listing Rules on March 13, 2026. The Company is of the view that the independent non-executive Directors remain independent during the Year in accordance with the relevant requirements of Rule 3.13 of the Listing Rules.

INTEREST OF COMPLIANCE ADVISER

In accordance with Rule 3A.19 of the Listing Rules, the Company has appointed SPDB International Capital Limited ("**SPDB International**") as the compliance adviser. SPDB International, being the sponsor of the Company in relation to the Listing,

Report of the Board of Directors

has declared its independence pursuant to Rule 3A.07 of the Listing Rules. Save as provided for in relation to the global offering and/or disclosed in the Prospectus, neither SPDB International nor any of its associates and none of the directors or employees of SPDB International who have been involved in providing advice to the Company as the sponsor, had or will have, as a result of the global offering, any interest in any securities of the Company or any other companies of the Group (including options or rights to subscribe for such securities).

TREASURY POLICIES

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the period under review. The Group strives to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers debtors. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that sufficient financial resources are available in order to meet its funding requirements and commitment timely.

PRINCIPAL RISKS AND UNCERTAINTIES

Key risks and uncertainties may be categorized as:(i) risks relating to our general operations and industry; (ii) risks relating to our research and development and intellectual property rights; (iii) risks relating to financial condition and need for additional capital; (iv) risks relating to doing business in the jurisdiction where we operate. For example, we have a limited track record in product and service launch, commercialization and marketing. Meanwhile, developments in alternative technologies, products and services may adversely affect the demand for our products and services. We have been and intend to continue investing significantly in R&D, which may adversely affect our profitability and operating cash flow and may not generate the results we expect to achieve. In addition, changes in the economic, political, social or regulatory conditions could have a material effect on our business and prospects.

For details of the principal risk factors and uncertainties faced by the Group, please refer to the sections headed "Management Discussion And Analysis "and "Corporate Governance Report – Risk Management and Internal Control" in this annual report and the section headed "Risk Factors" in the Prospectus.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Group did not have any material acquisition or disposal of subsidiaries, associates and joint ventures for the year ended December 31, 2025.

SIGNIFICANT INVESTMENTS HELD

During the Reporting Period, the Group did not hold any significant investment in equity interest in any other company.

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

During the period from the Listing Date to December 31, 2025, there was no purchase, sale or redemption of any listed



Report of the Board of Directors

securities (including sale of treasury shares (as defined under the Listing Rules)) of the Company by the Company or any of its subsidiaries. As at December 31, 2025, the Company did not hold any treasury shares (as defined under the Listing Rules).

EVENTS AFTER THE REPORTING PERIOD

As at the date of this annual report, save as disclosed in this annual report, there were no material subsequent events after the Reporting Period.

ANNUAL GENERAL MEETING

It is proposed that the annual general meeting of the Company (“**AGM**”) will be held on Tuesday, June 9, 2026. For the purpose of determining the shareholders’ entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Thursday, June 4, 2026 to Tuesday, June 9, 2026 (both days inclusive) during which period no transfer of shares will be registered. In order to ascertain the entitlement of shareholders to attend and vote at the AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company’s H Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Wednesday, June 3, 2026. Shareholders whose names appear on the register of members of the Company on Tuesday, June 9, 2026 are entitled to attend and vote at the AGM.

AUDITOR

The H Shares of the Company were only listed on the Stock Exchange on October 16, 2025, and there has been no change in auditors since the Listing Date and up to December 31, 2025. A resolution to re-appoint the auditor, KPMG, is to be proposed at the forthcoming AGM of the Company.

DONATION

For the year ended December 31, 2025, in response to the fire at Wang Fuk Court, Tai Po, Hong Kong, the Group donated HK\$500,000, which was earmarked for emergency relief, temporary accommodation and basic living supplies for the affected residents.

Beijing Yunji Technology Co., Ltd.

北京雲迹科技股份有限公司

Zhi Tao

Chairwoman of the Board, Executive Director and President

Beijing, the PRC, March 13, 2026

Report of the Supervisory Committee

In 2025, the Supervisory Committee (“**Supervisory Committee**”) comprehensively fulfilled its duties of supervising the members of the Board and senior management of the Company as authorized at the general meetings in accordance with the PRC Company Law and the Articles of Association.

MEETINGS OF THE SUPERVISORY COMMITTEE

In 2025, three meetings were held by the Supervisory Committee. Details of the meetings are set out as follows:

On January 24, 2025, the Company held a meeting of the Supervisory Committee, among which the “Proposal on the Issuance of H Shares by the Company and its Listing on the Main Board of The Stock Exchange of Hong Kong Limited 《關於公司發行 H 股股票並在香港聯合交易所有限公司主板上市的議案》” and other proposals were considered and approved. Additionally, the 2024 work report was presented to the general meeting.

On May 27, 2025, the Company held a meeting of the Supervisory Committee, among which the “The Work Report of the Supervisory Committee in 2024” and other proposals were considered and approved. Additionally, the 2024 work report was presented to the general meeting.

On December 31, 2025, the Company held a meeting of the Supervisory Committee, which considered and approved the Proposal on the Election of Supervisors.

INDEPENDENT OPINIONS OF SUPERVISORY COMMITTEE ON RELEVANT MATTERS OF THE COMPANY

Legality of Company’s operation

In the opinion of the Supervisory Committee, the Company operated in compliance with relevant laws and regulations, including the Company Law, and the Articles of Association. The procedures for making decisions on operation were in accordance with relevant laws and regulations, and up to standard, thus making satisfactory results. The Directors and senior management of the Company were able to perform their duties in accordance with relevant laws and regulations and the Articles of Association and exercise their powers in a proper and diligent manner without any act in violation of laws, regulations or the Articles of Association or contrary to the interest of the Company or the shareholders.

Implementation of resolutions

The Supervisory Committee had no objection to the contents of resolutions submitted to the general meetings. The Supervisory Committee considered that the resolutions of the general meetings and the Board meetings were implemented effectively.



Report of the Supervisory Committee

Company's financial position

The Company strictly observed the accounting principles. During the Reporting Period, the Company's financial structure was reasonable and complete, and the annual financial report was able to give a true and accurate reflection of the Company's financial position and operating results. The information stated in the report did not contain any false record, misleading statement or material omission. The Company's 2025 annual financial report was audited by KPMG and a standard unqualified opinion were issued.

Actual application of funds raised by the Company

During the Reporting Period, the Supervisory Committee supervised the actual application of funds raised. The Supervisory Committee was of opinion that the Company strictly complied with the use disclosed in the prospectus (the "Prospectus") of the Company dated October 8, 2025 in the management of funds raised. The use of funds raised conformed to the Company's project plan and approval decision procedure without any appropriation of funds raised in breach of stipulation.

Review of Supervisory Committee on internal control evaluation report

The Supervisory Committee has conducted a review on the Company, and considered that the Company has established an appropriate internal control system in all material aspects and the internal control management system has operated effectively, thus ensuring its consistent implementation and normal production and operation.

WORK PLAN OF THE SUPERVISORY COMMITTEE FOR 2026

In 2026, the Supervisory Committee will continue to fulfill and comply with its duties conferred by the relevant laws and regulations and the Articles of Association of supervising members of the Board and senior management of the Company and strengthen its supervision function to improve the corporate governance structure of the Company. The Supervisory Committee will pay more attention to the legality of the decision-making procedures and material decisions made by the Company, and will be determined to implement the pre-set strategies and policies of the Company. Furthermore, by increasing supervision of and facilitating communications with both internal and external auditors, the Supervisory Committee aims to prevent operational and financial risks, so as to further reinforce internal control system and safeguard the interests of the Company and its shareholders.

By order of the Board

Beijing Yunji Technology Co., Ltd.

北京雲迹科技股份有限公司

Ai Baoshu

Chairwoman of the Supervisory Committee

Beijing, the PRC, March 13, 2026

Environmental, Social and Governance Report

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Environmental, Social and Governance Report

About This Report

Overview

This report aims to disclose the Environment, Social, and Governance (ESG) performance of Beijing Yunji Technology Co., Ltd. in 2025.

Boundaries

The organisational scope of this report covers Beijing Yunji Technology Co., Ltd. and its subsidiaries. The statistical scope of the data presented in this report is indicated therein, and data calculations have been conducted in accordance with national regulations or international standards. Unless otherwise specified, all monetary amounts in this report are denominated in Renminbi (RMB).

Timeframe

The reporting period of this report is from 1 January 2025 to 31 December 2025 (hereinafter referred to as the “Year”). To enhance comparability and completeness, some content has been appropriately extended to include periods before and after the reporting year.

Guidelines

This report has been prepared in compliance with Appendix C2 Environmental, Social and Governance Reporting Code to the Listing Rules of The Stock Exchange of Hong Kong Limited (SEHK), and with reference to the Global Reporting Initiative Standards (GRI Standards) of the Global Sustainability Standards Board (GSSB). A relevant content index is provided in the appendix to this report.

Principles

This report has been prepared in accordance with the principles of Materiality, Quantitative, Balance, and Consistency.

Materiality:

During the preparation of this report, key stakeholders and the material issues of concern to them have been identified. Targeted disclosures have been made in this report based on the relative importance of these issues.

Quantitative:

This report presents key performance indicators (KPIs) of the Company’s environmental and social aspects using quantitative data. The measurement standards, methodology, assumptions, calculation tools, and sources of conversion factors used for the KPIs in this report have been explained in the relevant sections of the report.

Balance:

This report adheres to the principle of balance and objectively presents the Company’s ESG performance and current management status.

Consistency:

The financial data in this report are consistent with those disclosed in the *2025 Annual Report of Beijing Yunji Technology Co., Ltd.*

Environmental, Social and Governance Report

Statement of the Board of Directors

The Board of Directors (the “Board”) of the Company issues the following statement in accordance with the requirements of SEHK’s Environmental, Social and Governance Reporting Code.

The Board undertakes that the Company and the Board strictly comply with the requirements set out in SEHK’s Corporate Governance Code and the Environmental, Social and Governance Reporting Code. The Company will continue to improve its ESG governance system, strengthen the Board’s oversight and coordination of ESG matters, and proactively integrate ESG considerations into the Company’s development strategy, major decisions, and the lifecycle operations of its commercial hospitality robots.

As the highest decision-making and supervisory body for ESG governance, the Board assumes ultimate responsibility for ESG management. It reviews and approves the sustainable development strategy, target framework, and major policies; regularly reviews and supervises the Company’s commitments and performance on key issues such as product safety, data privacy, environmental protection, climate change, and business ethics; and examines and approves the annual ESG report.

The Board prioritises ESG risk management. It systematically identifies and assesses ESG risks and opportunities, taking into account industry policies, technological trends, corporate strategies, core business operations, and stakeholder demands. Through stakeholder engagement and materiality analysis, the Board clarifies priorities and continuously enhances the quality and effectiveness of ESG management.

In 2025, the Company further optimised its ESG management approach and refined its ESG strategy, action plan, and key targets, focusing on key areas such as product quality, premium services, green and low-carbon development, talent development, and privacy protection. During the reporting period, the Company achieved a customer satisfaction rate of 94%, obtained approval for 48 new intellectual property rights, and recorded no major accidents in areas such as quality, environment, or safety.



Environmental, Social and Governance Report

About Us

Company Profile

Beijing Yunji Technology Co., Ltd. (Yunji Technology; 02670.HK) was founded in 2014. As a specialised technology company listed under Chapter 18C of the HKEX Listing Rules and a pioneering listed company in hospitality robotic-based AI agents, the Company consistently upholds the mission of “Robots, for a Happier Humanity” and is committed to building a world-leading ecosystem for hospitality AI agents. Centred on a dual-engine technological framework of “embodied intelligence + disembodied intelligence”, the Company develops proprietary robot hardware and AI platforms to create an integrated capability combining “physical interactive robots + AI decision-making software”. Leveraging systems such as YJ-ROS and HDOS, it enables multi-robot collaboration, intelligent scheduling, and scenario-based decision-making, providing enterprises with scalable, adaptive, and data-driven intelligent hospitality solutions.

With robots as intelligent terminals connecting the physical world, Yunji Technology deeply empowers enterprise clients and reshapes hospitality processes and experiences. As of 2025, the Company’s business had expanded to more than 40 countries and regions worldwide, with deployments in over 40,000 hotels and more than 200 hospitals, and extensive applications across diverse scenarios, including factories, retail outlets, apartments, and office buildings. In 2025, Yunji’s robotic-based AI agents completed a cumulative total of 760 million intelligent hospitality tasks and travelled safely over 31.29 million kilometres. With solid technological expertise and large-scale commercial deployment, the Company is leading the growth of the global hospitality AI agent industry.

Environmental, Social and Governance Report

Development History

- 2014
 - The Company was established in Beijing under the name Beijing Yunji Technology Co., Ltd.
 - Completed its angel round of financing.
- 2015
 - Completed Series A financing.
 - Launched the “Run” series.
- 2016
 - The first generation of “Run” achieved large-scale commercialization.
- 2017
 - Completed Series A+ financing and Series A+ strategic financing.
 - Awarded the prestigious “Wu Wenjun Artificial Intelligence Science and Technology Award”.
- 2019
 - Completed Series B financing.
 - Won the “Wu Wenjun Artificial Intelligence Science and Technology Award”.
- 2020
 - Completed Series B strategic financing.
 - Listed in the “Leading Talent” initiative for intelligent robots under the Intelligent Manufacturing and Robotics Technology Innovation Special Project.
- 2021
 - Completed Series C and Series D financing.
 - Launched the “GoGo” series, enabling faster and more efficient delivery and service response.
 - The Company was restructured into a joint-stock limited company.
 - Recognised as a National “Little Giant” SME (Specialised, Refined, Differential, Innovative).
- 2022
 - The Company’s robots provided delivery and transportation services during the Beijing 2022 Winter Olympics and Paralympics, showcasing its advanced technology.
 - Won the first prize for Scientific and Technological Progress awarded by the China Society of Image and Graphics.
 - Recognised as one of Beijing’s first batch of municipal-level “Little Giant” enterprises.
- 2023
 - Launched the first-generation composite polymorphic robots.
 - Established the Digitisation Research Institute in collaboration with experts, scholars, and technical professionals from renowned universities and enterprises worldwide.
 - Recognized with the Hotel AI Large Model Innovation Award for the Hotel GPT product.
- 2024
 - Released HDOS 2.0 and the digital human Yuni.
 - Established the “Hong Kong Polytechnic University and Yunji Technology Hotel Digital Intelligence Joint Innovation Lab”.
 - Honoured as the “2024 Outstanding Edge AI Innovation Application Case” by China Academy of Information and Communications Technology (CAICT).

Environmental, Social and Governance Report

Social Recognition

Milestones in 2025

Capital Leadership	The first specialised technology company listed under Chapter 18C of the HKEX Listing Rules in 2025, becoming the world's "first stock in robotic-based hospitality AI agents".
Market Leadership	Ranked first in market share within the segment of robotic-based hospitality AI agents for hotel scenarios in China.
Honour Leadership	<ul style="list-style-type: none">• Selected as a Beijing Key Laboratory• Included in the 1st China's Special Cases of Artificial Intelligence Empowering Urban Governance• Awarded a Medal with Congratulations of the Jury at the Geneva International Exhibition of Inventions• Founder and Chairwoman ZHI Tao appointed as a Council Member of the 9th Council of the Chinese Association for Artificial Intelligence (CAAI)• Awarded the 2025 China Cultural Tourism Golden Horse Award by the China Cultural Tourism Association• Awarded the Scie-Tech Innovation Golden Bull Award by <i>China Securities Journal</i>• Awarded the Technological Innovation Strength Case of the Year by PRC financial media YiCai (第一財經)• Awarded the AI-Driven Industrial Upgrade Case of 2025 by <i>China Business Journal</i>• Won three first prizes in three events in the Beijing Smart Hotel Robot "Unveiling the List" Application Contest• Awarded the Most Popular Newly Listed Company among Investors by Zhitong Financial Information• Selected as the Outstanding Green Development Case of 2025 by the Zero Carbon Research Institute of The Beijing News• Won the 2025 Hotel Procurement Index Benchmark Brand (Robotics Category) at the 2025 Meadin Cultural Tourism Festival, and ranked first on the Meadin Procurement Index (MPI) (Hotel Edition) Robot Category• The Hotel AI Agent HDOS included in the <i>2025 Digital Scenario Solutions Compendium for Hospitality and Tourism – AI Special Edition</i>• Awarded the 2025 Outstanding Robot Partner Brand Recognised by Investors by Cifang Dianping• The Hotel AI Agent HDOS solution included in the China Hospitality Association's <i>2025 Digital Scenario Solutions Compendium for Hospitality and Tourism – AI Special Edition</i>• The smart hospital logistics solution recognised as an Outstanding Case at the 2025 Technology Innovation Summit of the <i>Economic Observer</i>; selected as a "People's Craftmanship Brand" case of 2025 by People.cn

Environmental, Social and Governance Report

Flagship Products

Yunji Technology is committed to integrating robots into every aspect of hotel services through cutting-edge robotics technologies and digital solutions, aiming to provide hotel guests with more precise intelligent and real-time services and delivering a more convenient and secure service experience. Building on hotel services, the Company is expanding its solutions into diverse scenarios such as healthcare, industry, retail, schools, and communities, thereby establishing an intelligent platform that serves a wide range of industries and supports improvements in operational efficiency and service experience.

Dual-Compartment
Delivery Robot
GOGO

- Dual compartments for large capacity: The robot delivers to two rooms in a single trip, doubling delivery efficiency.
- Integration with food delivery platform systems: Couriers can scan a code to open the compartment and place items inside; order and courier information is traceable. This eliminates the need for front desk staff to handle secondary item placement from takeaway deliveries, thereby reducing manual workload for hotel staff.
- Robust digital solution: Equipped with the “AI voice + front storage compartment + robot” HDOS holistic solution, the robot enhances ecosystem interaction and seamless connectivity with smart hotel devices/systems such as intelligent TVs, smart speakers, PMS, and self-service check-in machines.



Dual-Compartment Delivery Robot: GOGO

Environmental, Social and Governance Report

Composite Polymorphic Robots UP

- Through modular design and the application of AIoT technologies, the robots achieve “multi-functionality within a single unit, time-sharing reuse, group collaboration, and autonomous evolution”. With AI-powered scheduling, 24/7 services can be limitlessly expanded.
- Featuring an industry-first decoupled design of functional modules and chassis, the robots support rapid plug-and-play switching between modules for delivery, cleaning, disinfection, inspection, and reception. This enables adaptation to different scenarios and time periods, significantly reducing customers’ hardware investment and operations and maintenance (O&M) costs.
- Based on multimodal large models, the robots are capable of intent recognition, demand forecasting, and task reasoning. They can understand natural language commands, analyse scenario data, and autonomously devise optimal plans, upgrading from “passive response” to “proactive service”.
- The robots support multi-robot formation, cross-floor scheduling, and relay operations. Multiple UP robots can collaborate to complete complex tasks in scenarios such as hotel food delivery, hospital logistics distribution, and factory inspection, improving overall efficiency by more than 50%.
- The robots are mounted with Yunji’s globally pioneering fully autonomous closed-loop learning system for hospitality AI agents. With large-scale service data, they continuously optimise perception, decision-making, and execution capabilities, becoming increasingly intelligent and efficient over time.



Composite Polymorphic Robots: UP

Environmental, Social and Governance Report

<p>Smart Vending Machine Yunku</p>	<ul style="list-style-type: none"> • Comprehensive online marketplace: The robot provides hotels with an online promotional platform for food and beverage services, attracting guests to place orders and increasing non-room revenue. It also caters to guests' preference for a discreet shopping experience in a considerate manner. • Automated closed-loop service: The robot handles the entire process from “order placement to delivery”, with no direct involvement required from staff, thereby reducing hotel labour costs. • Smart mobile management: Restocking can be completed with one click via a mini-programme, with intelligent backend inventory management and expiry date reminders. Sales status can be monitored in real time, supported by multi-dimensional marketing data analysis. <div data-bbox="890 888 1008 1168" data-label="Image"> </div> <p data-bbox="785 1181 1114 1207">Smart Vending Machine: Yunku</p>
<p>Noodle-Cooking Robot</p>	<ul style="list-style-type: none"> • Ultra-fast meal preparation, shortening peak-time queues: Meals can be prepared in as little as 54 seconds, with a production capacity of up to 66 bowls per hour (equivalent to the workload of one to two skilled chefs), easily meeting breakfast peak demand. • Consistent quality control, eliminating taste variation: AI-powered temperature control and trajectory optimisation technologies ensure that the standard deviation in noodle texture remains below 5%, delivering stable, consistent, high-quality noodle dishes to customers. <div data-bbox="767 1560 1129 1832" data-label="Image"> </div> <p data-bbox="826 1845 1070 1871">Noodle-Cooking Robot</p>

Environmental, Social and Governance Report

Stir-Frying Robot

- Enhanced operational efficiency: The robot completes a cooking cycle in 2 minutes, with the capacity to prepare up to 200 dishes per hour.
- Reduced labour costs: One operator can manage 2-3 machines, saving over RMB130,000 in labour costs annually.
- Data-driven lean procurement: Cloud-based data optimisation of procurement plans can reduce costs by 25%-40%.
- Expansion of takeaway revenue streams: The robot meets the immediate dining needs of in-store customers and opens up new off-premises market opportunities.



Stir-Frying Robot

Environmental, Social and Governance Report

ESG Management

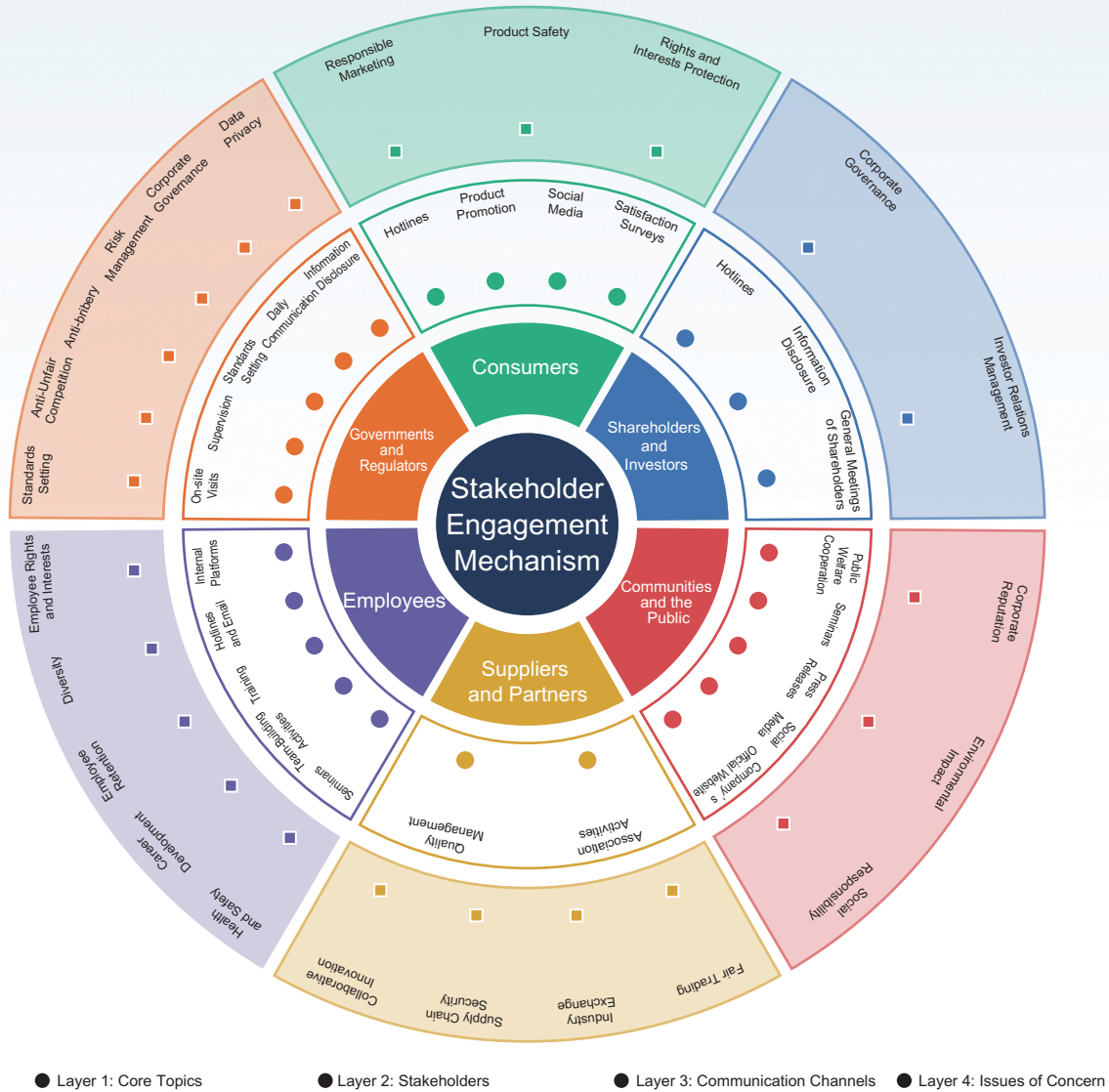
ESG Governance Structure

Yunji Technology is committed to promoting sustainable development and strictly complies with the regulatory requirements of the securities regulators in its place of listing. To advance ESG practices and enhance the quality of ESG information disclosure, the Company has established dedicated policies, including the Environmental, Social, and Governance (ESG) Manual, the ESG Risk Management Measures, and the ESG Risk Assessment Guidelines. It has also built a three-tier governance structure comprising the Audit Committee of the Board of Directors, management, and business departments, defined the ESG management system and the responsibilities and authorities at each level, and embedded ESG governance into its core business processes.

ESG Organisational Structure	Functions
Board of Directors (Audit Committee)	<ul style="list-style-type: none">• Reviews the annual Corporate Governance Report and ESG Report and approves their disclosure; reviews and monitors ESG-related training and continued professional development of directors and senior management.• Reviews and monitors the implementation of the Group's ESG policies to ensure compliance with legal and regulatory requirements.
Management	<ul style="list-style-type: none">• Conducts regular communication and reporting to ensure that directors and senior management are informed of ESG risk management, targets, and plans, as well as implementation status and progress, thereby ensuring the effectiveness of ESG management.• Provides company-wide training on ESG policies, supervises and guides all departments in implementing ESG policies, and carries out assessments.• Collaborates with third-party consultancies to determine the scope of the annual report and conduct materiality assessments; undertakes surveys among internal and external stakeholders; prepares quantitative data collection forms for environmental and social aspects; and gathers information from all departments.
Business Departments	<ul style="list-style-type: none">• Report departmental ESG risks to management.• Submit quantitative data on environmental and social aspects.

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Stakeholder Engagement



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Materiality Analysis

To clarify the Company's ESG-related risks and opportunities and identify the priorities of its ESG management efforts, a comprehensive assessment of material issues was conducted. Through interviews with internal functional departments involved in ESG work, peer benchmarking, and expert evaluation, the Company identified issues that may impact its future development and those of concern to stakeholders, and carried out a materiality assessment. The Company is committed to continuously strengthening the management of key ESG issues and including them as priority disclosure items in its annual ESG report.

Materiality Assessment Process

Identification	The Company systematically identified material ESG issues for the year based on its business characteristics and with reference to industry key issues, business dynamics, the disclosure requirements of the ESG Reporting Code, and peer ESG disclosure practices.
Assessment	The Company reviewed its communication channels with stakeholders to understand and collect expectations and recommendations from both internal and external stakeholders regarding its ESG development. On this basis, the Company evaluated and prioritised the material issues in conjunction with its own development situation.
Review	The results of the materiality assessment were reviewed and approved by management and subsequently disclosed externally.

Materiality Matrix



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1. An Intelligent Life Empowered by Technology

Yunji Technology upholds the mission of “Robots, for a Happier Humanity”, continuously exploring cutting-edge innovative technologies. It has taken the lead in establishing an integrated “embodied intelligence + disembodied intelligence + ecosystem” three-in-one architecture, as it is committed to building a globally leading ecosystem of hospitality AI agents. As of the end of 2025, the Company had cumulatively obtained 1,198 patents and software copyrights. By deeply integrating robot hardware, AI “brains”, and real-world environmental data, the Company enables robots to operate effectively in repetitive and complex tasks, providing a valuable supplement to structural labour shortages across various scenarios. At the same time, through technologies such as AI semantic understanding, it is better able to listen to and understand user needs and deliver more attentive and human-centred services to the public.

1.1 Deepening Digital and Intelligent Hotel Services

As a globally leading enterprise in the R&D and commercialisation of robotic-based hospitality AI agents, Yunji Technology has pioneered the construction of an intelligent service ecosystem driven by dual engines: “embodied intelligence (robots) + disembodied intelligence (AI systems)”. It has also taken the lead in launching “hotel AI agent” solutions for the hotel industry and achieving large-scale deployment. In 2025, Yunji Technology’s robots covered more than 40,000 hotels worldwide, with the average number of robots online per day reached approximately 32,000 per day. It ranked first in market share within the segment of robotic-based hospitality AI agents for hotel scenarios in China, exceeding the combined share of the second to fifth players.

Case: Co-creating “Smart Stay Experience” with a Renowned Hotel Chain to Empower the Upgrade of Budget Hotel Experiences

Yunji Technology has entered into a strategic partnership with a well-known hotel chain group, deploying a “Smart Stay Experience” solution across its hotels, which are centred on delivery robots and intelligent in-room control systems. By providing value-added services such as robotic item delivery, the hotels have seen a significant improvement in their “service features” ratings on OTA platforms. Employees have also been relieved from repetitive errand-running tasks, allowing them to shift their focus to more personalised guest care and room quality management. This solution offers a readily accessible intelligent experience to a large group of young business travellers, promoting the inclusive adoption of technology. Furthermore, through intelligent in-room control and automated robot scheduling, energy consumption in public areas at pilot locations has been optimised, demonstrating the role of digitalisation in enhancing refined management and supporting energy conservation and emissions reduction.



“Smart Stay Experience” for hotels

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Case: Deep Participation in a Chinese Hotel's "F1" Project to Support Standardised and Digital Management for the Industry Leader

From 2023 to 2025, as a core digital and intelligent empowerment partner, Yunji Technology was deeply involved in the flagship "F1" digital transformation project of a renowned hotel chain group. It established a group-level "robot service standards and performance benchmarking system", enabling management to be quantifiable and assessable. Through unified scheduling, the overall utilisation rate of equipment increased by over 25%. The data assets accumulated through the project have provided critical decision-making support for optimising membership services, precision marketing, and new hotel investment models. The initiative has also created a replicable three-tier intelligent management paradigm of "group-brand-individual hotel", offering a practical model for digital upgrading across the hotel industry and fully validating the feasibility of the synergy between "disembodied intelligence" and "embodied intelligence".



The Company assists a renowned hotel chain group in developing an AI hotel platform.

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- The Digital Brain Empowering Holistic Collaborative Intelligence**

Yunji Technology has independently developed an AI-driven digital system that integrates embodied intelligence (enabling robots to perceive and operate in the physical world) with disembodied intelligence (the global analysis and decision-making capabilities of cloud-based AI). Through a full-chain closed-loop workflow and an interconnected multi-device ecosystem, the system is designed to achieve deep integration between offline service scenarios and online digital capabilities. The core of this system is HDOS (Hospitality Digital Operation System). Taking the hotel sector as an example, HDOS connects all stages of in-stay services (from responding to in-room requests to cleaning inspections), eliminating traditional service gaps. At the same time, it enhances user satisfaction through interactive interfaces such as HotelGPT, ultimately enabling a progressive transformation from “automated services” to “digital operations” and “intelligent business”.

<p>Establishing a Unified Digital Platform</p>	<p>HDOS integrates robot scheduling, AI voice interaction, intelligent orders, and a retail marketplace into a single system. It deeply incorporates smart screens, voice devices, and various IoT terminals, creating an open ecosystem that can be flexibly scaled in line with business needs. This helps to overcome the previous fragmentation of multiple systems, enabling seamless connectivity across data, services, and management, and providing strong technological support for refined and agile hotel operations.</p>
<p>Promoting Standardised Service Processes</p>	<p>The system clearly defines service evaluation and quality inspection standards, ensuring stable, consistent, and high-quality service in every stage (from guest enquiries, item delivery, and meal preparation to request handling). It supports hotel groups in establishing a replicable and unified service model, effectively enhancing overall brand quality and management efficiency.</p>
<p>Quantifying Operational Performance</p>	<p>The hotel AI agent system operates continuously on a 24/7 basis, covering more than 20 key service scenarios from check-in to check-out. System deployment is directly translated into measurable commercial returns, as data shows that for every 1,000 service tasks efficiently completed by robots, there is a notable increase in monthly total revenue. At the operational level, it can optimise staffing by reducing the need for 2-3 basic service positions per hotel on average, freeing employees from repetitive tasks. The AI voice concierge effectively handles over 80% of routine enquiries, reducing communication costs. Process optimisation and intelligent resource scheduling also contribute to improved overall energy efficiency.</p>
<p>Understanding and Exceeding Guest Expectations</p>	<p>The system is deeply embedded throughout the entire stay experience, not only meeting explicit needs such as dining, delivery, and shopping in a timely manner, but also continuously identifying latent and unmet expectations through data analysis. It enables closed-loop management of all guest requests and feedback, turning every service interaction into an opportunity to enhance satisfaction. This proactive, precise, and surprise-filled service experience significantly strengthens guest affinity and brand recognition, laying a solid foundation for increasing repeat stays and deepening membership value.</p>

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- **Extensive Functions Expanding the Boundaries of Hotel Services**

In the hotel business sector, the Company has evolved from offering standalone robotic services to delivering a “full-chain hotel AI agent solution”. This encompasses all-scenario delivery, intelligent response, and catering robots capable of noodle cooking and stir-frying, thereby reshaping the market for “lunchtime gaps + takeaway growth”. This helps hotel clients address long-standing challenges such as rising labour costs and inconsistent service standards, enabling the coordinated enhancement of operational efficiency, guest experience, and environmental efficiency.

Case: Deployment and Operation of Yunji Noodle-Cooking Robots

In the second half of 2025, Yunji’s noodle-cooking robots were deployed and put into operation in multiple outlets of a hotel chain across core cities such as Shanghai and Beijing, achieving remarkable results. Closely aligned with the “Home Inn Noodle” IP, the robots have freed staff from repetitive noodle preparation tasks, allowing hotel employees to focus on more personalised services, thereby reinforcing the brand’s “Home Culture”. The noodle-cooking robots effectively address key pain points such as queues during peak dining periods and labour shortages, and have become a popular “social media hotspot” among guests. At the same time, through human-machine collaborative innovation, employees are shifted from repetitive labour to more engaging roles such as guiding diners, thereby restructuring the service value chain. This initiative has successfully broken through the traditional constraints of hotel catering and established an industry benchmark for the deep integration of “AI + robots + service scenarios”, providing a replicable and practical model for widespread adoption by hotel chains.



The Noodle-Cooking Robot

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Case: The Stir-Frying Robot Showcased at the 2025 China Hospitality Industry Brand Development Conference

In November 2025, Yunji Technology's hotel AI agent family made a collective appearance at the China Hospitality Industry Brand Development Conference, comprehensively showcasing a new ecosystem of digital and intelligent hotel services. Equipped with 400 cloud-based AI recipes, the stir-frying robot completes a fully automated process, from ingredient dispensing, cooking, and plating to cleaning and maintenance. Using an uncoated cast-iron wok and high-temperature stir-frying of up to 350°C, it successfully recreates the distinctive "wok aroma". The demonstration attracted significant attention, with many senior executives and owner representatives from hotel groups taking out their phones to record videos and eagerly sampling the dishes prepared by the robot.



The intelligent stir-frying robot becomes a new partner for hotel chefs.

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1.2 Expanding Diverse Smart Scenarios

Constantly driven by technological innovation and supported by scenario-based deployment, Yunji Technology proactively adapts to the practical needs of different industries. Starting from hotel services, it has continuously expanded its solutions to a wide range of scenarios, including healthcare, industry, retail, schools, and communities. With reliable delivery and human-centred interaction in different real-world scenarios, it consistently creates tangible value.

- **Healthcare Scenario**

Focusing on healthcare service scenarios, the Company deeply integrates cutting-edge technologies such as the Internet of Things (IoT), artificial intelligence (AI), autonomous driving, and 5G to develop “AI + robot” smart hospital logistics solutions. Its highly integrated robotic information management system helps enhance intelligence and digitalisation in hospitals and establishes a new paradigm of smart hospital services characterised by “comprehensive coverage of key departments, intelligent ward operations, and standardised back-end management and control”. In 2025, the Company’s smart hospital logistics solution was recognised as an “Outstanding Case at the 2025 Technology Innovation Summit” by the *Economic Observer*, and was successfully selected as a “People’s Craftsmanship Brand” case of 2025 by People.cn.

Case: Collaborative Practice of Hospital Robots + AI to Build a New Paradigm for Smart Healthcare

For many Grade III Class A hospitals, the high volume of medical services requires the daily transfer of large quantities of medicines, specimens, and surgical instruments between departments. Traditional manual delivery not only consumes valuable time of medical staff but also makes it difficult to ensure efficient management. At Zhejiang Dongyang People’s Hospital, we assisted the hospital in establishing a robotic supply delivery system. Since 2021, a total of 11 robots have been deployed in key areas such as operating theatres, emergency departments, blood banks, and laboratories. Medical staff simply place items into the robot’s compartments and select the destination, after which the robot automatically plans its route, completes the delivery, and returns for charging. The intelligent scheduling platform provides real-time visibility of each robot’s location and task status, making the entire delivery process transparent. With the support of robots, laboratory staff at the hospital no longer need to frequently travel to deliver specimens and can instead focus more on clinical work. Unmanned delivery has also reduced personnel contact, thus lowering the risk of cross-infection. At the same time, the system has effectively improved operational management. As a result, it has made delivery processes more standardised and punctual, reduced losses and delays, and enhanced the overall efficiency and smooth operation of the hospital.



The hospital delivery robot



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- **Industrial Scenario**

For the industrial scenario, the Company has developed an innovative “factory AI agent” solution. By deploying capabilities such as autonomous decision-making, collaborative scheduling, and feedback analysis, the solution drives the intelligent upgrading of factories and provides a new paradigm for the digital transformation of the manufacturing industry.

Case: Industrial AI Empowers the Transformation to Intelligent Manufacturing

In the industrial manufacturing sector, superior standards and efficiency are critical competitive advantages for enterprises. In response to challenges faced by a large manufacturing enterprise, such as low efficiency in fault diagnosis, difficulty in transferring expert experience, and fragmented knowledge, the Company leveraged its proprietary AI agent ecosystem to jointly develop an “AI agent + factory” system. By fully utilising the scenario adaptability and rapid deployment capabilities of AI agents combined with composite polymorphic robots, the solution helps the enterprise reconstruct the entire production chain, reduce costs, and enhance efficiency.

- Intelligent logistics: Unmanned vehicles and AMRs operate collaboratively to complete the fully automated delivery of raw materials, semi-finished products, and finished products, thereby effectively reducing costs, improving quality, and enhancing efficiency;
- Unmanned loading and unloading: AI vision-based positioning, which enables mm-level precision in loading and unloading, replaces traditional manual feeding and retrieval processes;
- Closed-loop processes: Real-time optimisation of production data on the platform, based on the Company’s AI agent service ecosystem, has significantly improved overall equipment effectiveness (OEE);
- Fault testing: Automated 24/7 monitoring of core testing stations has been achieved, with a problem analysis efficiency of over 150%, an anomaly detection accuracy rate of 85%, and a fault diagnosis completion rate of over 95%. The AI system also effectively mitigates the impact of personnel turnover on production.

In October 2025, the Company jointly launched the “factory AI agent” solution with the enterprise and achieved large-scale deployment of composite polymorphic robots in scenarios such as industrial logistics and unmanned loading and unloading. This technological solution has become a benchmark for the flexible upgrading of intelligent manufacturing.

In December 2025, the Company formally entered into a strategic partnership with AERO Group, a leading enterprise in fluid power and automation in Thailand. The two parties will focus on industry and people’s livelihood and introduce mature industrial logistics robot solutions to address automation needs in areas such as material moving, cleaning, and process support, thereby supporting the intelligent transformation of Thailand’s manufacturing industry.

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- **Retail Scenario**

In recent years, with the growing demand from online platforms, supermarkets have actively adapted to online sales by establishing dedicated online shopping channels, which are supported by personnel responsible for order intake, picking, delivery, and packaging. However, due to the highly uneven distribution of online orders and constraints on staffing, order backlogs may occur. To address this challenge, Yunji Technology has developed a robot capable of assisting with goods transportation. Robots serve “intelligent warehouse partners” that enable automated inventory checks, goods handling, and order picking. This solution helps the retail sector tackle the dual challenges of efficiency and cost.



The supermarket delivery robot

- **Live Streaming Scenario**

In response to repetitive tasks in corporate live streaming, such as high-frequency interactions and process maintenance, the Company has launched an automated robot-assisted tool. With functions such as pre-set scripts and keyword-based responses, the robot enhances live streaming efficiency and audience interaction experience. It is suitable for peak traffic periods, long-duration streaming, or scenarios involving novice hosts, while still requiring human collaboration to optimise content accuracy and professionalism. This solution helps live streaming teams reduce costs and improve efficiency by minimising repetitive interaction tasks, allowing hosts to focus on delivering core content and enhancing the professionalism of broadcasts. It also improves the audience experience by enabling rapid responses and atmosphere management, thereby increasing user engagement and retention, and supporting traffic conversion in live streaming sessions. Furthermore, it provides data insights for live streaming operations, which can assist in content iteration and improve overall streaming quality and effectiveness.



The live streaming robot

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- **School Scenario**

To enhance the level of intelligence on campus, schools have introduced intelligent robots. This initiative provides students with more opportunities to engage with such technologies while also offering greater convenience for students, teachers, and property management staff in their learning and work. At the same time, the robots are equipped with a school-specific anti-bullying system, enabling mobile bullying detection and offering better protection for younger students. In practical applications, the robots also incorporate reception and navigation functions so that they can assist parents and external visitors in finding their way to desired locations on campus. Not only teachers, property management staff, and students, but also parents and visitors benefit from the convenience brought by these robots.

- **Community Scenario**

Door-to-door waste collection robots allow users to schedule fixed time slots for waste collection services via a mini-programme or request on-demand collection. They also support precise, category-based waste collection, where, upon arriving at designated locations, they will notify users through multiple methods to dispose of their waste. When bins are full, the robots automatically alert cleaning staff, thus forming a closed-loop process.

This initiative addresses issues such as overflowing public bins and unpleasant odours, and creates a smart and environmentally friendly modern community image. Moreover, it increases the recycling rate of recyclable materials by over 30% through precise waste sorting. By optimising collection routes, it effectively reduces carbon emissions and continuously contributes to urban ecological sustainability.



The waste collection robot

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1.3 Exploring Cutting-Edge Innovative Technologies

The exploration of frontier technologies consistently serves as the core pathway for Yunji Technology to fulfil its social responsibilities. The Company is committed to driving a sustainable service ecosystem through algorithmic innovation, continuously advancing across four key areas: digital infrastructure, intelligent energy efficiency, inclusive technology, and smart O&M. Its aim is to ensure that technological innovation not only enhances business efficiency but also serves as a foundational force in promoting green development and social inclusion. As of the end of 2025, the Company had accumulated a total of 1,198 intellectual property rights, including patents and software copyrights. It was selected as one of the first batch of Comprehensive 5G Application Solution Providers by the Ministry of Industry and Information Technology (MIIT) and recognised as a “Little Giant” SME (Specialised, Refined, Differential, Innovative) by both the MIIT and the Beijing Municipal Government, and has twice received the Wu Wenjun Artificial Intelligence Award, a prestigious award in China’s AI field. It has also participated in the formulation of 26 technical and industry standards. Its technological innovation and application capabilities have maintained a leading position within the industry.

Breakthroughs in Full-Stack Voice Interaction Technology: Vertical Voice Intelligence Technology Driving Upgrades for All Hotel Service Scenarios

Focusing on service scenarios in hotel spaces, the Company has further enhanced its HDOS-based voice intelligence system and built voice interaction capabilities that cover the entire service journey, including check-in, in-room control, service requests, consumption interaction, and check-out services. This has led to an upgrade from isolated voice functions to an intelligent service interface for all scenarios.

With a unified voice intelligence platform, the Company enables multi-terminal access across robots, in-room devices, mini-programs, and telephone systems, creating a unified interaction interface across devices and service processes. This establishes voice as a key digital interface for hotel services, significantly improving service efficiency and user experience.

In terms of core technological capabilities, the Company has developed vertical semantic understanding models and a multimodal voice interaction system tailored to hotel scenarios. Through large-scale scenario data training and continuous optimisation, it has achieved high-precision semantic understanding and stable speech recognition performance:

- Intent recognition accuracy: over 98.5%
- Accuracy of key service alert identification: over 96.6%
- Word error rate in speech recognition: below 5%
- Support for 23 languages, including Chinese-English mixed recognition

So far, this voice intelligence system has been deployed at scale across thousands of hotels, where it has processed hundreds of millions of user interactions. It is driving the transformation of hotel services from traditional manual service models to intelligent, automated, and fully digitalised operations.



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From Single-Device Intelligence to System-Level Energy Efficiency: Redefining the Environmental Value of Robots

When the industry is largely focused on the capabilities of a single robot, the Company has taken the lead in expanding its technological vision to the system level of building energy efficiency. The Company's independently developed HDOS (Hospitality Digital Operation System) intelligent scheduling platform achieves global optimisation of service tasks through deep integration with hotel business systems, including intelligently consolidating delivery requests, predictively allocating capacity, and coordinating vertical transportation resources across multi-brand equipment. This transforms robots from isolated variables within building energy systems into integral components of overall building energy efficiency management. Meanwhile, the Company's proprietary "device-edge-cloud" layered computing architecture enables a large proportion of sensing and decision-making tasks to be completed locally at the device level, with cloud communication occurring only when necessary, thereby achieving refined control over transmission energy consumption and computing resources at the data-link level. This systematic energy-saving approach has been validated through large-scale operations in more than 40,000 hotels worldwide, demonstrating that improvements in efficiency and reductions in energy consumption can be achieved simultaneously.

Practising Inclusive Technology through "Seamless Interaction": Enabling Technology to Proactively Adapt to Everyone

The Company firmly believes that truly responsible technological innovation should bridge rather than widen the digital divide. To address the operational barriers faced by elderly users when interacting with smart devices, the Company's R&D team has innovatively repurposed the laser sensors on the robot chassis. By using high-precision point cloud analysis algorithms to detect the opening and closing status of guest room doors in real time, they enable a zero-operation interaction experience of "door opens, compartment unlocks". This design eliminates learning costs and operational barriers, allowing elderly users and individuals with reduced mobility to enjoy technological services in a natural and seamless manner. At the same time, as the entire process relies on non-visual data processing, it fundamentally eliminates the possibility of privacy data collection at the architectural level, reflecting the Company's "privacy first" product ethics.

Data-Driven Self-Evolving O&M: Building Sustainable Infrastructure for Large-Scale Service Networks

As the Company's service network expands to a larger scale and more diverse scenarios, the intelligence of its O&M system directly determines its service sustainability. Therefore, the Company has established an intelligent robot alert analysis system covering all scenarios. Based on 24/7 automated monitoring, it leverages AI technologies to conduct multi-dimensional correlation analysis of vast volumes of alert data, achieving a paradigm shift from "experience-driven reactive response" to "data-driven proactive prediction". The continuously enriched fault knowledge base not only standardises diagnostic criteria and improves cross-team collaboration efficiency, but also constitutes a core data asset in managing large-scale distributed equipment. This capability allows the Company to maintain, and even enhance, service stability and resource utilisation efficiency as device scale continues to grow, providing a replicable technological model for sustainable large-scale operations of the commercial service robotics industry.

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Case: Jointly Establishing the Beijing Key Laboratory for Embodied Interactive Intelligence

In December 2025, the Beijing Municipal Science and Technology Commission announced the list of recognised Beijing Key Laboratories for 2025. Among them, there was the “Beijing Key Laboratory for Embodied Interactive Intelligence”, led by Beijing University of Technology and jointly established with Yunji Technology and iFLYTEK (Beijing) Co., Ltd. As the only scenario-based robotics company among the co-establishing partners, Yunji Technology plays a crucial role for “scenario-based driving and product transformation” within this collaboration. This tripartite partnership aims to build a full-chain innovation system spanning “frontier academic research, core technology breakthroughs, and large-scale scenario validation”, jointly advancing embodied intelligence as a forward-looking national strategic field.



Recognised as a Beijing Key Laboratory

2. Reliable Quality Underpinned by Craftsmanship

Yunji Technology continuously optimises the quality of its products and services as well as the customer experience. It rigorously controls quality standards across the entire product lifecycle, enhances product quality, and effectively improves response efficiency and personalised services, thereby increasing customer satisfaction and loyalty. At the same time, the Company regards privacy and information security as its lifeline and has established a protection system covering the entire data lifecycle. Looking ahead, Yunji Technology will continue to uphold its safety principles while delivering services with a human touch.

2.1 Ensuring Product and Service Quality

Yunji Technology strictly controls product quality across four dimensions: R&D, processes, after-sales service, and suppliers. It rigorously implements the Product Quality Law, the EU RoHS requirements, and Quality Protocols. At the same time, it establishes internal standards by integrating the national standard GB/T 2828.1-2012 sampling procedures for inspection, customer requirements, and industry benchmarks. It continuously improves its quality supervision, assessment, and evaluation systems, establishes a normalised analysis mechanism, and carries out service quality analysis.

The Company promotes the signing of quality assurance agreements for raw materials and finished products with suppliers, promptly addresses supplier quality issues, drives supplier quality improvement, and participates in supplier quality meetings. Incoming material quality under FFR has been incorporated into the OKR management mechanism of procurement. Every month, it publishes quality reports and early warnings, including “the quality dashboard, TOP issue notifications, and resolution strategies”. For major anomalies, dedicated improvement initiatives are launched within 48 hours after triggering the warning threshold. Every quarter, it conducts performance evaluations of suppliers and communicates the results via email. Every year, it carries out evaluations of contract manufacturers and audits of key suppliers. For non-conformities, it notifies by email and follows up on corrective actions, thereby ensuring product and service quality in a comprehensive manner.

2.2 Enhancing Customer Service Satisfaction

To improve the product user experience and strengthen service quality, Yunji Technology follows up on and addresses any technical and product issues related to the goods it sells. It encourages customers to connect with it via WeCom, with which it establishes a long-term and efficient service communication channel that enables timely responses to customers’ renewal and service needs and enhances customer satisfaction and loyalty. At the same time, it has established a regular liaison mechanism with regional distributors and created a communication platform for them, supporting distributors in improving their capabilities in the renewal business.

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<p>Maintenance and Assurance of Market-Deployed Equipment</p>	<ul style="list-style-type: none"> • Preventive Maintenance: Based on robot usage duration, the Company develops proactive on-site maintenance plans, notifies hotel clients in advance, and coordinates service providers to conduct equipment inspections, thereby preventing potential failures. • Fault Repair: After spare parts are delivered to the client, third-party maintenance personnel carry out on-site repair services within 24 hours to ensure timeliness. If complex issues arise on site, technical support from the team shall respond within 15 minutes. • Batch Rectification: In response to robot system version optimisation and functional iteration needs, the Company formulates nationwide or regional batch upgrade plans, communicates and confirms upgrade schedules with hotel clients in advance, and avoids peak customer traffic periods. • Application and Feedback of Fault Information: The Company consolidates equipment issues identified during on-site maintenance and promptly feeds them back to the product and R&D departments, providing input for issue analysis and corrective action planning, and driving product design and performance optimisation.
<p>Updating and Improving After-sales SOPs</p>	<ul style="list-style-type: none"> • SOP Review and Assessment: The Company comprehensively reviews existing after-sales SOPs, collects feedback from team members, service providers, and on-site engineers, and assesses their operability and effectiveness. • SOP Updates and Additions: Based on identified issues, the Company optimises and updates SOPs; for new scenarios, it develops corresponding new SOPs. • SOP Implementation and Training: Following updates, the Company organises training for team members and service providers to ensure all relevant personnel understand the new procedures. During the initial implementation phase, it monitors execution and promptly addresses any issues to avoid deviations.
<p>Service Provider Management and Training</p>	<ul style="list-style-type: none"> • Routine Maintenance and Relationship Management: The Company provides on-site technical support and communication during daily maintenance activities. Monthly online meetings are organised with service providers to understand issues encountered in service delivery and to coordinate the resolution of any cooperation disputes. • Tiered Training and Capability Enhancement: For new service providers, the Company delivers on-site basic maintenance training, and they must pass both theoretical and practical assessments before undertaking work orders. For existing service providers, advanced skills training is conducted on a quarterly basis. • Service Quality Supervision and Optimisation: Upon receiving customer complaints regarding service providers, the Company immediately initiates investigations and requests the service provider to take corrective actions and issue apologies to customers. If improvements fail to meet standards within the specified timeframe, cooperation will be terminated.

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- ### **Customer Complaint Management**

Yunji Technology firmly believes that robust customer complaint management is not only a safeguard for service quality but also a foundation of trust for deepening ongoing cooperation and achieving mutual growth with its hotel partners. The Company regards every customer complaint as an important opportunity to optimise its services, and has therefore established a rigorous and efficient omnichannel complaint response and closed-loop management system.

Complaint Management Policies	<ul style="list-style-type: none"> The Company has strengthened customer complaint management by developing policies such as the Customer Complaint Management System, Customer Complaint Handling Management Regulations, and After-sales Service Process Standards.
Complaint Channels	<ul style="list-style-type: none"> The 400 service hotline, repair request entry on the robot user interface, WeChat mini programme (redirected to the Zhichi service platform), WeCom groups, and email. Complaint channels of various hotel groups, including the platforms of H World, Jinjiang, Atour, and Home Inn.
Complaint Handling Process	<ul style="list-style-type: none"> Complaint identification → Creation and classification of service orders → Creation of maintenance orders or resolution and closure of non-quality-related orders → Follow-up on maintenance orders
Reporting Mechanism	<ul style="list-style-type: none"> Routine hierarchical reporting: Frontline handling personnel submit daily complaint handling reports to department supervisors, who consolidate them weekly and submit weekly reports to the complaint management department. Escalation reporting for major complaints: If a complaint involves major safety incidents, public opinion risks, significant legal risks, or similar issues, the responsible department must report to the head of the centre within 24 hours and, where necessary, synchronise reporting with specialised departments such as the Legal Department to prevent escalation. Regular consolidated reporting: The complaint management department submits monthly/quarterly reports to management. If any non-compliant operations or dereliction of duty occur during complaint handling, the supervisory team must submit a special report and initiate an accountability mechanism.

- ### **Customer Satisfaction**

The Company continuously optimises service processes and the customer experience, strengthens digital service capabilities, and refines personalised service details. With a comprehensive customer feedback mechanism and a dynamic satisfaction monitoring system established, as well as an order closure evaluation function introduced, it assesses customer experience to gain deeper insights into customer needs. In July 2025, the Company's order service evaluation system was officially launched. A total of 7,869 evaluations were recorded on the Zhichi order platform, of which 7,406 were positive, resulting in a satisfaction rate of 94%.

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2.3 Safeguarding Privacy and Information Security

To ensure the security of privacy and information, Yunji Technology implements the Cybersecurity Law of the People’s Republic of China and the Data Security Law of the People’s Republic of China, and has established a series of policies, including the Information Security Management System, Information System Security Design, and Code of Conduct for Employee Information Security. The Company also conducts periodic ethics training on innovative technologies to strengthen the awareness of privacy protection, information security, and ethics among its R&D personnel.

- **Information Security Governance System**

The Company explicitly regards customer privacy and information security as the cornerstone of corporate sustainability and has deeply integrated this principle into its corporate governance and ESG strategy. AI voice communications are transmitted with encrypted methods, and business data is centrally stored in encrypted form within the HDOS system database. At the same time, it optimises access permissions for the AI voice terminal device management system to enhance system security and prevent unauthorised intrusion and attacks.

<p>Establishing Dedicated Bodies</p>	<p>The Company has established an Information Security Management Committee, which is directly led by the CEO and senior executives from the legal and information security departments. The Committee oversees the formulation and implementation of relevant policies and ensures accountability at the highest management level.</p>
<p>Strengthening Compliance Management</p>	<p>The Company closely monitors updates to relevant domestic laws and regulations and strictly complies with core legislations such as the Cybersecurity Law, the Data Security Law, and the Personal Information Protection Law of the People’s Republic of China. For the overseas launch of its products, the Company rigorously aligns with and implements the applicable compliance standards of destination countries to ensure full legal and regulatory compliance across all cross-border operations. At the same time, it pays close attention to regional regulatory requirements, including the Personal Data (Privacy) Ordinance of Hong Kong. The Company has initiated a comprehensive compliance gap analysis to identify differences between its existing management systems and regulatory requirements. Based on this, it formulates targeted optimisation measures to ensure that its future operations and reporting fully meet more stringent compliance standards. Throughout the software development process, compliance-by-design is incorporated as a priority at the initial stage, enabling early prevention of compliance risks and ensuring that compliance management is planned, advanced, and implemented in parallel with R&D activities.</p>
<p>Improving the Reporting Mechanism</p>	<p>Cybersecurity incidents are collected through multiple channels and centrally managed by the security department. Reporting is conducted in stages based on the severity of incidents: Level I/II incidents are reported to the CEO and the Management Committee within 24 hours, while Level III/IV incidents are reported to the responsible executives within 48 hours.</p>

Environmental, Social and Governance Report

- Lifecycle Information Security Management**

The Company consistently embeds a security approach throughout the processes of product development, data operations, and service delivery. Privacy and information security protection are integrated into every stage of software development and data processing, which forms a closed-loop mechanism of “prevention-monitoring-response”, continuously strengthening its defensive capabilities. At the same time, it has established detailed emergency response procedures for security incidents to safeguard the information security of hotels and their guests.

Risk Prevention	The Company conducts privacy impact assessments for all new products, new technologies, and business operations. In the data collection stage, it adheres to the principles of legality, legitimacy, necessity, and clear purpose, and only collects the minimum data necessary to achieve specific functions (2026).
Continuous Monitoring	The Company classifies and grades data and implements corresponding protection measures accordingly. Moreover, it carries out annual penetration testing and vulnerability assessments on networks and mobile applications to proactively identify potential risks.
Emergency Response	The Company has developed detailed information security incident emergency response plans, where it sets out handling procedures, communication mechanisms, and recovery tools. All incidents are reported and investigated in a timely manner, forming a closed-loop management process.

- Core Technology Protection System and Certifications**

The Company adopts industry-leading technologies and management standards to build a trusted protection system. Based on the native security capabilities of Tencent Cloud, it has established a comprehensive defence-in-depth framework covering physical security, identity authentication, network security, application security, host security, data security, and O&M security, ensuring the security of data throughout its lifecycle. At the same time, it strictly enforces the principles of “least privilege” and “need-to-know” for access to sensitive data, ensuring that only authorised personnel can access specific data. So far, its information security management system has obtained certifications including ISO 27001 (Information Security Management), and 100% of its core business systems have passed and been registered under the National Classified Protection of Cybersecurity (Level 3).



Filing Certificate of National Classified Security Protection of Information Systems



ISO 27001 Certificate

Environmental, Social and Governance Report

3. Green and Low-Carbon Development through Environmentally Friendly Practices

Yunji Technology steers its actions towards sustainable development and fully integrates green principles into its strategy and operations. It systematically builds an intelligent green operations framework, with a focus on developing low-carbon and environmentally friendly products. Environmental protection standards are embedded into R&D and design processes, while initiatives such as paperless office practices, energy conservation, consumption reduction, and recycling are actively promoted. It is committed to implementing sustainable development principles at every stage, driving the coordinated development of the enterprise and the ecological environment.

3.1 Empowering Smart Green Operations

The Company’s self-developed hotel AI agent solution HDOS utilises “AI + robotics” for intelligent scheduling and data-driven management, enabling hotels to unlock over 50% of labour value and improve service efficiency by up to 50%. While reducing operating costs, the solution also significantly optimises energy allocation within hotels, minimises resource waste, and strengthens energy-saving and carbon-reduction outcomes.

With an AI-powered intelligent scheduling hub, HDOS dynamically allocates resources such as energy, manpower, and equipment within hotels. The demand-sensing and predictive scheduling system, supported by an AI voice interface (capable of recognising over 1,000 service intents), automatically answers customer calls, identifies needs, and categorises requests for processing. Tasks such as item delivery, maintenance requests, and cleaning are directly assigned to robots or staff, reducing manual call handling and transfer time. The HDOS system collects full-process data at the backend in real time and automatically generates multi-dimensional reports at both property and group levels, covering modules such as demand categorisation, service efficiency, consumables usage, and revenue data. It supports statistical analysis on a daily, weekly, and monthly basis, and data can be exported and integrated with hotel financial systems to ensure consistency in statistical standards, providing objective and accurate data support for hotel operations and decision-making.

Key Indicator	Practical Results
15-minute response rate for orders	In 2025, the average was 75.77%, with dispatch time reduced from an average of 5 minutes to 10 seconds, lowering manual dispatch costs.
Robot delivery ratio	In 2025, it reached 90.8%, reducing manual delivery labour hours by 60%.
Recording accuracy rate for consumables	It achieved 96% by recording the usage of consumables such as shower gel and toilet paper through housekeeping order logs, thereby avoiding waste.

In recognition of the Company’s significant contributions to promoting energy conservation and emissions reduction in the hotel industry, it was honoured with the title of “Hotel Low-Carbon Supply Chain Supporter” by the Hotel Low-Carbon Development Research Institute.





Environmental, Social and Governance Report

3.2 Deepening Comprehensive Environmental Management

Yunji Technology practises the philosophy of green development. By increasing the renewal rate of robot service contracts, it extends product lifecycles and reduces resource waste and environmental impact caused by idle or discarded products. It also intensifies the substitution of renewable energy, promotes the electrification of production equipment, and optimises the energy mix. In addition, it implements clean production audits to reduce wastewater, waste gas, and solid waste emissions. An environmental emergency response mechanism has been established, with drills regularly conducted for unexpected environmental incidents.

- **Developing Green Products**

The Company is committed to deeply integrating the philosophy of sustainable development into product design and the entire service cycle, ensuring that products embody green principles from the outset. It actively develops green intelligent products that are environmentally friendly and resource-efficient, maximises resource utilisation, and builds a responsible green technology ecosystem.

Establishing Green Indicators

Under equivalent conditions, priority is given to suppliers that have obtained environmental management system certifications and passed SMETA audits. The Company's key suppliers include companies included in the 2024 *Forbes* China ESG 50 list, Outstanding Responsible Enterprises of 2023 in the China Corporate Social Responsibility ranking, and those certified under ISO 14001 Environmental Management System, ISO 50001 Energy Management System, SA8000 Social Accountability Standard, and ISO 45001 Occupational Health and Safety Management System. Throughout the project R&D process, RoHS declarations for materials are included as mandatory approval documentation for every component. All suppliers are required to provide RoHS compliance declarations for all materials and raw materials used in complete products, thereby ensuring that products meet RoHS certification standards and reflecting its commitment to green and environmentally friendly production and R&D.

Reducing Energy Consumption

All batteries of the Company's products are equipped with a BMS board and feature triple-layer protection: built-in battery protection, power motor board protection, and charger board protection. Through programme control, when equipment remains in a low-power state for 72 consecutive hours and is deemed shut down, the BMS automatically switches to storage mode, significantly reducing battery self-discharge. This design extends the battery recharge cycle from the original six months to three years, effectively reducing maintenance frequency and minimising unnecessary energy consumption. At the software level, targeted low-power operation strategies are implemented. Robots automatically enter a screensaver mode with a predominantly black background after 2-3 minutes of inactivity, reducing energy consumption by lowering backlight brightness. In addition, when robots are docked for charging and have no assigned tasks, they operate at zero speed, further reducing motor power consumption.

Environmental, Social and Governance Report

Building an Industry Closed-Loop

The Company has established a full-chain product traceability system for unified management of each robot's sensors and product SN, enabling full traceability of information such as operating mileage, factory release date, and production dates of individual components. For robots that have reached the end of their service life or have been returned, dismantling and evaluation are conducted strictly in accordance with company standards. Components that remain valuable and meet lifespan requirements are reused as after-sales spare parts, while those without reuse value are handled through standardised disposal by qualified professional recycling partners. This approach ensures efficient resource utilisation and environmentally friendly treatment throughout the lifecycle.



The Company's products are showcased at the "Green Transition towards a Smart Future: 2025 Green Development Forum of the Zero-Carbon Research Institute".

- **Practising Green Offices**

Yunji Technology fulfils its commitment to sustainable development through practical actions. It promotes a green office system and implements emission-reduction measures, such as digital process transformation, paperless operations and promotion, the adoption of energy-efficient equipment, and resource recycling. At the same time, the Company continuously strengthens environmental awareness initiatives to enhance employees' sense of environmental responsibility. In this way, energy conservation and consumption reduction are embedded into all aspects of daily work.

The Company promotes paperless office practices, including managing business documents and personnel records in an online system. This approach not only supports low-carbon and environmentally friendly operations and reduces energy consumption, but also improves work efficiency and lowers document management costs. The use of electronic signatures reduces manual stamping efforts, minimises waiting time, and improves approval efficiency. Since the system was launched, 80% of the Company's contracts have been processed in a paperless manner, and the mailing costs associated with paper contract circulation have been reduced.

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- Supporting Green Exhibitions and Events**

In planning and participating in marketing, brand promotion, and exhibitions, the Company consistently upholds the philosophy of sustainable development and deeply integrates environmental awareness into operational decision-making and execution details. It is committed to achieving communication and business objectives while minimising the environmental impact of such activities to the greatest extent possible.

<p>Design and Production of Promotional Materials</p>	<ul style="list-style-type: none"> Reduction at the Source and Environmentally Friendly Substitutes: Priority is given to FSC-certified recycled paper and soy-based inks for printing promotional materials. The Company continuously expands the use of digital materials (such as electronic brochures and H5 pages) to reduce the consumption of physical materials. In booth setting-up, preference is given to renting or using components made from renewable or rapidly biodegradable materials. Advocating Lightweight and Reusable Design: For necessary physical materials, such as product sample packaging and gift bags, the Company favours simple, durable designs that can be reused multiple times and avoid excessive packaging and single-use items.
<p>Intensive and Efficient Use of Energy</p>	<ul style="list-style-type: none"> Energy-Saving Equipment and Lighting Solutions: At exhibitions and offline events, the Company prioritises the use of LED energy-efficient lighting and optimises lighting design to minimise energy waste. High-efficiency audio-visual equipment is also selected for display purposes. Optimising Logistics and Travel Arrangements: In planning material transportation and staff travel, the Company strives to integrate resources, choose lower-carbon transport options, and encourage employees to use public transport for local or regional events.
<p>Recycling and Waste Reduction</p>	<ul style="list-style-type: none"> Systematic Recycling of Promotional Materials: Core booth structures, back panels, and key display props adopt modular designs to facilitate dismantling, transportation, reassembly, and reuse across different exhibitions. Promotional materials produced for specific events are assessed after use, with items in good condition recovered for subsequent internal activities or targeted donations. On-site Waste Sorting and Management: At exhibition venues, the Company clearly requires and assists partners in sorting and storing waste (such as packaging materials and printed promotional items), ensuring that recyclables are effectively processed and reducing the volume sent to landfill.
<p>Digital and Paperless Interactive Experience</p>	<ul style="list-style-type: none"> Digital Information Delivery and Interaction: QR codes and online cloud exhibition halls are widely adopted to replace certain traditional paper materials and samples. This approach enables customers to conveniently access information and experience products via electronic devices, thereby achieving efficient and environmentally friendly communication. Electronic Registration and Sign-in: For conferences and salons that the Company organises or participates in, electronic tickets, online registration, and QR code sign-in are fully implemented, reducing the use of paper documents.

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3.3 Actively Responding to Climate Change

Yunji Technology attaches great importance to the impact of climate change on the sustainable development of its business. In strict compliance with the risk management requirements of the HKEX Environmental, Social and Governance Reporting Code, it fully integrates climate change, as a core ESG risk, into its full-cycle risk management system of “strategy – governance – execution – monitoring – iteration”. In this way, it coordinates the management and control of ESG risks alongside operational, financial, and strategic risks.

Climate Risk Analysis

Climate Risk Type	Climate Risk Factor	Risk Description and Potential Impacts	Countermeasures
Physical Risk – Acute	Extreme heavy rainfall/flooding/typhoons	Power and network outages affecting production, offices, and warehouses; disruption to robot delivery and installation; interruption of overseas (e.g., Southeast Asia) projects; delays in supply chain logistics	Establish multi-regional production and warehousing backups; disaster recovery and remote O&M; contingency delivery plans for extreme weather
Physical Risk – Acute	Extreme high temperatures/heatwaves	Power restrictions or shutdowns in factories and offices; constrained production capacity and rising costs for chips and electronic components; overheating failures and increased fault rates among robots	Off-peak electricity usage and flexible production; multi-source supply chain backups; high-temperature reliability testing for products
Physical Risk – Chronic	Sea-level rise	Risk of flooding to coastal data centres and warehousing facilities; disruption to overseas port logistics affecting global supply chains	Optimise data centre site selection and disaster preparedness; expand diversified logistics transport methods and routes
Transition Risk – Policy & Legal	Carbon disclosure/carbon pricing	Increasing short-term costs due to tightening of energy consumption/carbon emission quotas at the production end, as well as the need for energy-saving upgrades and green electricity procurement for OEM/in-house factories; raising R&D and certification investment due to products required to meet energy efficiency standards and environmental certifications	Establish climate data records; carbon accounting and emissions reduction planning; compliance teams to monitor policy developments
Transition Risk – Policy & Legal	Energy efficiency/green electricity requirements	Stricter energy efficiency standards for data centres and cloud platforms; hotel clients requiring low-carbon deployment solutions and product carbon footprint certification	Green electricity purchases; energy optimisation of AI systems; R&D of low-carbon product solutions
Transition Risk – Market	Long-term temperature rise/power shortages	Continuous increase in electricity costs for production and testing; regional power restrictions affecting capacity; rising computing costs for data centres and cloud platforms	Strengthen green electricity purchases; upgrade energy-efficient production lines; optimise computing resource scheduling
Transition Risk – Technology	Low-carbon technology substitution	Hotel and building clients increasingly prefer robots with low energy consumption, long endurance, and recyclability. Existing products risk losing market share if energy efficiency lags behind.	R&D of low-power hardware; optimisation of AI computing power; strategic deployment of green robot technologies
Transition Risk – Technology	Low-carbon supply chain requirements	R&D of low-power chips, high-efficiency motors, lightweight materials, and long-endurance batteries involves long cycles, high investments, and a significant risk of failure.	Green supplier evaluation; multi-source procurement; climate resilience management of the supply chain
Transition Risk – Market Reputation	Customers/investors’ low-carbon preferences	Customers increasingly require suppliers to make low-carbon commitments and ESG disclosures; non-compliant suppliers face replacement risks.	Optimise low-carbon robot solutions; ESG information disclosure; development of a low-carbon brand

Environmental, Social and Governance Report

Climate Opportunity Analysis

Climate Opportunity Type	Climate Opportunity Factors	Opportunity Description and Potential Impacts	Countermeasures
Product and Service Innovation	Low-carbon/energy-efficient robot solutions	Growing demand from hotel and building clients for low-carbon operations creates opportunities to introduce service robots with low power consumption, long endurance, and recyclability, enabling the Company to capture the green intelligent service market, increase average revenue per customer, and strengthen customer loyalty.	Develop low-power chips and lightweight structures; provide customers with quantified carbon reduction data and recommendations for green operational optimisation
Product and Service Innovation	Circular economy model	Cascaded utilisation of robot batteries and remanufacturing of complete units form a closed loop of “sales – recycling – reuse”, reducing customers’ lifecycle costs and creating differentiated competitive advantages.	Establish battery recycling and cascaded utilisation systems; explore robot leasing + recycling service models; adopt modular design in R&D to enhance component reusability
Operational Efficiency Improvement	Green electricity and energy-saving retrofitting	Promoting the integration of green electricity into partner production bases and data centres, alongside energy-saving upgrades, reduces electricity costs and carbon emissions while meeting customer and regulatory low-carbon requirements.	Upgrade production lines and data centre cooling systems; establish energy management systems for real-time monitoring of energy consumption; increase green electricity purchases
Operational Efficiency Improvement	Low-carbon supply chain	Driving a low-carbon transition among upstream suppliers (of chips, batteries, and structural components) reduces the supply chain carbon footprint and enhances supply chain resilience and cost stability.	Formulate low-carbon supplier evaluation standards; collaborate with key suppliers to build a low-carbon supply chain; prioritise procurement of sustainably certified raw materials

Given the nature of our business, the environmental, social, and climate-related impacts arising from our operations and operating systems are limited. The aforementioned climate risks have not yet had any significant impact on the Company.

We are committed to achieving high energy efficiency in our operations and to controlling greenhouse gas (GHG) emissions. With 2024 as the base year, our GHG emissions management targets are to reduce GHG (Scope 1 and Scope 2) emissions intensity by 3%, 3%, and 2% in 2025, 2026, and 2027, respectively. From 2022 to 2024, our GHG emissions intensity (i.e., tCO₂e/RMB 1 million of revenue) has shown a downward trend. As we continue to optimise our energy mix and improve energy and resource efficiency, we expect to achieve these targets.

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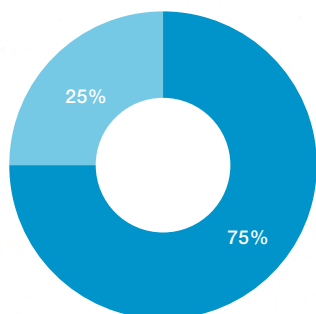
4. People-centred Approach to Employee Development

Upholding a people-centred development principle, Yunji Technology stays committed to fostering a diverse and inclusive workplace, optimizing career development platforms, and safeguarding health and safety of employees. To this end, the Company has established a holistic employee support system covering protection of rights and interests, capability enhancement, and health care. This enables employees to grow together with the Company in a warm and inclusive environment, and achieves a win-win outcome between personal value and corporate development.

4.1 Building a Diverse and Inclusive Workplace

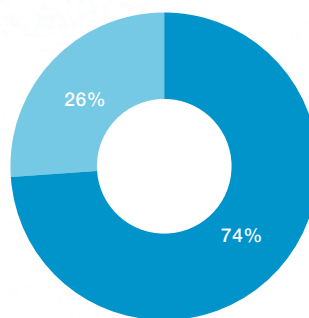
Yunji Technology is committed to creating a diverse and inclusive workplace that delivers warmth and caring. Adopting equal employment policies, the Company ensures that all employees enjoy equal opportunities in hiring and promotion, with particular attention to the rights and interests of female employees, employees with disabilities, and ethnic minority employees. Meanwhile, the Company focuses its efforts on a well-established remuneration and benefit system, institutionalized employee care initiatives, and various recreational activities. These efforts aim to enhance employees' sense of belonging and happiness, foster a corporate culture that respects differences and embraces diversity, and promote sustainable development for both the Company and its employees.

Board Diversity



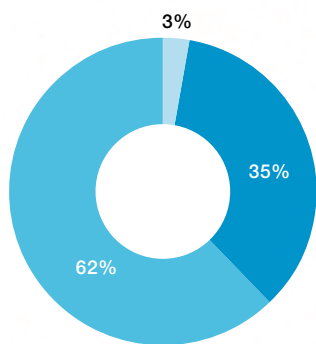
■ Male directors ■ Female directors

Employee Gender Diversity



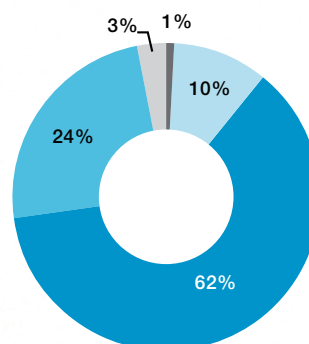
■ Male employees ■ Female employees

Employee Age Diversity



■ ≤ 30 ■ 31-50 ■ > 50

Employee Educational Background Diversity



■ Employees with doctoral degree ■ Employees with master's degree ■ Employees with bachelor's degree
 ■ Employees with associate degree ■ Employees with other educational backgrounds



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- ***Caring for Employees***

Yunji Technology has incorporated major employee care initiatives into its institutionalized benefit system to build and maintain a corporate culture featuring warmth and caring, and enhance employees' sense of belonging and happiness. In particular, employees who get married will receive wedding gifts and sincere congratulations from the Company in addition to statutory marriage leave.

- ***Protecting Rights and Interests of Employees***

The equal employment policy as clarified in the Employee Handbook of Yunji Technology highlights that all employees enjoy equal opportunities in hiring and promotion regardless of gender, age, ethnicity, religious belief, or disability status. Upholding this policy, the Company strives to create a workplace that respects differences and embraces diversity, fully tap into the potential and value of employees, and enhance team creativity, cohesion, and competitiveness. By advocating and practicing diversity, the Company ensures that all employees have equal access to employment opportunities, development space, and fair treatment, thereby driving sustainable and healthy corporate development.

The Company signs labour contracts with employees, which take legal effect upon execution in accordance with applicable labour laws and regulations such as the Labour Law of the People's Republic of China, and provides employees with statutory social insurance benefits in line with relevant national laws and local government regulations.

The Company actively safeguards the employment rights of persons with disabilities by offering suitable job positions. As of the end of 2025, we employed four individuals with disabilities. Based on equal employment, we support the employment of ethnic minority employees. Currently, there are 12 employees from ethnic minority groups, including Tujia, Miao, Man, Zhuang, and Hui.

At the same time, we strictly abide by laws and regulations such as the Law of the People's Republic of China on the Protection of Minors and the Provisions on the Prohibition of Using Child Labor, and explicitly prohibit the use of child labor and forced labor. Applicants must strictly review their identity information before entering the workforce to ensure that their age meets the legal work requirements. If any violations of employment are found, we will immediately report to the relevant institutions and terminate the employment relationship of such personnel, while reviewing and sorting out the internal management process. During the reporting period, no incidents of child labor or forced labor were found within the Company.

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- ***Optimizing the Remuneration System***

Yunji Technology has established a remuneration system that is primarily based on fixed salary, and supplemented by variable pay. This structure emphasizes job responsibilities and contributions, and aligns remuneration with job value, employee capability, and work performance. Given the talent structure, the performance-based remuneration framework consists of Annual Salary Scheme A, Annual Salary Scheme B, Commission-based Scheme, and Monthly Bonus Scheme, which effectively motivates employees across different roles.

Yunji Technology continues to enhance employee benefits by incorporating supplementary commercial medical insurance into its benefits system in addition to five types of social insurance, and housing provident fund. Since its establishment, the Company has consistently made full contributions to social insurance and housing provident fund based on actual salaries, and offered housing benefits according to the highest contribution rate (12%) as stipulated by local regulations.

Apart from social insurance and supplementary medical insurance, Yunji Technology provides employees on sick leave with targeted care based on their preferences, including visits, nutritional supplements, and care packages.

- ***Expanding Employee Benefits***

Yunji Technology offers both statutory and corporate benefits, including but not limited to holiday gifts and congratulatory gifts. Specifically, festive packages are prepared during traditional festivals such as the Dragon Boat Festival and Mid-Autumn Festival, and monthly birthday celebrations are held for employees. Moreover, wedding gifts are presented to employees upon marriage.

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- **Improving Employee Well-being**

Yunji Technology actively organises a variety of activities to enhance employees' leisure experience while fostering humanistic care and team collaboration. From team-building activities highlighting project collaboration, and company-wide hiking initiatives promoting healthy lifestyle, these efforts aim to enhance team cohesion and employees' sense of belonging, and to build a warm and resilient corporate culture.

Case: Team Building Plus Employee Care – Build Efficient and Collaborative Teams

In October 2025, Yunji Technology organised a themed activity integrating team building and employee care for key project teams. Targeting members from multiple departments and functions, the activity combined project team building with birthday celebration to break down functional barriers, cement emotional connection, and strengthen team cohesion and collaboration.



Themed activity integrating team building and employee care

Case: Company-wide Hiking – Practice a Healthy Lifestyle, and Build a Warm Corporate Culture

To promote a healthy and positive corporate culture, and consolidate team cohesion and employee belonging, Yunji Technology launched a hiking activity in July 2025. This outdoor group hiking facilitated cross-departmental communication, and conveyed the philosophy of “healthy work and happy life”.



Company-wide hiking activity

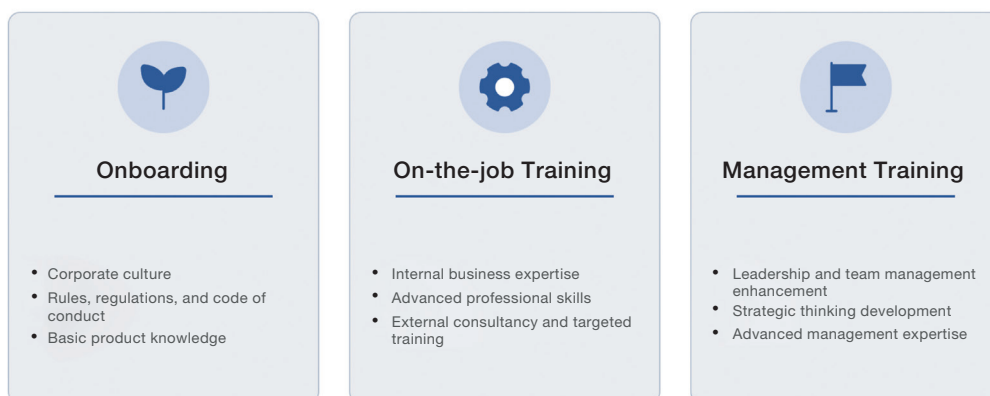
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4.2 Upgrading Career Development Platforms

Yunji Technology has established an efficient talent selection, development, utilization, and retention system. Its three-tier training framework covers onboarding for new employees, capability enhancement for regular employees, and leadership development for the management, thereby creating diversified career development pathways for employees. Besides, the Company attracts talents through campus recruitment and university-enterprise cooperation, and adopts equity incentive mechanisms for key talents to achieve individual growth and corporate development.

- **Employee Training Framework**

The Company has built a three-tier training framework covering onboarding for new employees, capability development for regular employees, and management training for middle – to senior-level executives.



- **Talent Attraction and Retention**

Yunji Technology conducts annual campus recruitment activities along with on-campus presentations in 10 selected universities across five provinces, municipalities, or autonomous regions. In 2025, six campus recruitment activities were held for universities in Beijing, enabling precise access to high-quality talents. The Company places emphasis on building internship-to-employment pathways. In 2025, we had 48 interns on board, and converted six high-performing interns to full-time employees. This effort facilitates a smooth transition from internship to employment and improves talent retention quality.



Campus recruitment activity

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To deepen university-enterprise collaboration in talent cultivation, Yunji Technology promotes partnership with universities to deliver customized training programmes. Undergraduates are allowed to enroll in Yunji's practice base through targeted learning programmes to develop practical skills in real business scenarios, and achieve effective integration of theoretical knowledge and hands-on experience.



Robot assembly and disassembly competition

4.3 Safeguarding Health and Safety of Employees

Recognizing that health is the most valuable asset of employees, Yunji Technology pools more efforts to enhance employee care, and raise health awareness through various initiatives in order to help employees prevent potential illnesses and health risks, and foster a healthy and harmonious workplace.

Safe workplace	Yunji Technology has conducted regular workplace radiation protection tests, with results meeting the Standard for Radiological Protection in Industrial Radiography (GBZ 117-2022). Apart from employee care, the Company has established an employee health care mechanism as an institutional safeguard effort to strengthen health protection.
Health check-ups	Yunji Technology employs third-party health service providers to offer professional, precise and convenient health check-ups, enabling employees to enjoy care and support from the Company.
Health care mechanism	On the one side, the employee care mechanism reflects our institutional commitment to full-cycle health protection of employees. On the other side, the mechanism delivers support for employees in need through efficient and employee care practices. Thus, it lays a solid foundation for building a sustainable and highly cohesive corporate culture.

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5. Social Responsibility for a Better Future

Guided by the principle of “technology for good”, Yunji Technology is committed to fulfilling its social responsibility. To achieve this goal, the Company empowers public welfare and charitable initiatives such as community services and medical support by leveraging technologies. Moreover, the Company actively connects with the industrial ecosystem, engages in formulation of industry standards, and facilitates industry-academia-research collaboration in innovation, and builds a sustainable supply chain. Together with ecosystem partners, we strive to make fresh contributions to high-quality industry development and sustainable social progress.

5.1 Supporting Public Welfare Undertakings

With “technology empowering engagement in public welfare and fulfillment of social responsibility” as its core principle, Yunji Technology stays committed to public welfare programmes focusing on community services and medical support. The Company has taken concrete actions, such as deploying intelligent devices in low-carbon environmental protection and medical safety areas, and offering donations to support disaster-affected communities, to drive sustainable development of communities, safeguard public well-being.

On 26 November 2025, a Level 5 fire broke out at Wang Fuk Court in Tai Po, Hong Kong, causing severe damage and casualties, which drew widespread concern. The Company promptly initiated donation procedures and contributed HKD500,000 to support emergency rescue, temporary resettlement, and the provision of basic living supplies for affected residents. We expressed our deepest condolences to the victims of the fire, extended sincere sympathies to the affected families, and paid the highest tribute to firefighters, medical staff, and all frontline responders involved in the rescue efforts.

5.2 Engaging in the Industrial Service Ecosystem

Yunji Technology deeply integrates into the industrial service ecosystem. To this end, the Company joins industry associations, and participates in the formulation of industry standards and white papers to promote the standardised development of embodied intelligence. In addition, it collaborates with universities to build an industry-academia-research synergy system, and showcases innovation achievements through top-tier competitions. Together with ecosystem partners, the Company strives to inject sustained momentum into high-quality industry development.

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- **Building the Industry Standard System**

Yunji Technology deeply engages in industry ecosystem co-development and standard system establishment by joining industry associations, participating in the formulation of standards and white papers to advance the standardised development of embodied intelligence and smart healthcare. Besides, the Company collaborates with leading enterprises and academic institutions to build industry consensus, and leverages practical experience to support the iterative development of industry standards to lay a solid foundation for high-quality industry development.

<p>Industry governance and standard co-development</p>	<ul style="list-style-type: none"> • In April 2025, the Company was appointed as a council member of the Hospital Intelligent System Building Branch of the National Association of Health Industry and Enterprise Management, and participated in the formulation of smart hospital construction standards. • In March 2025, the member list of the 9th Council of the Chinese Association for Artificial Intelligence was released. Zhi Tao, Founder and Chairman of Yunji Technology, was nominated as a council member.
<p>Industry expertise and standard output</p>	<ul style="list-style-type: none"> • In April 2025, the Company co-authored the Blue Paper on the New Round of Accelerated Development of “Robots +” Applications and Industrial Chain (2025) organised by the OFweek Industry Research Centre, providing practical templates for the standardised application of service robots across sectors such as hospitality, healthcare, and industry. The publication has also become an important reference for industry-specific solution selection and policy-making. • In March 2025, our innovative composite polymorphic robot “UP” was included in the China AI Series White Paper – Composite Polymorphic Robots guided by the Academician Dai Qionghai. The white paper recognized its highly-integrated hardware and software capabilities as a “physical embodied agent” and its strong adaptability across scenarios.
<p>Industrial empowerment and benchmark practice</p>	<ul style="list-style-type: none"> • In October 2025, the Company developed a “Factory AI Agent” solution jointly with Luxshare Group, enabling large-scale deployment of composite polymorphic robots in application scenarios such as industrial logistics, and unmanned loading and unloading. This technical solution has become a benchmark for flexible upgrade in intelligent manufacturing. • In November 2025, the Hospitality Digital Operating System (HDOS) was selected into the 2025 Collection of Digital Scenario Solutions for the Hospitality Sector – AI Special Edition published by the China Hospitality Association. HDOS was first put into service in The St. Regis Shenzhen and Jinyi Youxuan Hotel as a benchmark case for digital transformation in the hospitality sector.

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Case: Yunji Was Invited to Participate in the Embodied Intelligence Ecosystem Development Conference to Build Industry Consensus

On 12 December 2025, the Embodied Intelligence Ecosystem Development Conference themed “Infinite Innovation in Embodied Intelligent for a Bright Future” was successfully held in Suzhou High-tech Industries Development Zone. The conference brought together industry leaders, academic experts, and investment institutions to jointly outline a new blueprint for development of the embodied intelligence industry, and promote ecosystem co-construction and standard consensus. Zhi Tao, Founder, Chairman and President of Yunji Technology, was invited to attend and delivered a keynote speech titled “From Robots to Intelligent Agents – Taking Application Scenarios as the Core”. She emphasized that enterprises should not only act as leaders in technological advancement, but also work as builders of the intelligent agent ecosystem to contribute practical experience and strategic guide to industry standards.



Embodied Intelligence Ecosystem Development Conference

- **Facilitating Industry-Academia-Research Collaboration**

Yunji Technology has established an industry-academia-research collaboration system featuring “scientific research support by universities + application in enterprises + bidirectional talent empowerment”. The Company has developed in-depth cooperation with multiple domestic and international universities and research institutions in areas such as technological breakthroughs, platform co-construction, and joint talent cultivation, and formed a full-chain collaboration model covering basic research, application development, and practical training. As of the end of 2025, the Company set up a dual-academician workstation and won the Wu Wenjun AI Science and Technology Award twice, gaining authoritative recognition for its technological innovation capacity. In addition, it established a digital research institute jointly with universities, research institutions, and partners in the industry chain, gathering innovation resources through an open ecosystem.

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<p>Tsinghua University</p>	<ul style="list-style-type: none"> • Yunji Technology engaged in long-term academic collaboration with Professor Liu Huaping’s team at Tsinghua University, including joint research and award applications. We jointly won prestigious international awards such as the Best Cognitive Robot Paper Award at the IEEE/RSJ International Conference on Intelligent Robots and Systems, and the Jury’s Special Commendation Gold Award at the Geneva International Exhibition of Inventions. • The Company co-established a digital research institute jointly with Tsinghua University to engage in frontier technology exploration and academic exchanges in the field of robots. • By participating in the formulation of national and group standards, the Company provided the teachers and students of Tsinghua University with standard-setting practice opportunities.
<p>Beijing Institute of Technology</p>	<p>Co-construction of national-level platform + breakthroughs in major awards + targeted talent development</p> <ul style="list-style-type: none"> • Cooperating with Beijing Institute of Technology, Yunji Technology established one of the first national platforms for the integration of AI education and industrial application, and designed industry demand-oriented talent development programmes, focusing on hands-on training in intelligent robots. • The Company was devoted to the “Intelligent Perception and Navigation Technology for Mobile Robots” project together with Beijing Institute of Technology. A joint team composed of the team led by Professor Deng Fang and core R&D engineers from Yunji Technology participated in the National Key Science and Technology Project on New Generation AI titled “Multi-agent Game Intelligence Technology and Demonstration Applications”, focusing on key technologies such as embodied intelligence in open environments, multi-modal perception and semantic understanding, and 3D scene reconstruction. • The technological achievement was awarded the First Prize of the Beijing Science and Technology Progress Awards. The multi-modal perception fusion technology and the high-precision 3D scene reconstruction algorithm have successfully addressed navigation and positioning challenges for mobile robots in complex and open environments, reaching a leading level in China. • The Company launched a targeted internship programme of intelligent robots. In 2025, it recruited three master’s and doctoral students specializing in vision algorithm and 3D reconstruction algorithm, with the internship duration ranging from six months to one year. They were tasked with the core job duty of “result replication and product optimisation”. This joint training model has formed a closed-loop ecosystem of “research breakthroughs – award achievements – talent acquisition – product implementation”, serving as a benchmark case for industry-academia collaboration.

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<p>Beijing University of Technology</p>	<p>Support from the key laboratories + joint research on major projects</p> <ul style="list-style-type: none"> • Relying on key laboratories of the Beijing University of Technology, including Computational Intelligence and Intelligent System Laboratory, and the Multimedia and Intelligent Software Technology Laboratory, Yunji Technology, together with this university, applied for and was approved for a project on intelligent manufacturing titled “Humanoid Robot Perception and 3D Navigation in Indoor and Outdoor Dynamic Environments” under Beijing Science and Technology Programme. • The core engineers of Yunji Technology collaborated with the teams of master’s and doctoral students led by Professors Yu Naigong and Ma Nan from the Faculty of Information Technology to engage in perception unit development and dynamic mapping algorithm optimisation. • The Company made its real-world technical scenarios available to the teachers and students of this university for scientific research practices that were closely aligned with industrial applications. In 2025, a Beijing key laboratory jointly applied for by the Company and this university was officially inaugurated.
<p>The Hong Kong Polytechnic University</p>	<p>Yunji Technology has established extensive collaboration with The Hong Kong Polytechnic University (PolyU) in areas such as joint R&D, talent cultivation, industry empowerment, and market adaptation, focusing on the digital and intelligent upgrade of the hospitality sector.</p> <ul style="list-style-type: none"> • Joint innovation laboratory and core technology development: In October 2024, both parties established the “PolyU – Yunji Technology Joint Innovation Laboratory for Digital and Intelligent Transformation of the Hospitality Sector”, aiming to serve as a global integrated industry-academia-research-application platform prioritizing intelligent service technology integration for hotels and key technologies in AI and embodied intelligence. • Joint industry research and commercial value quantification of technological achievements: Relying on the academic resources of the School of Hotel and Tourism Management (SHTM) at PolyU, both parties conducted joint research on digital transformation in the hospitality sector, achieving key results in areas such as service robot value quantification, and smart hotel standards and trends. • Joint talent cultivation and international team establishment: Utilizing the international education resources of PolyU, the Company cooperated with this university on training of professionals in hotel digitalization and AI robot applications, and attracted top technological and academic talents worldwide to work in the joint laboratory, thus enhancing competitiveness in international innovation of both parties. • Overseas market expansion and scenario adaptation: Building on PolyU’s profound insights into international hospitality standards and management practices, the Company optimised its products tailored to global markets. And it validated robot applications in international hotel scenarios, with Hong Kong as a super testbed, forming replicable “Hong Kong experience”.

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Case: A University Delegation Visited Yunji Technology to Explore New Paths for Industry-Academia-Research Collaboration in AI Services

On 21 November 2025, a delegation of teachers and students from the Guanghua School of Management at Peking University visited Yunji Technology and engaged in extensive discussions with alumni including CEO Li Quanyin and CEO Assistant Deng Hui. As the first listed company of service robotic intelligent agents, Yunji Technology has accumulated over 500 million service interactions annually and explored a commercialization pathway for AI services across sectors such as hospitality, healthcare, manufacturing. This field visit aimed to provide participants with a comprehensive understanding of the full cycle from AI technology development to commercial application. The insights from academia also brought new perspectives to the Company, fostering exploration of optimal approaches to AI services and advancing deeper industry-academia – research integration.



University delegation visit to Yunji Technology

Case: Yunji Technology Was Invited to Attend IMPACT 2025 to Explore Industry-Academia-Research Collaboration in Smart Hospitality

On 7 December 2025, the IMPACT 2025 was held in Hong Kong, with two key themes, Sustainable Tourism and Smart Hospitality, and multiple research outcomes were released. This conference was jointly organised by the School of Hotel and Tourism Management of PolyU and Hotel ICON. At the Smart Hospitality Forum, Xie Yunpeng, Vice President of Yunji Technology, was invited as an industry representative to participate in a roundtable discussion together with academic experts. This discussion explored the deep integration and future trends of robot technology and AI systems in hotel operations, and promoted industry-academia-research collaboration in innovation and project implementation.



Yunji Technology at IMPACT 2025

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- **Exhibiting Technological Innovation Achievements**

Yunji Technology showcases its technological innovation results through top-tier industry competitions. At events such as the World Robot Conference and the Beijing Smart Hotel Robot Application Competition, the Company presented immersive application scenarios and multi-technology integration solutions. These efforts not only gain multiple awards and industry recognition, but also contribute to the upgrade of service robot technology concepts, making the Company a benchmark for industry innovation.

Case: Yunji Technology Showcased its Technological Innovation Achievements at the World Robot Conference, Leading Industry Upgrade

On 8 August 2025, Yunji Technology built the “YUNI’S HAPPYLAND” robot-themed exhibition area, and presented six immersive service scenarios, including smart hotel service, smart laundry, smart self-service coffee, smart navigation service, robotic arm interaction, and smart delivery service. The exhibition fully demonstrated our technological advantages such as composite polymorphic switching, HDOS-based multi-agent collaboration, and proactive service prediction. The conference attracted over 200,000 professional visitors and enthusiasts from fields such as technology R&D and cultural tourism operations, and investment institutions. At the conference, our exhibition area became a popular highlight, and received coverage from multiple authoritative media outlets. The technological achievements exhibited would advance the development concept upgrade of the service robot sector.



World Robot Conference

Case: Yunji Technology Claimed the Championship at the Smart Hotel Robot Application Competition

At the inaugural Beijing Smart Hotel Robot Application Competition on 29 November 2025, Yunji Technology showcased its multiple robot products. The “UP” robot demonstrated flexible switching across multiple scenarios such as delivery and cleaning through the “1+N+AIoT” architecture. Acting as the “intelligent brain”, HDOS coordinated multiple robots to address peak service needs. The cooking robot automated the preparation of coffee, noodles, and stir-fried dishes, and cooperated with the delivery robot. Yunji Technology highlighted its strengths in modular adaptability, multi-agent coordination, and closed-loop service scenarios. The competition brought together 31 teams from 25 companies nationwide. With the outstanding real-world performance, Yunji Technology received high recognition from judges and participants, and ranked the first place in three competition items, namely room service, cleaning, and interactive entertainment, establishing itself as a benchmark in the competition.



Beijing Smart Hotel Robot Application Competition

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- ### **Empowering the Industrial Ecosystem**

Prioritizing industrial ecosystem empowerment, Yunji Technology collaborates closely with partners. Through organizing industry summits and academic forums, and signing strategic cooperation agreements, the Company and its ecosystem partners co-build an innovation ecosystem in areas such as AI agents, smart hospital logistics, and intelligent manufacturing. In addition, the Company, together with its partners, accelerates the implementation of intelligent technologies by drawing on each other's technologies and jointly exploring application scenarios. These efforts aim to become a key driver of the embodied intelligence industry, and inject sustained momentum into high-quality industry development.

<p>AI agent service</p>	<ul style="list-style-type: none"> On 16 October 2025, Yunji Technology hosted a sharing activity in Shenzhen titled “Yunji and Its Friends”, and brought together partners from various sectors to foster collaboration in the ecosystem and jointly embark on a new era of AI agent services. On 2 July 2025, Yunji Technology and China Unicom signed a strategic cooperation framework agreement at China Unicom’s headquarters in Beijing. Based on the industrial synergy of “communication networks + intelligent terminals”, both parties defined “technology complementarity, scenario co-exploration, and ecosystem co-building” as the core cooperation principle to facilitate the development and implementation of the “communications + scenarios + AI agents” innovation model.
<p>Smart hospital logistics</p>	<p>On 21 November 2025, the 5th Hospital Intelligent Development Conference was hosted by the Hospital Intelligent System Building Branch of the National Association of Health Industry and Enterprise Management in Chengdu. Yunji Technology showcased its composite polymorphic robot “UP” that attracted extensive attention and in-depth exchanges. Centring on AI applications, data infrastructure development, and secure network operation and maintenance, the conference brought together stakeholders across the industry to explore new directions for smart hospital development.</p>
<p>Era of large-scale robots</p>	<p>On 17 October 2025, Yunji Technology held an academic forum themed “Boosting Technological Innovation, and Co-creating an Intelligent Future” in Shenzhen. The forum gathered industry leaders and academic experts from fields such as AI, embodied intelligence, mobile robots, and chips to jointly discuss standards and applications of intelligent agents in the future.</p>
<p>New benchmark for intelligent manufacturing</p>	<p>Yunji Technology reached a deep strategic cooperation agreement with a leading enterprise in precision manufacturing. Both parties will jointly promote intelligent upgrades across the global production bases of this enterprise. This cooperation validates Yunji Technology’s capability to achieve cross-scenario breakthroughs with its AI agent ecosystem, extending from hospitality services to industrial manufacturing. Our innovative “Factory AI Agent” solution will empower global production bases. With outstanding performance in industrial environments, this solution provides a new paradigm for the digital transformation of the manufacturing industry.</p>

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Case: Yunji Technology Deepened Cooperation with Communication Operators to Jointly Shape a New “AI + IoT” Blueprint

On 18 June 2025, the GSMA Mobile World Congress was grandly opened at Shanghai New International Expo Centre. This event gathered globally-leading technology companies, industry leaders, and policymakers to explore key topics such as 5G integration, AI+, as well as industry connectivity and empowerment. At the congress, Yunji Technology became an important ecosystem partner in the IoT sector for communication operators. At the “AI + IoT” product launch event in 2025, Xie Yunpeng, Vice President of Yunji Technology, attended as a representative and joined other guests in witnessing the launch ceremony of “AI + IoT” ecosystem cooperation, embarking on a new chapter of ecosystem collaboration integrating network, IoT, video, intelligence, and data connectivity.



Launch ceremony of “AI + IoT” ecosystem cooperation

5.3 Building a Sustainable Supply Chain

Aiming to build a sustainable supply chain, Yunji Technology has established a rigorous supplier review and assessment system to enable full-lifecycle management of suppliers across multiple dimensions including qualifications, quality, and delivery. Building on deep ESG management, the Company continues to enhance efficiency, resilience, and sustainability across the supply chain. Moreover, systematic management measures have been taken to co-build a green ecosystem and share risks with suppliers in order to lay a solid supply chain foundation for sustainable corporate development.

- **Supplier Audit and Assessment**

Yunji Technology has established a robust supplier audit and assessment mechanisms. The audit mechanism covers seven key indicators including overall quality management, customer-related processes, technical development management, procurement management, incoming material control, manufacturing process management, and warehouse management. The assessment mechanism involves on-time delivery rate, quality pass rate, price competitiveness, and service response speed. Regular on-site audits and qualification examinations are conducted to phase out unqualified suppliers.

Yunji Technology supervises suppliers in terms of management policies, standardised procurement contract templates, and commitments to integrity, and works out penalty rules. In addition, the Company carries out supplier onboarding audits, annual audits, and quarterly performance assessments in accordance with the Supplier Management Procedures. In 2025, the Company completed quarterly performance assessments of all suppliers, and annual audits of key suppliers.

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Supply Chain Procurement Management

Supplier expansion and selection	Conduct due diligence on potential suppliers in terms of their qualifications, production capacity, quality, pricing, and delivery cycles, establish a supplier directory, and implement tiered management in accordance with applicable internal regulations such as the Supplier Management Procedures, the Checklist for Supplier Audit, and the Quarterly Performance Rating for Material Suppliers.
Procurement execution	Negotiate prices, payment terms and delivery schedules, place purchase orders, and track order progress according to material requirements planning in line with applicable internal regulations such as the Procurement Process Control Procedures, the Procurement Management Regulations, and the Procedures for Warehousing of Purchased Supplies and Handling of Defective Products, in order to ensure that raw materials and components are delivered on time in the required quality and quantity.
Procurement cost control	Implement centralized procurement, price comparison and negotiation, long-term cooperation agreements, and optimisation of procurement volumes to reduce procurement costs while managing risks; put alternative suppliers of key components in place.

- **Supplier ESG Management**

Yunji Technology deeply integrates ESG principles into the entire supplier management process. In the Supplier Management Procedures, environmental protection is defined as a “red-line issue”, and is subject to one-vote veto. Under equal conditions, priority is given to suppliers that have obtained environmental protection management system certificates and passed SMETA audits. Besides, all suppliers are required to provide RoHS compliance statements for all supplies and raw materials used in finished products in order to ensure that the final products comply with RoHS standards, and put environmentally-friendly production and R&D concepts into practice.

- **Green and Environmental Protection**

Yunji Technology works closely with suppliers to systematically promote ESG assessments and compliance capability development through the supplier onboarding audit process to foster a green and sustainable supply chain ecosystem. In the Supplier Onboarding Audit Process, the Quality Agreement explicitly takes environmental protection clauses as core assessment criteria, and subjects the environmental protection issue to one-vote veto.

Supplier onboarding audit	The Company has formulated the Supplier Management Procedures, in which environmental protection is defined as a “red-line issue”, and is subject to one-vote veto. All suppliers and subcontractors should meet RoHS requirements in assessments. If environmental protection requirements are not met, all other assessment criteria become invalid, and the one-vote veto mechanism takes effect.
Establishment of supplier records	Environmental protection agreements are treated as mandatory documents. Only when environmental agreements are signed, can supplier records be completed.

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The Company and its suppliers voluntarily agree to the following terms through friendly consultation based on mutual benefit and strategic supply principles to ensure that suppliers continuously provide products that meet our environmental protection requirements, support the implementation of green procurement, and deliver environmentally-friendly products to customers:

- Suppliers should ensure that the products supplied comply with the EU RoHS 2.0 Directive, the latest REACH regulations, and applicable Chinese laws and regulations.
- Suppliers should complete the Product Environmental Protection Information Form prior to design adoption and before the first delivery of each product.

Risk Control and Compliance Management

Yunji Technology has established a full-chain risk control and compliance management system. Under the system, the Company identifies risks such as supply disruptions and rising prices of raw materials, works out emergency response plans, builds a backup supplier pool, and maintains safety inventory. Moreover, it requires contracted manufacturers to purchase warehouse insurance and relocate inventory to safe areas ahead of typhoons, and ensures compliance across all stages, thereby strengthening resilience of the supply chain.

Risk identification and warning	Identify risks across all stages (such as supply disruptions, rising prices of raw materials, logistics delays, policy shifts, and natural disasters), and risks related to domestic substitution of components and supply chain localization (such as transportation cost and delivery risks).
Response to risks	Work out emergency response plans, such as establishing a backup supplier pool and maintaining safety inventory, to address short-term supply shortages. Require contracted manufacturers to purchase warehouse insurance and relocate the inventory to branches in central regions prior to typhoon seasons to mitigate risks from natural disasters and logistics losses.
Compliance management	Ensure that procurement, logistics, and supplier cooperation comply with applicable laws and regulations, industry standards, and internal policies.

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6. Operation with Integrity for Steady Development

Guided by integrity in operation, Yunji Technology consistently optimises its corporate governance structure to enhance management efficiency and transparency. To ensure compliance in operation, the Company continuously improves its risk management and internal control systems, reinforcing the foundation for risk prevention and control. Sticking to business ethics as the bottom line, it fosters a corporate culture and an institutional system highlighting integrity and self-discipline, which lays a solid foundation for stable operation and sustainable development.

6.1 Optimizing the Corporate Governance Structure

Yunji Technology has formulated the Articles of Association (Draft) and a series of corporate governance policies in accordance with applicable laws and regulations including the Company Law of the People's Republic of China (2023 Revision), the Securities Law of the People's Republic of China, the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited. Guided by these documents, the Company makes sustained efforts to refine its governance structure, and enhance governance capabilities to protect the interests of investors to the greatest extent.

- **Governance Structure**

In line with the Corporate Governance Code and the Corporate Governance Report of the Hong Kong Stock Exchange, as well as relevant provisions of the Listing Rules, Yunji Technology has established a sound and effective corporate governance structure that is composed of the General Meetings, the Board of Directors and its dedicated committees, and the senior management, and formed an efficient and well-balanced supervision and restraint mechanism.

Board of Directors	The Board takes overall responsibility for policies, strategies, budgets, business plans, investment proposals, internal control, risk management, major transactions, financial data, appointment of directors, and other significant operational matters. The Board has set up three committees: the Audit Committee, the Remuneration Committee, and the Nomination Committee. The Company has defined terms of reference in accordance with the Listing Rules, the Corporate Governance Code as set out in the Appendix C1 of the Listing Rules, and the Corporate Governance Report.
Management	Based on operational needs, the Company has established positions including President, General Manager, Chief Executive Officer, Chief Financial Officer, Chief Technology Officer, Chief Marketing Officer, and Board Secretary. These roles are responsible for implementing decisions of the Board, and guiding and coordinating daily operations and management. All senior executives possess extensive industry experience.

In 2025, the Company held four general meetings, seven Board meetings, one meeting of the Audit Committee, and one meeting of the Remuneration Committee.

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- **Board Diversity**

Yunji Technology recognizes and firmly believes that board diversity contributes significantly to enhancing corporate performance. Therefore, the Company has developed the Board Diversity Policy which sets out approaches to achieving board diversity. In reviewing and evaluating director candidates, the Company considers a wide range of factors, including gender, age, cultural and educational background, professional qualifications, skills and expertise, as well as industry experience. In accordance with the Board Diversity Policy, the Nomination Committee regularly discusses and, where necessary, sets measurable objectives for board diversity.

As of the end of 2025, the Board of Directors comprised eight members, including three executive directors, two non-executive directors, and three independent non-executive directors. All directors possess a balanced mix of expertise and skills in overall management, strategic development, computer science, AI, software engineering, and financial management. They hold degrees in various disciplines, such as automation, computer science and technology, business administration, and economic mathematics. In addition, the Board demonstrates diversity in both age and gender, ranging from 42 to 58 years old, with two female directors accounting for 25%.

Given our business model, specific needs, and the diverse backgrounds of directors, the composition of the Board complies with the Board Diversity Policy. We will continue to apply the principle of merit-based selection, with due consideration of the Board Diversity Policy.

- **Director Training**

Emphasizing the professional development of its directors, Yunji Technology provides training and learning opportunities in the forms of in-person training, remote training, and document sharing in response to evolving regulatory policies. These training efforts enhance directors' awareness of corporate governance and ESG governance, enable them to effectively perform their duties, and improve and maintain corporate governance efficiency and abilities. In 2025, all directors received training.

- **Remuneration and Performance of the Management**

The Remuneration Committee under the Board of Directors is composed of three directors, including two non-executive directors and one executive director. In addition to proposing suggestions to the Board on remuneration policies and formulation of procedures, the Remuneration Committee deliberates on remuneration structure and criteria for directors and senior management taking into account multiple factors such as remuneration benchmarks of peer companies, time commitment and job duties, operating performance of the Company, and future risk, and submits the structure and criteria to the Board for approval.

The Company has incorporated a remuneration clawback mechanism into the management remuneration system. The mechanism clearly stipulates that remuneration packages may contain non-monetary benefits, pension entitlements, and compensation payments including any compensation payable for loss or termination of office or appointment.

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6.2 Strengthening Compliance and Internal Control Management

Yunji Technology strives to establish a sound compliance management system, and integrate key ESG risks, such as climate change and energy transition, into its full-cycle risk management system in accordance with ESG guidelines. The Company continues to optimise its internal control framework, and take solid measures, such as policy revision, data compliance, and a dual mechanism of “compliance self-inspection + third-party audit” to strengthen risk assessment and control. Besides, it organises ESG compliance training and ongoing monitoring of regulatory developments. These efforts ensure effective internal control and compliance management.

- **Internal Control**

In accordance with the Basic Norms of Enterprise Internal Control and its supporting guidelines, the internal control framework of the Company consists of control environment, risk assessment, control activities, information and communication, as well as internal supervision. In 2025, the Company conducted comprehensive review and optimisation of its internal control system, and took measures such as policy revision, risk prevention and control, business alignment, and audit rectification, thus ensuring effective internal control.

To protect customer privacy better, the Company engaged a professional external team to upgrade its internal control system of data security protection. Based on its business operations, it issued regulations, such as the Data Compliance Management Regulations, and the Data Classification and Grading Regulations. To ensure tax compliance, the Company introduced or revised 26 policies, including 14 policies for control environment, 2 for risk assessment, 8 for control activities, and 2 for information and communication. Additionally, the Company established a dual mechanism of “compliance self-inspection + third-party audit”, organised ESG compliance training regularly, and tracked updates to domestic and international ESG laws and regulations to adjust its control standards promptly.

Policy revision	In accordance with Hong Kong listing policies and regulations, the Company revised 9 governance rules and policies, including the Rules of Procedure for General Meetings, the Rules of Procedure for the Board of Directors, the Rules of Procedure for the Board of Supervisors, the Rules of Procedure for the Audit Committee, the Rules of Procedure for the Nomination Committee, the Rules of Procedure for the Remuneration Committee, the Board Diversity Policy, the Shareholder Nomination Policy, and the Shareholder Communication Policy.
Risk control and compliance management	According to compliance and risk control requirements, the Company newly released multiple measures and regulations, such as the Compliance Management Measures, the Overall Risk Management Measures, the Major Transaction Decision-Making Regulations, the Insurance Management Regulations, the Management Regulations on Anti-Money Laundering, and the Management Regulations on Connected Transactions.
Business policy iteration and optimisation	Considering its business development stage and operational needs, the Company revised a number of regulations, including the Supplier Management Regulations, the Procurement Management Regulations, the Sales Management Regulations, the Management Regulations on Remuneration and Benefits, and the Management Regulations on Fixed Assets.
Internal audit and remediation of deficiencies	In 2025, the Internal Audit Department audited the fixed asset management process and the procurement and payment cycle, addressing loopholes found during implementation of internal control regulations in relevant areas.

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- **ESG Risk Management**

Aligning with the ESG risk control principles and requirements of the Hong Kong Stock Exchange, Yunji Technology integrates key ESG risks in multiple areas such as climate change, “dual carbon” goals, energy transition, environmental protection, work safety, protection of human rights, and community relations, into its risk management system. This enables coordinated management of ESG risks alongside operational, financial, and strategic risks, thus laying a solid foundation for sustainable development of the Company. Over the past three years, the Company had no major ESG-related violations. Its environmental compliance rate reached 100%, and the rate of major safety incidents remained at zero.

Looking ahead, the Company will strengthen the combined analysis of both ESG and financial risks, explore quantitative ESG risk assessment models, expand ESG risk management coverage, and incorporate overseas subsidiaries and indirect suppliers into its control system. In addition, it will enhance climate change scenario analysis to improve forward-looking risk response capabilities.

ESG Risk Control Measures

ESG risk areas	Major control measures
Climate change and “dual carbon” goals	<ul style="list-style-type: none"> • Conduct energy consumption and carbon emission accounting, and quantitative analysis to improve carbon emission management precision. • Set emission reduction targets.
Energy transition	<ul style="list-style-type: none"> • Facilitate the electrification of production equipment and optimise the energy mix. • Establish an energy consumption quota management system, and hold departments accountable for excess consumption.
Environmental protection	<ul style="list-style-type: none"> • Promote green upgrades among suppliers to reduce waste water, waste gas, and solid waste. • Establish environmental emergency response mechanisms, and organise regular drills for abrupt environmental incidents.
Work safety	<ul style="list-style-type: none"> • Establish robust occupational health and safety management systems meeting industry standards and local regulations to provide a safe workplace for all employees. • Organise training on safety agreements, risk management, and occupational hazards regularly to minimize incidents.
Protection of human rights	<ul style="list-style-type: none"> • Prohibit child labour and forced labor, and safeguard the rights of employees to equal employment, remuneration, benefits, rest and leave in accordance with the Universal Declaration of Human Rights and the International Labour Organisation Conventions. • Establish employee complaint mechanisms and anonymous reporting channels.
Community relations	<ul style="list-style-type: none"> • Donate HKD500,000 to help the victims of the fire accident at Wang Fuk Court in Tai Po, Hong Kong. • Conduct community impact assessments prior to project construction, solicit opinions from residents, and optimise project plans accordingly.



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6.3 Upholding Business Ethics

Upholding business ethics, anti-corruption, and fair competition as core operating principles, Yunji Technology establishes and improves internal management systems, and standardises cooperation processes to build a robust compliance framework, and strives to foster strong reputation within the industry.

- ***Regulating Conduct of Employees***

Yunji Technology complies with national laws and regulations, and internal integrity policies, and makes a firm stand against commercial bribery, and other improper business practices. All employees are prohibited from directly or indirectly accepting any off-the-book rewards, compensation, rebates, gifts, or hospitality, or offering such illegal benefits to business partners or any related third parties. Any form of illegal benefits should be reported to the competent departments. If any supplier or its subcontractor has employees with vested interests in the Company, the supplier should promptly make a written disclosure.

The Company provides anti-bribery, anti-money laundering and anti-corruption training to all director and employees, and sets up reporting channels for employees and shareholders to report bribery, money laundering and/or corruption.

- ***Sticking to Technology Ethics***

Centring on service robots and embodied intelligence, Yunji Technology builds a full-process AI ethics and compliance system, and complies with the Data Security Law of the People's Republic of China, the Personal Information Protection Law of the People's Republic of China, and algorithm filing requirements to systematically prevent and control core compliance risks. The Company regularly conducts ethical impact and privacy protection evaluations, upgrades algorithm filing and security certification systems, and organises training sessions, exchanges, and discussions on technology innovation from time to time to enhance R&D personnel's awareness of privacy protection, information security, and ethical standards.

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<p>AI algorithm fairness</p>	<p>The Company adheres to ethical pre-review, and removes sensitive attributes such as gender, age, and identity during model training and deployment to ensure service equality. Robot navigation scheduling and voice interaction are free from group discrimination, with controllable difference in response speed and service success rate among users. An algorithm auditing and explainability mechanism has been established to ensure that key decisions are traceable and can be manually intervened when necessary. Regular third-party fairness assessments are conducted to prevent risks of algorithmic bias and discrimination at the source.</p>
<p>Data compliance and desensitization mechanisms</p>	<p>Following the principle of minimality and necessity, hotel robots do not collect sensitive personal information such as facial data or ID information, and only use anonymized service identifiers. User data is fully desensitized and masked throughout the process. Edge computing and local storage are applied to minimize cloud data transmission. Encrypted transmission and tiered access control are adopted. Data are used solely for robot service purposes and not for profiling or commercial promotion. Logs are automatically destroyed on a regular basis, ensuring full-lifecycle privacy protection.</p>

- Intellectual Property Protection**

The Company prioritizes patent applications for core technologies, actively tracks the registration and authorization status of intellectual property through the collaborative efforts of the legal and R&D teams, and takes timely action when any potential conflicts with our intellectual property are discovered. In addition, the Company plans to expand its core intellectual property overseas based on business development needs and protect our overseas intellectual property through patent applications and other means.

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Appendixes

2025 Key Performance Indicators

Environmental Performance

Indicator	Unit	2025
Energy consumption		
Total energy consumption	Ton of standard coal equivalent	28.59
Purchased electricity consumption	MWh	232.66
Gasoline consumption	L	–
Natural gas consumption	Normal cubic meter	–
Electricity consumption intensity	MWh/RMB 1 Million revenue	0.77
Resource consumption		
Total water consumption	Ton	1,578.57
Water intensity	Ton/RMB 1 million revenue	5.24
GHG emissions		
Total GHG emissions (carbon emissions)	Ton of carbon dioxide equivalent (tCO ₂ e)	123.45
Direct GHG (Scope 1) emissions	Ton of carbon dioxide equivalent (tCO ₂ e)	–
Indirect GHG (Scope 2) emissions	Ton of carbon dioxide equivalent (tCO ₂ e)	123.45
GHG emission intensity (Scope 1 and Scope 2)	Ton of carbon dioxide equivalent (tCO ₂ e)/ RMB 1 million revenue	0.41
Other indirect greenhouse gas emissions (Scope 3) (Category 6- Business travel and Category 9: Downstream transportation and distribution)	Ton of carbon dioxide equivalent (tCO ₂ e)	519.85
Packaging materials		
Carton consumption	Ton	87.59
Waste		
Total waste	Ton	4.96
Total non-hazardous waste	Ton	0.99
Total hazardous waste	Ton	3.97
Non-hazardous waste intensity	Ton/RMB 1 Million revenue	0.0165
Hazardous waste intensity	Ton/RMB 1 Million revenue	0.0130

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Indicator	Unit	2025
Other environmental indicators		
Number of major environmental protection accidents	/	-
Number of claims arising from material non-compliance with permits and environmental requirements	/	-
Number of significant claims from customers or residents in operating regions due to non-compliance with environmental requirements	/	-

Note: The Company conducts greenhouse gas emission accounting with reference to the Greenhouse Gas Protocol. During the reporting period, the Company has no Scope 1 greenhouse gas emissions (direct greenhouse gas emissions). Scope 2 greenhouse gas emissions mainly refer to the greenhouse gas emissions indirectly generated from the use of purchased electricity. For such emissions, the Company adopts the location-based calculation method, referencing the national average grid emission factor of 0.5306 tCO₂/MWh.

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Social Performance

Indicator	Category	Unit	2025
Employee diversity			
Total number of employees	/	/	327
Number of employees by employment type	Full-time employees	/	314
	Employees under labour dispatch arrangements	/	5
	Employees under other employment types	/	8
Number of employees by gender	Male employees	/	241
	Female employees	/	86
Number of employees by category (senior executives, middle-level executives, and general employees)	Senior executives	/	10
	Middle-level executives	/	58
	General employees	/	259
Number of employees by age	≤ 30	/	115
	31-50	/	203
	> 50	/	9
Number of employees by educational background	Employees with doctoral degree	/	3
	Employees with master's degree	/	33
	Employees with bachelor's degree	/	204
	Employees with associate degree	/	78
	Others	/	9
Number of employees with disabilities	/	/	4
Number of employees from ethnic minorities	/	/	12
Employment and turnover			
Number of new hires during the reporting period	/	/	109
Total number of employee departures	/	/	39
Overall turnover rate	/	%	10.7
Number of employee departures by gender	Male employees	/	24
	Female employees	/	15
Number of employee departures by age	≤ 30	/	18
	31-50	/	21
	> 50	/	0

Environmental, Social and Governance Report

Indicator	Category	Unit	2025
Employee training			
Training coverage rate	/	%	100
Number of trained employees by gender	Male employees	/	241
	Female employees	/	86
Number of trained employees by category (senior executives, middle-level executives, and general employees)	Senior executives	/	10
	Middle-level executives	/	58
	General employees	/	259
Percentage of trained employees by gender	Male employees	%	100
	Female employees	%	100
Percentage of trained employees by category (senior executives, middle-level executives, and general employees)	Senior executives	%	100
	Middle-level executives	%	100
	General employees	%	100
Total training hours	/	Hour	7,496
Average training hours per employee	/	Hour/ employee	22.9
Average training hours of employees by gender	Male employees	Hour	24.2
	Female employees	Hour	19.4
Average training hours of employees by category (senior executives, middle-level executives, and general employees)	Senior executives	Hour	62.0
	Middle-level executives	Hour	14.2
	General employees	Hour	23.4
Total training investment during the reporting period	/	RMB 10,000	116
Protection of labour rights and interests			
Proportion of employees signing labour contracts	/	%	100
Proportion of employees enjoying the social insurance package	/	%	100
Employee satisfaction rate	/	%	100
Occupational health and safety			
Number of work-related fatalities	/	/	0
Number of work-related injuries	/	/	1
Lost working days due to work injury	/	Day	1
Coverage rate of health check-ups	/	%	100
Number of violations or accidents related to occupational health and safety	/	/	None

Environmental, Social and Governance Report

Indicator	Category	Unit	2025
Suppliers			
Total number of suppliers as of the end of the reporting period	/	/	229
Number of suppliers by region	China	/	229
	Oversea	/	0
Customer services			
Customer satisfaction rate	/	%	94
Number of customer complaints	/	/	42
Customer complaint response rate	/	%	100
Customer complaint resolution rate	/	%	100
R&D and intellectual property protection			
Investment in R&D	/	RMB 10,000	6,215
Number of R&D engineers	/	/	100
Total number of intellectual property rights obtained as of the end of the reporting period	/	/	1,857
Number of newly-approved intellectual property rights during the reporting period	/	/	48
Total number of patents obtained as of the end of the reporting period	/	/	997
Number of newly-granted patents during the reporting period	/	/	39
Total number of registered trademarks as of the end of the reporting period	/	/	659
Number of newly-registered trademarks during the reporting period	/	/	7
Social donation			
Amount of charitable donation during the reporting period	/	HKD 10,000	50
Anti-corruption			
Number of concluded corruption cases involving the Company or its employees	/	/	0
Number of violations related to corruption	/	/	0
Number of valid corruption reports received during the reporting period	/	/	0
Resolution rate of valid reports during the reporting period	/	%	/

Environmental, Social and Governance Report

HKEX ESG Code Content Index

Aspect	Content	Section in this report
Part B: Mandatory Disclosure Requirements		
	Board Statement	Statement of the Board of Directors
	Reporting Principles	About This Report
	Reporting Boundary	About This Report
Part C: “Comply or explain” Provisions		
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 emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	3.2 Deepening Comprehensive Environmental Management
	A1.1 The types of emissions and respective emissions data.	Not applicable ¹
	A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendixes – 2025 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).	Appendixes – 2025 Key Performance Indicators
	A1.5 Description of emission target(s) set and steps taken to achieve them.	3.3 Actively Responding to Climate Change
	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.	3.2 Deepening Comprehensive Environmental Management

¹ As of the end of the reporting period, our operations did not generate significant air pollutant emissions.

Environmental, Social and Governance Report

Aspect	Content	Section in this report
A2 Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.	3.2 Deepening Comprehensive Environmental Management
	A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Appendixes – 2025 Key Performance Indicators
	A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Appendixes – 2025 Key Performance Indicators
	A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	3.3 Actively Responding to Climate Change
	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.	The main water consumption of the Company is domestic water, and the water source comes from the municipal water supply system, so there are no issues related to obtaining suitable water sources.
	A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Appendixes – 2025 Key Performance Indicators
A3 Environment and Natural Resources	General Disclosure Policies on minimising the issuer's significant impacts on the environment and natural resources.	3.2 Deepening Comprehensive Environmental Management
	A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	

Environmental, Social and Governance Report

Aspect	Content	Section in this report
B1 Employment	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	4.1 Building a Diverse and Inclusive Workplace
	B1.1 Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Appendixes – 2025 Key Performance Indicators
	B1.2 Employee turnover rate by gender, age group and geographical region.	Appendixes – 2025 Key Performance Indicators
B2 Health and Safety	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	4.3 Safeguarding Health and Safety of Employees
	B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Appendixes – 2025 Key Performance Indicators
	B2.2 Lost days due to work injury.	Appendixes – 2025 Key Performance Indicators
	B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	4.3 Safeguarding Health and Safety of Employees
B3 Development and Training	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. <i>Note: Training refers to vocational training. It may include internal and external courses paid by the employer.</i>	4.2 Upgrading Career Development Platforms
	B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Appendixes – 2025 Key Performance Indicators
	B3.2 The average training hours completed per employee by gender and employee category.	Appendixes – 2025 Key Performance Indicators

Environmental, Social and Governance Report

Aspect	Content	Section in this report
B4 Labour 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 labour.	4.1 Building a Diverse and Inclusive Workplace
	B4.1 Description of measures to review employment practices to avoid child and forced labour.	4.1 Building a Diverse and Inclusive Workplace
	B4.2 Description of steps taken to eliminate such practices when discovered.	4.1 Building a Diverse and Inclusive Workplace
B5 Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain.	5.3 Building a Sustainable Supply Chain
	B5.1 Number of suppliers by geographical region.	Appendixes – 2025 Key Performance Indicators
	B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	5.3 Building a 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.	5.3 Building a 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.	5.3 Building a Sustainable Supply Chain
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.	2.1 Ensuring Product and Service Quality
	B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable
	B6.2 Number of products and service related complaints received and how they are dealt with.	Appendixes – 2025 Key Performance Indicators
	B6.3 Description of practices relating to observing and protecting intellectual property rights.	6.3 Upholding Business Ethics

Environmental, Social and Governance Report

Aspect	Content	Section in this report
	B6.4 Description of quality assurance process and recall procedures.	2.1 Ensuring Product and Service Quality
	B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.	2.3 Safeguarding Privacy and Information 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.	6.3 Upholding Business Ethics
	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.	Appendixes – 2025 Key Performance Indicators
	B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	6.3 Upholding Business Ethics
	B7.3 Description of anti-corruption training provided to directors and staff.	6.3 Upholding Business Ethics
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.	5.1 Supporting Public Welfare Undertakings
	B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	5.1 Supporting Public Welfare Undertakings
	B8.2 Resources contributed (e.g. money or time) to the focus area.	5.1 Supporting Public Welfare Undertakings
Part D: Climate-related Disclosures		
D-I Governance	Governance body(s) responsible for oversight of climate-related risks and opportunities	3.3 Actively Responding to Climate Change
	Management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities	3.3 Actively Responding to Climate Change
D-II Strategy	Climate-related risks and opportunities	3.3 Actively Responding to Climate Change
	Business model and value chain	Note 1
	Strategy and decision-making	Note 1

Environmental, Social and Governance Report

Aspect	Content	Section in this report
D-III Risk Management	Financial position, financial performance and cash flows	Note 1
	Climate resilience	3.3 Actively Responding to Climate Change
	Processes and related policies used to identify, assess, prioritise and monitor climate-related risks	3.3 Actively Responding to Climate Change
	Processes and related policies used to identify, assess, prioritise and monitor climate-related opportunities	3.3 Actively Responding to Climate Change
	The extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process	3.3 Actively Responding to Climate Change
D-IV Metrics and Targets	Greenhouse gas emissions	3.3 Actively Responding to Climate Change
	Climate-related transition risks	3.3 Actively Responding to Climate Change
	Climate-related physical risks	3.3 Actively Responding to Climate Change
	Climate-related opportunities	3.3 Actively Responding to Climate Change
	Capital deployment	Note 2
	Internal carbon prices	Note 2
	Remuneration	Note 2
	Climate-related targets	3.3 Actively Responding to Climate Change

Note 1: After preliminary analysis, the impact of climate change on our finances is not significant. Currently, there is no systematic financial quantification and transformation plan related to climate change, which will be carried out in a timely manner and included in the disclosure when conditions are ripe.

Note 2: The Company has not yet carried out capital utilization of climate related risks and opportunities, internal carbon pricing, incorporating climate related factors into salary policies, and setting climate related goals. Relevant work will be carried out when conditions are ripe and disclosed in the report.

Environmental, Social and Governance Report

Reader Feedback

Dear readers,

Thank you for reading this report. To improve ESG management, we sincerely welcome your valuable comments and suggestions. Please complete this survey and share it with us.

Beijing Yunji Technology Co., Ltd.

Address: Room B01, 7/F, Jinqiu International Building, No. 6 Zhichun Road, Haidian District, Beijing

Website: <https://www.yunjichina.com.cn/>

Email: ir@yunji.ai

1. What is your overall rating of this report?

Excellent Good Average

2. What do you think of the clarity, accuracy, and completeness of information and data disclosed in this report?

High Average Low

3. How well does this report reflect the significant impact of the Company on society and the environment?

Good Average Poor

4. How do you evaluate the Company's performance in safeguarding interests of stakeholders?

Excellent Good Average

5. Your comments and suggestions on the Company's ESG management:

Independent Auditor's Report

December 31, 2025



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

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

Opinion

We have audited the consolidated financial statements of Beijing Yunji Technology Co., Ltd. ("the Company") and its subsidiaries ("the Group") set out on pages 155 to 220, which comprise the consolidated statement of financial position as at December 31, 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes, comprising material accounting policy information and other explanatory information.

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

Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("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 matter

Key audit matter is the matter that, in our professional judgment, was of most significance in our audit of the consolidated financial statements of the current period. This matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Independent Auditor's Report

December 31, 2025

Key audit matter (continued)

Recognition of revenue from sales of robots and functional kits	
<i>Refer to note 4 to the consolidated financial statements and the accounting policies in note 2(u).</i>	
The Key Audit Matter	How the matter was addressed in our audit
<p>During the year ended December 31, 2025, the Group's revenue from sales of robots and functional kits amounted to approximately RMB210.2 million, which represented approximately 69.8% of total revenue.</p> <p>Revenue from sales of robots and functional kits was recognized when the customer takes possession of and accepts the products.</p> <p>We identified the recognition from sales of robots and functional kits as a key audit matter because revenue is one of the key performance indicators of the Group, and the inherent risk of manipulation of the timing of recognition of revenue by management to meet specific targets or expectations.</p>	<p>Our audit procedures to assess the recognition from sales of robots and functional kits included the following:</p> <ul style="list-style-type: none"> • Obtaining an understanding of and assessing the design, implementation and operating effectiveness of key internal controls over the recognition of revenue from sales of robots and functional kits; • inspecting customer contracts, on a sample basis, to understand the terms and conditions relating to the transfer of control of the robots and functional kits sold and assessing the Group's revenue recognition policies with reference to the requirements of prevailing accounting standards; • comparing, on a sample basis, sales transactions of robots and functional kits recorded during the financial reporting period with the corresponding underlying documents, such as sales contracts or sales orders, logistics documents, customer acceptance documents, and assessing if the related revenue was properly recognized in accordance with the Group's revenue recognition policies and recorded in the appropriate financial reporting period; • comparing, on a sample basis, sales transactions of robots and functional kits recorded before and after the end of the financial reporting period with customer acceptance documents, to assess whether the revenue had been recognized in the appropriate financial reporting period;

Key audit matter (continued)

Recognition of revenue from sales of robots and functional kits	
<i>Refer to note 4 to the consolidated financial statements and the accounting policies in note 2(u).</i>	
The Key Audit Matter	How the matter was addressed in our audit
	<ul style="list-style-type: none"> circulating confirmations to the customers, on a sample basis, on the trade receivable balances at the end of the reporting period and the respective amount of sales of robots and functional kits during the year. For unreturned confirmations, performing alternative procedures by comparing details of the transactions with relevant underlying documents; identifying significant sales returns from the sales ledger subsequent to the end of the financial reporting period and inspecting the relevant underlying documents to assess if the related adjustments to revenue had been accounted for in the appropriate financial reporting period; and identifying journal entries relating to revenue from sales of robots and functional kits which met specific risk-based criteria, enquiring of management the nature of such journal entries and inspecting the relevant underlying documents such as sales contracts or sales orders, logistics documents, customer acceptance documents.

Independent Auditor's Report

December 31, 2025

Information other than the consolidated financial statements and auditor's report thereon

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the consolidated financial statements

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

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

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

Auditor's responsibilities for the audit of the consolidated financial statements

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

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

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

Independent Auditor's Report

December 31, 2025

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Yeung Ka Chun (practising certificate number: P04753).

KPMG

Certified Public Accountants

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

March 13, 2026

Consolidated Statement of Profit or Loss and Other Comprehensive Income

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

	Note	2025 RMB'000	2024 RMB'000
Revenue	4	301,242	244,775
Cost of sales		(187,879)	(138,357)
Gross profit		113,363	106,418
Research and development expenses		(62,150)	(57,386)
Selling and marketing expenses		(87,934)	(58,188)
Administrative expenses		(143,618)	(56,121)
Other net income	5	14,981	22,007
Impairment losses recognized on trade receivables	27(a)	(26,059)	(9,657)
Loss from operations		(191,417)	(52,927)
Finance costs	6(a)	(49)	(167)
Changes in the carrying amount of redemption liabilities		(103,766)	(131,869)
Loss before taxation		(295,232)	(184,963)
Income tax	7	-	-
Loss for the year		(295,232)	(184,963)
Other Comprehensive income for the year (after tax)			
Item that is or may be reclassified subsequently to profit or loss:			
Exchange differences on translation of financial statements of an overseas subsidiary		(262)	-
Total comprehensive income for the year		(295,494)	(184,963)
Loss for the year attributable to:			
Equity shareholders of the Company		(294,901)	(184,963)
Non-controlling interests		(331)	-
		(295,232)	(184,963)
Total comprehensive income for the year attributable to:			
Equity shareholders of the Company		(295,163)	(184,963)
Non-controlling interests		(331)	-
		(295,494)	(184,963)
Loss per share			
Basic and diluted (RMB)	10	(4.65)	(2.99)

The notes on pages 160 to 220 form part of these financial statements.

Consolidated Statement of Financial Position

(Expressed in RMB)

	Note	As at December 31,	
		2025 RMB'000	2024 RMB'000
Non-current assets			
Property and equipment	11	10,472	16,936
Intangible assets	12	1,186	2,130
Time deposits with banks	18(b)	61,914	63,230
		73,572	82,296
Current assets			
Inventories	14	54,941	48,766
Trade receivables	15	109,062	61,159
Prepayments, deposits and other receivables	16	27,013	18,652
Time deposits with banks	18(b)	533,569	30,769
Financial assets measured at fair value through profit or loss ("FVPL")	17	1,181	141,928
Restricted cash	18(a)	22,064	21,876
Cash and cash equivalents	18(a)	233,414	105,481
		981,244	428,631
Current liabilities			
Trade and bill payables	19	64,271	50,752
Other payables and accruals	20	67,468	44,148
Contract liabilities	21	37,135	44,718
Lease liabilities	22	139	352
Redemption liabilities	23	-	1,870,320
		169,013	2,010,290
Net current assets/(liabilities)		812,231	(1,581,659)
Total assets less current liabilities		885,803	(1,499,363)

Consolidated Statement of Financial Position

(Expressed in RMB)

		As at December 31,	
		2025	2024
	Note	RMB'000	RMB'000
Non-current liabilities:			
Contract liabilities	21	12,385	4,896
Lease liabilities	22	180	–
Deferred income	24	13,012	14,463
		25,577	19,359
NET ASSETS/(LIABILITIES)		860,226	(1,518,722)
CAPITAL AND RESERVES			
Share capital	26	69,753	61,818
Reserves	26	791,098	(1,580,540)
Total equity/(deficits) attributable to equity shareholders of the Company		860,851	(1,518,722)
Non-controlling interests		(625)	–
TOTAL ASSETS/(DEFICITS)		860,226	(1,518,722)

Approved and authorised for issue by the board of directors on March 13, 2026.

Li Quanyin

Director

Zhou Chuanbo

Chief Financial Officer

The notes on pages 160 to 220 form part of these financial statements.

Consolidated Statement of Changes in Equity

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

	Attributable to equity shareholders of the Company							
	Share capital RMB'000 Note 26(b)	Capital reserve RMB'000 Note 26(c)(i)	Share- based	Exchange reserve RMB'000	Accumulated losses RMB'000	Subtotal RMB'000	Non- controlling interests RMB'000	Total RMB'000
			payments					
			reserve RMB'000 Note 26(c)(ii)					
Balance at January 1, 2024	61,818	(262,177)	12,558	—	(1,168,255)	(1,356,056)	—	(1,356,056)
Changes in equity for 2024:								
Loss and total comprehensive income for the year	—	—	—	—	(184,963)	(184,963)	—	(184,963)
Equity settled share-based transactions (Note 25)	—	—	22,297	—	—	22,297	—	22,297
Balance at December 31, 2024	61,818	(262,177)	34,855	—	(1,353,218)	(1,518,722)	—	(1,518,722)
Balance at January 1, 2025	61,818	(262,177)	34,855	—	(1,353,218)	(1,518,722)	—	(1,518,722)
Changes in equity for 2025:								
Loss for the year	—	—	—	—	(294,901)	(294,901)	(331)	(295,232)
Other comprehensive income	—	—	—	(262)	—	(262)	—	(262)
Total comprehensive income	—	—	—	(262)	(294,901)	(295,163)	(331)	(295,494)
Issuance of shares in connection with the initial public offering, net of transaction costs (Note 26(b))	7,935	651,135	—	—	—	659,070	—	659,070
Termination of the redemption rights upon the listing of the Company's shares (Note 23)	—	1,974,086	—	—	—	1,974,086	—	1,974,086
Disposal of partial interests in a subsidiary without losing control	—	294	—	—	—	294	(294)	—
Equity settled share-based transactions (Note 25)	—	—	41,286	—	—	41,286	—	41,286
Restricted shares vested (Note 25)	—	57,040	(57,040)	—	—	—	—	—
Balance at December 31, 2025	69,753	2,420,378	19,101	(262)	(1,648,119)	860,851	(625)	860,226

The notes on pages 160 to 220 form part of these financial statements.

Consolidated Statement of Cash Flows

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

	Note	2025 RMB'000	2024 RMB'000
Operating activities			
Cash used in operations	18(c)	(169,818)	(41,482)
Tax paid		–	–
Net cash used in operating activities		(169,818)	(41,482)
Investing activities			
Payments for the purchase of property and equipment		(1,178)	(7,606)
Proceeds from disposal of property and equipment		787	650
Advances to related parties	29(c)	(1,000)	(1,000)
Repayment of advances to related parties	29(c)	1,000	1,193
Payments for the purchase of intangible assets		(218)	–
Payments for purchase of financial assets at FVPL		(82,000)	(462,000)
Proceeds from disposals of financial assets at FVPL		224,697	440,304
Purchase of time deposits with banks		(2,363,723)	(10,000)
Maturity of time deposits with banks		1,862,708	20,410
Net cash used in investing activities		(358,927)	(18,049)
Financing activities			
Capital element of lease payments	18(d)	(962)	(2,827)
Interest element of lease payments	18(d)	(49)	(54)
Repayment of bank loans	18(d)	–	(5,000)
Gross proceeds from the issuance of new shares in connection with the initial public offering	26(b)	692,397	–
Issuance costs of the issuance of new shares		(33,098)	(229)
Repayment of advance received from a related party	29(c)	–	(898)
Interest paid	18(d)	–	(113)
Net cash generated from/(used in) financing activities		658,288	(9,121)
Net increase/(decrease) in cash and cash equivalents		129,543	(68,652)
Cash and cash equivalents at the beginning of the year		105,481	174,133
Effects of exchange rate changes on the balance of cash held in foreign currencies		(1,610)	–
Cash and cash equivalents at the end of the year		233,414	105,481

The notes on pages 160 to 220 form part of these financial statements.

Notes to the Financial Statements

(Expressed in RMB)

1 Corporate Information

Beijing Yunji Technology Co., Ltd. (北京雲迹科技股份有限公司) (the “Company”) was incorporated in Beijing, the People’s Republic of China (the “PRC”) on January 29, 2014 as a limited liability company under the Companies Law of the PRC. The Company and its subsidiaries (together, “the Group”) are principally engaged in sales of robots and functional kits and provision of artificial intelligence (the “AI”) driven robotic fundamental services and AI agent applications.

The Company’s shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on October 16, 2025.

2 Material Accounting Policies

(a) Statement of compliance

These financial statements have been prepared in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board (the “IASB”). These financial statements also comply with the disclosure requirements of the Hong Kong Companies Ordinance and the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”). Material accounting policies adopted by the Group are disclosed below.

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

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended December 31, 2025 comprise the Group.

The measurement basis used in the preparation of the consolidated financial statements is the historical cost basis, except that the following assets and liabilities are stated at their fair value as explained in the accounting policies set out below:

- Financial assets at FVPL (see Note 2(e));
- Derivative financial instruments (see Note 2(f));

The Company and the Group has its functional currency in RMB and the consolidated financial statements are presented in RMB.

2 Material Accounting Policies (continued)

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

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

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

(c) Changes in accounting policies

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

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

(d) Subsidiaries and non-controlling interests

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

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

For each business combination, the Group can elect to measure any non-controlling interests (“NCI”) either at fair value or at the NCI’s proportionate share of the subsidiary’s net identifiable assets. NCI are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. NCI in the results of the Group is presented on the face of the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year or period between NCI and the equity shareholders of the Company.

Changes in the Group’s interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

In the Company’s statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see Note 2(j)).

Notes to the Financial Statements

(Expressed in RMB)

2 Material Accounting Policies (continued)

(e) Other investments in securities

The Group's policies for investments in securities, other than investments in subsidiaries, are set out below.

Investments in securities are recognized/derecognized on the date the Group commits to purchase/sell the investment. The investments are initially stated at fair value plus directly attributable transaction costs, except for those investments measured at FVPL for which transaction costs are recognized directly in profit or loss. For an explanation of how the Group determines fair value of financial instruments, see Note 27(e). These investments are subsequently accounted for as follows, depending on their classification.

Non-equity investments

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

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

Equity investments

An investment in equity securities is classified as FVPL, unless the investment is not held for trading purposes and on initial recognition the Group makes an irrevocable election to designate the investment at FVOCI (non-recycling) such that subsequent changes in fair value are recognized in OCI. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer's perspective. If such election is made for a particular investment, at the time of disposal, the amount accumulated in the fair value reserve (non-recycling) is transferred to retained earnings and not recycled through profit or loss. Dividends from an investment in equity securities, irrespective of whether classified as at FVPL or FVOCI, are recognized in profit or loss as other income.

2 Material Accounting Policies (continued)

(f) Derivative financial instruments

The Group holds derivative financial instruments to manage its foreign currency exposures.

Derivatives are initially measured at fair value. Subsequently, they are measured at fair value with changes therein recognized in profit or loss.

(g) Property and equipment

Property and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses (see Note 2(j)):

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

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

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

– Office equipment, furniture and fixtures	3 – 5 years
– Machinery and production equipment	2 – 5 years
– Leasehold improvement	shorter of the lease term and 5 years

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

Notes to the Financial Statements

(Expressed in RMB)

2 Material Accounting Policies (continued)

(h) Intangible assets

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

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

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

- Software and copyrights 5 years

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

(i) Leased assets

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

(i) As a lessee

At the lease commencement date, the Group recognizes a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalize the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalized are recognized as an expense on a systematic basis over the lease term.

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

2 Material Accounting Policies (continued)

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

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

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

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

(ii) As a lessor

The Group determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to the ownership of an underlying assets to the lessee. Otherwise, the lease is classified as an operating lease.

When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis.

The rental income from operating leases is recognized in accordance with Note 2(u).

Notes to the Financial Statements

(Expressed in RMB)

2 Material Accounting Policies (continued)

(j) Credit losses and impairment of assets

(i) Credit losses from financial instruments

The Group recognizes a loss allowance for expected credit losses (ECLs) on financial assets measured at amortized cost (including cash and cash equivalents, trade receivables, other receivables, time deposits with banks and restricted cash).

Financial assets measured at fair value are not subject to the ECL assessment.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

The expected cash discounted using effective interest rate determined at initial recognition or an approximation thereof where the effect of discounting is material.

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

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

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

For all other financial instruments, the Group recognizes a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

2 Material Accounting Policies (continued)

Significant increases in credit risk

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

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- failure to make payments of principal or interest on their contractually due dates;
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognized as an impairment gain or loss in profit or loss. The Group recognizes an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Notes to the Financial Statements

(Expressed in RMB)

2 Material Accounting Policies (continued)

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

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

- significant financial difficulties of the debtor;
- a breach of contract, such as a default;
- it becoming probable that the borrower will enter into bankruptcy or other financial reorganization;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

Write-off policy

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

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

2 Material Accounting Policies (continued)

(ii) Impairment of other non-current assets

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

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

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

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

Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the resulting carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(k) Inventories

Inventories are measured at the lower of cost and net realizable value as follows:

Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognized as an expense in the period in which the related revenue is recognized. The amount of any write-down of inventories to net realizable value and all losses of inventories are recognized as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognized as a reduction in the amount of inventories recognized as an expense in the period in which the reversal occurs.

Notes to the Financial Statements

(Expressed in RMB)

2 Material Accounting Policies (continued)

A right to recover returned goods is recognized for the right to recover products from customers sold with a right of return. It is measured in accordance with the policy set out in Note 2(u)(i).

(l) Contract liabilities

A contract liability is recognized when the customer pays non-refundable consideration before the Group recognizes the related revenue (see Note 2(u)(i)). A contract liability would also be recognized if the Group has an unconditional right to receive non-refundable consideration before the Group recognizes the related revenue. In such cases, a corresponding receivable would also be recognized (see Note 2(m)).

(m) Trade and other receivables

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

Trade receivables that do not contain a significant financing component are initially measured at their transaction price. Trade receivables that contain a significant financing component and other receivables are initially measured at fair value plus transaction costs. All receivables are subsequently stated at amortized cost, using the effective interest method and including an allowance for credit losses (see Note 2(j)(i)).

(n) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions and other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows. Cash and cash equivalents are assessed for ECL (see Note 2(j)(i)).

(o) Trade and other payables (other than refund liabilities)

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

(p) Interest-bearing borrowings

Interest-bearing borrowings are measured initially at fair value less transaction costs. Subsequently, these borrowings are stated at amortized cost using the effective interest method. Interest expense is recognized in accordance with Note 2(v).

2 Material Accounting Policies (continued)

(q) Employee benefits

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

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

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

(ii) Share-based payments

The difference between the subscription price and the fair value of the awarded shares granted to employees is recognized as an employee cost with a corresponding increase in share-based payments reserve within equity. The fair value of the share awards is the difference between the subscription price paid by the employees and the fair value of the ordinary shares at grant date. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the share awards, the total difference between the subscription price and the fair value of the ordinary shares is spread over the vesting period, taking into account the probability that the share awards will be vested.

(iii) Termination benefits

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

(r) Redemption liabilities

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

The redemption liabilities were classified as current liabilities as some of the redemption events could occur anytime. The carrying amount of the redemption liability will be reclassified to equity upon a termination of the counterparty's redemption right.

Notes to the Financial Statements

(Expressed in RMB)

2 Material Accounting Policies (continued)

(s) Income tax

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

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

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

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- temporary differences related to investment in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future;

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

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

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

2 Material Accounting Policies (continued)

(t) Provisions

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

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

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

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

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

Notes to the Financial Statements

(Expressed in RMB)

2 Material Accounting Policies (continued)

(u) Revenue and other income

Income is classified by the Group as revenue when it arises from the sale of goods, the provision of services and the use by others of the Group's assets under leases in the ordinary course of the Group's business.

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

(i) Revenue from contracts with customers

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

Contracts with customers may include multiple performance obligations. For such arrangements, the Group allocates the transaction price to each performance obligation based on its relative standalone selling price. The Group generally determines standalone selling prices based on the observable prices charged to customers when the Group sells that good or service separately. If the standalone selling price is not directly observable, it is estimated using expected cost plus a margin or adjusted market assessment approach, depending on the availability of information. Assumptions and estimations have been made in estimating the standalone selling price, and changes in those assumptions and estimates may impact the revenue recognition.

The Group generates revenue from (i) the sales of robots and functional kits, primarily including robots, related hardware and other kits; (ii) AI digitalization system, which includes (a) the provision of AI-driven robotic fundamental services, primarily including subscription of our robot operating system and comprehensive AI-powered support for our robots and functional kits; and (b) the provision of AI agent applications, primarily including subscription service for our standard hospitality digital operating system ("HDOS"), development service for customized HDOS, and YJ-Platform, which includes sales of merchandise through our smart vending machines.

2 Material Accounting Policies (continued)

(a) *Sales of robots, functional kits and merchandises*

Revenue is recognized when the customer takes possession of and accepts the products. If the products are a partial fulfilment of a contract covering other goods, then the amount of revenue recognized is an appropriate proportion of the total transaction price under the contract, allocated between all the products promised under the contract on a relative stand-alone selling price basis.

The Group offers certain customers for the sale of products with rights of return. Such rights of return give rise to variable consideration.

The Group uses an expected value approach to estimate variable consideration based on the Group's current and future performance expectations and all information that is reasonably available. This estimated amount is included in the transaction price to the extent it is highly probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved. At the time of sale of products, the Group recognizes revenue after taking into account adjustment to transaction price arising from returns as mentioned above. A refund liability is recognized for the expected returns and is included in other payables. A right to recover returned products (included in inventories) and corresponding adjustment to cost of sales are also recognized for the right to recover products from customers. This right to recover returned goods is measured at the former carrying amount of the inventory less any expected costs to recover goods (including potential decreases in the value of the returned goods).

(b) *Provision of AI digitalization system*

Revenue from AI digitalization system (excluding sales of merchandise through our smart vending machines, see Note (u)(i)(a)) is recognized on a straight-line basis over the performance period for which the services are rendered, or recognized when the Group fulfilled the specific performance obligation under the contract terms with customers.

Notes to the Financial Statements

(Expressed in RMB)

2 Material Accounting Policies (continued)

(ii) Revenue from other sources and other income

(a) Interest income

Interest income is recognized as it accrues under the effective interest method using the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. For financial assets measured at amortized cost or FVOCI (recycling) that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit-impaired financial assets, the effective interest rate is applied to the amortized cost (i.e. gross carrying amount net of loss allowance) of the asset (see Note 2(j)(i)).

(b) Government grants

Government grants are recognized in the statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognized as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are recognized as deferred income and subsequently recognized in profit or loss on a systematic basis over the useful life of the asset.

(c) Rental income from operating leases

Rental income from operating leases is recognized in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognized as an integral part of the total rental income, over the term of the lease.

(v) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

2 Material Accounting Policies (continued)

(w) Related parties

(a) A person, or a close member of that person's family, is related to the Group if that person:

- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Group or the Group's parent.

(b) An entity is related to the Group if any of the following conditions applies:

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

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

Notes to the Financial Statements

(Expressed in RMB)

2 Material Accounting Policies (continued)

(x) Segment reporting

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

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

3 Accounting Judgment and Estimates

Note 27 contains information about the assumptions and their risk factors relating to fair value of financial instruments. Other significant sources of estimation uncertainty and accounting judgments are as follows:

(i) Share-based payments arrangement and its fair value measurement

The Group measures the cost of share-based payments with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value requires determining the most appropriate valuation model for a grant of equity instruments, which is dependent on the terms and conditions of the grant. The determination of the fair value of the share-based payments is affected by the significant assumptions such as the underlying equity value, the expected volatility of share price and risk free interest rate. The Group also has to estimate the vesting periods of the share awards which is variable and subject to an estimate of when an initial public offering ("IPO") of the Company will occur. Details of share-based payments are contained in Note 25.

Notes to the Financial Statements

(Expressed in RMB)

4 Revenue and Segment Reporting

(a) Revenue

The principal activities of the Group are (i) the sales of robots and functional kits, primarily including robots, related hardware and other kits; (ii) AI digitalization system, which include (a) the provision of AI-driven robotic fundamental services, primarily including subscription of our robot operating system and comprehensive AI-powered support for our robots and functional kits; and (b) the provision of AI agent applications, primarily including subscription service for our standard HDOS, development service for customized HDOS, and YJ-Platform, which includes sales of merchandise through our smart vending machines.

(i) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service lines and timing of revenue recognition are as follows:

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Revenue from contracts with customers within the scope of IFRS 15		
Robots and functional kits	210,183	186,605
AI digitalization system	87,931	55,881
AI-driven robotic fundamental services	54,055	44,364
AI agent applications	33,876	11,517
	298,114	242,486
Revenue from other sources		
Rental income from robots and functional kits	3,128	2,289
Total	301,242	244,775
Disaggregated revenue from contracts with customers within the scope of IFRS 15 by timing of revenue recognition		
Point in time	244,305	201,514
Over time	53,809	40,972
	298,114	242,486
Disaggregated by geographical location of customers		
Chinese Mainland	282,183	234,852
Other countries or regions	19,059	9,923
	301,242	244,775

Notes to the Financial Statements

(Expressed in RMB)

4 Revenue and Segment Reporting (continued)

During the year ended December 31, 2025 and 2024, there were no customers which individually contributed more than 10% of total revenue of the Group. Details of concentrations of credit risk of the Group are set out in Note 27(a).

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

As of December 31, 2025 and 2024, the aggregated amount of the transaction price allocated to the remaining performance obligations under the Group's existing contracts was RMB17.0 million and RMB8.1 million. This amount mainly represents revenue expected to be recognized in the future from contracts for the AI-driven robotic fundamental services and AI agent applications entered into by the customers with the Group. The Group will recognize the expected revenue in future when or as the work is completed, which is expected to occur over the next 12 to 36 months.

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

(b) Segment reporting

(i) Segment results

IFRS 8, *Operating Segments*, requires identification and disclosure of operating segment information based on internal financial reports that are regularly reviewed by the Group's chief operating decision maker for the purpose of resources allocation and performance assessment. On this basis, as for the purpose of making decisions about resources allocation and performance assessment, the Group's management reviews on the operating results of the Group as a whole, the Group has determined that it only has one operating segment for the year ended December 31, 2025 and 2024.

(ii) Geographic information

The geographical location of the Group's revenue from external customers are set out in the Note 4(a)(i). The geographical location of customers is based on the location at which the goods delivered or the services were provided. The Group's non-current assets, including property and equipment and intangible assets are all located in the PRC, and accordingly, no geographical information of non-current assets is presented.

Notes to the Financial Statements

(Expressed in RMB)

5 Other Net Income

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Government grants	5,653	6,217
Investment income	1,950	6,603
Value added tax and other tax refund	5,370	5,403
Interest income	8,501	3,013
Net (losses)/gains on disposal of property and equipment	(560)	151
Exchange losses	(5,809)	(8)
Others	(124)	628
	14,981	22,007

6 Loss Before Taxation

Loss before taxation is arrived at after charging:

(a) Finance costs

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Interest on bank loans	–	113
Interest on lease liabilities	49	54
	49	167

Notes to the Financial Statements

(Expressed in RMB)

6 Loss Before Taxation (continued)

(b) Staff costs

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Salaries, wages and other benefits	120,931	98,562
Contributions to defined contribution retirement plan (Note)	10,150	9,324
Share-based payments expenses (Note 25)	41,286	22,297
	172,367	130,183

Note:

The employees of the subsidiaries of the Group participate in defined contribution retirement benefit scheme managed by the local government authorities, whereby these subsidiaries are required to contribute to the schemes for the year ended December 31, 2025 and 2024. Employees of these subsidiaries are entitled to retirement benefits, calculated based on a percentage of the average salaries level in the PRC, from the above-mentioned retirement scheme at their normal retirement age.

The Group has no further obligation for payment of other retirement benefits beyond the above contributions. Contributions to the scheme vest immediately, there is no forfeited contributions that may be used by the Group to reduce the existing level of contribution.

(c) Other items

	Note	Year ended December 31,	
		2025	2024
		RMB'000	RMB'000
Cost of inventories	14	145,423	106,214
Depreciation charge	11		
– owned property and equipment		6,239	5,127
– right-of-use assets		985	3,001
Amortization of intangible assets	12	1,162	1,136
Listing expenses		37,047	3,238
Auditor's remuneration			
– audit services		2,300	–
– other services		108	–
Increase in warranty liabilities	20	7,189	6,349

Notes to the Financial Statements

(Expressed in RMB)

7 Income Tax

(a) Reconciliation between tax expense and accounting loss at applicable tax rates

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Loss before taxation	(295,232)	(184,963)
Notional tax on loss before taxation at PRC statutory tax rate (Note (i))	(73,808)	(46,241)
Effect of additional deduction on research and development expenses (Note (ii))	(10,392)	(13,236)
Effect of preferential tax rate (Note (iii))	14,483	5,675
Tax effect of non-deductible expenses (Note (iii))	39,059	36,432
Different tax rates in foreign tax jurisdictions (Note (iv))	925	–
Tax effect of unused tax losses and temporary differences not recognized	29,733	17,370
Income tax	–	–

Notes:

- (i) The Company and the subsidiaries of the Group established in the PRC are subject to PRC Corporate Income Tax rate of 25% for the year ended December 31, 2025 and 2024.
- (ii) Under the PRC Income Tax Laws, an enterprise which qualifies as a High and New Technology Enterprise (the "HNTE") is entitled to a preferential tax rate of 15% provided it continues to meet HNTE qualification standards on an annual basis.
- The Company qualifies as an HNTE and is entitled for a preferential tax rate of 15% from 2020 to 2026. Shanghai Renyun Technology Co., Ltd. qualifies as an HNTE and is entitled for a preferential tax rate of 15% from 2021 to 2027. In addition to the preferential PRC Corporate Income Tax rate, the Company and these subsidiaries are also entitled to an additional tax deductible allowance calculated at 100% of their qualified research and development costs incurred in corresponding period, other subsidiaries are entitled to an additional tax deductible allowance calculated at 100% of qualified research and development costs incurred from October 1, 2022.
- (iii) Tax effect of non-deductible expenses mainly represent the changes in the carrying amount of redemption liabilities, share-based payments expenses and certain other costs and expenses, which all are not deductible in accordance with relevant tax regulations in the PRC.
- (iv) The Company's subsidiary incorporated in Hong Kong is subject to Hong Kong Profits Tax at 16.5% of the estimated assessable profit. No provision for Hong Kong Profits Tax has been made, as the subsidiary of the Group incorporated in Hong Kong did not have assessable profits which are subject to Hong Kong Profits Tax during the year ended December 31, 2025.

(b) Deferred tax assets not recognized

The Group has not recognized deferred tax assets in respect of cumulative tax losses RMB1,067 million and RMB971 million as at December 31, 2025 and 2024, respectively, as it is not probable that future taxable profits against which the losses can be utilized will be available in the relevant tax jurisdiction and entity.

Notes to the Financial Statements

(Expressed in RMB)

8 Directors' and Supervisors' Emoluments

Details of emoluments of directors and supervisors are as follows:

	Year ended December 31, 2025						
	Director's fee	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Subtotal	Share-based payments expenses	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Executive Directors							
Ms. Zhi Tao	-	1,468	921	68	2,457	340	2,797
Mr. Hu Quan	-	1,412	307	68	1,787	340	2,127
Mr. Li Quanyin	-	1,559	202	68	1,829	254	2,083
	-	4,439	1,430	204	6,073	934	7,007
Non-executive directors							
Ms. Ma Hong (Note (iii))	-	-	-	-	-	-	-
Mr. Wu Minghui	-	-	-	-	-	-	-
Ms. Ma Lan (Note (ii))	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Independent non-executive directors							
Mr. Wang Dong (Note (ii))	-	-	-	-	-	-	-
Mr. Xie Daxin (Note (ii))	-	-	-	-	-	-	-
Mr. Zhang Lihua	100	-	-	-	100	-	100
Mr. Lai Yung Yuet (Note (iii))	90	-	-	-	90	-	90
Mr. Wang Fangjun (Note (iii))	135	-	-	-	135	-	135
	325	-	-	-	325	-	325
Supervisors							
Ms. Ai Baoshu	-	473	18	-	491	503	994
Mr. Xue Jinlong	-	476	23	60	559	201	760
Mr. Yu Junjie	-	-	-	-	-	-	-
	-	949	41	60	1,050	704	1,754
	325	5,388	1,471	264	7,448	1,638	9,086

Notes to the Financial Statements

(Expressed in RMB)

8 Directors' and Supervisors' Emoluments (continued)

	Year ended December 31, 2024						
	Director's fee RMB'000	Salaries, allowances and benefits in kind RMB'000	Discretionary bonuses RMB'000	Retirement scheme contributions RMB'000	Subtotal RMB'000	Share- based payments expenses RMB'000 (Note (i))	Total RMB'000
Executive Directors							
Ms. Zhi Tao	-	1,560	500	66	2,126	341	2,467
Mr. Hu Quan	-	1,518	500	66	2,084	341	2,425
Mr. Li Quanyin	-	1,338	280	66	1,684	-	1,684
	-	4,416	1,280	198	5,894	682	6,576
Non-executive directors							
Ms. Ma Hong	-	-	-	-	-	-	-
Mr. Wu Minghui	-	-	-	-	-	-	-
Ms. Ma Lan	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Independent non-executive directors							
Mr. Wang Dong	-	-	-	-	-	-	-
Mr. Xie Daxin	-	-	-	-	-	-	-
Mr. Zhang Lihua	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Supervisors							
Ms. Ai Baoshu	-	438	58	-	496	505	1,001
Mr. Xue Jinlong	-	458	52	62	572	103	675
Mr. Yu Junjie	-	-	-	-	-	-	-
	-	896	110	62	1,068	608	1,676
	-	5,312	1,390	260	6,962	1,290	8,252

Notes to the Financial Statements

(Expressed in RMB)

8 Directors' and Supervisors' Emoluments (continued)

Notes:

- (i) These represent the estimated value of share awards granted to the directors and supervisors under the Group's share award plan. The value of awarded shares is measured according to the Group's accounting policies for share-based payments transactions as set out in Note 2(q)(ii) and in accordance with that policy, includes adjustments to reverse amounts accrued in previous years where grants of awarded shares are forfeited prior to vesting. The details of these benefits in kind, including the principal terms and number of awarded shares granted, are disclosed in Note 25.
- (ii) Ms. Ma Lan resigned as a non-executive director on February 6, 2025. Mr. Wang Dong and Mr. Xie Daxin resigned as an independent non-executive director and Mr. Lai Yung Yuet and Mr. Wang Fangjun were appointed as independent non-executive directors on February 6, 2025.
- (iii) Ms. Ma Hong resigned as a non-executive director on February 27, 2026.

For the year ended December 31, 2025 and 2024, no director or supervisor has waived or agreed to waive any emoluments and no amounts were paid or payable by the Group to the directors and the supervisors as an inducement to join or upon joining the Group or as compensation for loss of any office in connection with the management of the affairs of any member of the Group.

9 Individuals with Highest Emoluments

The number of directors and other employees included in the five highest paid individuals for the year ended December 31, 2025 and 2024 are set forth below:

	Year ended December 31,	
	2025	2024
	Number of individuals	Number of individuals
Directors	–	2
Other employees	5	3

Notes to the Financial Statements

(Expressed in RMB)

9 Individuals with Highest Emoluments (continued)

The emoluments of the directors are disclosed in Note 8. The aggregate of the emoluments in respect of the remaining highest paid individuals, are as follows:

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Salaries, allowances and benefits in kind	5,899	3,668
Discretionary bonuses	1,929	720
Share-based payments expenses (Note 25)	17,411	14,933
Retirement scheme contributions	339	203
	25,578	19,524

The emoluments of the individuals who are not directors or supervisors and who are amongst the five highest paid individuals of the Group are within the following bands:

	Year ended December 31,	
	2025	2024
	Number of individuals	Number of individuals
HK\$3,000,001 – HK\$3,500,000	2	–
HK\$3,500,001 – HK\$4,000,000	–	1
HK\$4,000,001 – HK\$4,500,000	1	–
HK\$5,000,001 – HK\$5,500,000	1	1
HK\$11,500,001 – HK\$12,000,000	1	–
HK\$12,000,001 – HK\$12,500,000	–	1

For the year ended December 31, 2025 and 2024, no emoluments were paid by the Group to these individuals as an inducement to join or upon joining the Group or as compensation for loss of office in connection with the management of the affairs of any member of the Group.

Notes to the Financial Statements

(Expressed in RMB)

10 Loss Per Share

(a) Basic loss per share

The calculation of basic loss per share is based on the loss for the year attributable to ordinary equity shareholders of the Company and the weighted average number of ordinary shares in issue.

Loss for the year attributable to ordinary shareholders of the Company

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Loss for the year attributable to all equity shareholders of the Company	(294,901)	(184,963)
Allocation of loss for the year attributable to the ordinary shares with redemption rights (<i>Note</i>)	156,078	126,788
Loss for the year attributable to ordinary equity shareholders of the Company	(138,823)	(58,175)

Weighted average number of ordinary shares

	Year ended December 31,	
	2025	2024
	No. of shares	No. of shares
	'000	'000
Issued ordinary shares at the beginning of the year	61,818	61,818
Effect of shares issued in connection with initial public offering	1,576	–
Effect of ordinary shares with redemption rights (<i>Note</i>)	(33,552)	(42,375)
Weighted average number of ordinary shares at the end of the year	29,842	19,443

Note: The redemption rights (*Note 23*) have automatically terminated upon the listing of the Company's shares on the Stock Exchange on October 16, 2025.

(b) Diluted loss per share

Ordinary shares issued to investors with redemption rights (*Note 23*) were not included in the calculation of diluted loss per share as their inclusion would have been anti-dilutive. Accordingly, diluted loss per share for the year ended December 31, 2025 and 2024 were the same as basic loss per share for the respective year.

Notes to the Financial Statements

(Expressed in RMB)

11 Property and Equipment

	Office equipment, furniture and fixtures <i>RMB'000</i>	Machinery and production equipment <i>RMB'000</i>	Leasehold improvement <i>RMB'000</i>	Right-of-use assets <i>RMB'000</i>	Total <i>RMB'000</i>
Cost:					
At January 1, 2024	3,587	14,984	962	7,693	27,226
Additions	263	9,820	–	–	10,083
Lease modification	–	–	–	(561)	(561)
Disposals	(240)	(862)	–	(2,958)	(4,060)
At December 31, 2024 and January 1, 2025	3,610	23,942	962	4,174	32,688
Additions	327	2,300	–	1,762	4,389
Disposals	(148)	(7,770)	(962)	(5,518)	(14,398)
At December 31, 2025	3,789	18,472	–	418	22,679
Accumulated depreciation:					
At January 1, 2024	(2,632)	(4,099)	(437)	(3,762)	(10,930)
Charge for the year	(566)	(4,036)	(525)	(3,001)	(8,128)
Written back on disposals	206	142	–	2,958	3,306
At December 31, 2024 and January 1, 2025	(2,992)	(7,993)	(962)	(3,805)	(15,752)
Charge for the year	(309)	(5,930)	–	(985)	(7,224)
Written back on disposals	79	5,043	962	4,685	10,769
At December 31, 2025	(3,222)	(8,880)	–	(105)	(12,207)
Net book value:					
At December 31, 2025	567	9,592	–	313	10,472
At December 31, 2024	618	15,949	–	369	16,936

Notes to the Financial Statements

(Expressed in RMB)

11 Property and Equipment (continued)

The analysis of expense items in relation to leases recognized in the Group's profit or loss is as follows:

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Depreciation charge of right-of-use assets	985	3,001
Expense relating to short term leases	4,067	1,543
Interest on lease liabilities (Note 6(a))	49	54

Details of total cash outflow for leases and the maturity analysis of lease liabilities are set out in Notes 18(e) and 22, respectively.

12 Intangible Assets

	Software and copyrights
	RMB'000
Cost:	
At January 1, 2024 and December 31, 2024	5,681
Additions	218
At December 31, 2025	5,899
Accumulated amortization:	
At January 1, 2024	(2,415)
Charge for the year	(1,136)
At December 31, 2024 and January 1, 2025	(3,551)
Charge for the year	(1,162)
At December 31, 2025	(4,713)
Net book value:	
At December 31, 2025	1,186
At December 31, 2024	2,130

The amortization charge for the year ended December 31, 2025 and 2024 is included in "Research and development expenses" and "Cost of sales" in the consolidated statements of profit or loss and other comprehensive income.

13 Interest in Subsidiaries

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

Company name	Place of incorporation and business and date of incorporation	Particulars of issued and paid-up capital	Proportion of ownership interest held by the Company	Principal activities
Henan Yunji Intelligent Technology Co., Ltd. (河南雲迹智能技術有限公司) (Note (i))	The PRC/ October 29, 2021	RMB10,000,000	100%	Sale of robots and intelligent solutions
Shanghai Renyun Technology Co., Ltd. (上海人雲科技有限公司) (Note (i))	The PRC/ December 27, 2016	RMB2,000,000	100%	Sale of robots and intelligent solutions
Chengdu Yunkuo Technology Co., Ltd. (成都雲擴科技有限公司) (Note (i))	The PRC/ February 8, 2021	RMB4,000,000	100%	Ancillary service on installation of robots

Note:

- (i) These entities were registered as limited liability companies under the laws and regulations in the PRC. The official names of these entities are in Chinese. The English translation is included for identification only.

Notes to the Financial Statements

(Expressed in RMB)

14 Inventories

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Finished goods	41,254	36,505
Work in progress	1,409	833
Raw materials	20,186	13,371
	62,849	50,709
Less: Write down of inventories	(7,908)	(1,943)
	54,941	48,766

The analysis of the amount of inventories recognized as an expense and included in profit or loss of the Group is as follows:

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Carrying amount of inventories sold	145,423	106,214
Write down of inventories	5,965	662
	151,388	106,876

Notes to the Financial Statements

(Expressed in RMB)

15 Trade Receivables

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Trade receivables from:		
– Third parties	150,896	79,767
Less: loss allowance	(41,834)	(18,608)
	109,062	61,159

All of the trade receivables are expected to be recovered within one year.

Aging analyses

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

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Within 1 year	116,452	74,337
1 to 2 years	33,776	5,430
2 to 3 years	668	–
	150,896	79,767

Further details on the Group's credit policy and credit risk arising from trade receivables are set out in Note 27(a).

Notes to the Financial Statements

(Expressed in RMB)

16 Prepayments, Deposits and Other Receivables

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Prepayments for inventories and services	14,087	5,843
Prepayments for costs incurred in connection with the initial public offering (Note (ii))	–	786
	14,087	6,629
Deductible value-added tax	5,804	6,619
Deposits	5,466	3,796
Others	1,656	1,608
	12,926	12,023
Total	27,013	18,652

Notes:

(i) All of the prepayments, deposits and other receivables are expected to be recovered or recognized as expenses or transferred to equity within one year.

(ii) The balances were transferred to the capital reserve account within equity upon the listing of the Company's shares on the Stock Exchange.

17 Financial Assets Measured at Fair Value through Profit or Loss

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Wealth management products (Note (i))	–	141,928
Foreign currency forward products (Note (ii))	1,181	–
	1,181	141,928

Notes to the Financial Statements

(Expressed in RMB)

17 Financial Assets Measured at Fair Value Through Profit or Loss (continued)

Notes:

- (i) As at December 31, 2024, the wealth management products were issued by reputable financial institutions in the PRC. The principal amount and expected returns of these wealth management products were not guaranteed.
- (ii) As at December 31, 2025, the Group entered into several foreign currency forward contracts with reputable financial institutions in the PRC to mitigate the currency risk arising from certain of its bank deposits denominated in USD.

Further information on the fair value measurement is disclosed in Note 27(e).

18 Cash and Cash Equivalents, Time Deposits, Restricted Cash and Other Cash Flow Information

(a) Cash and cash equivalents

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Cash at bank balances	255,478	127,357
Less: restricted cash (Note)	22,064	21,876
Cash and cash equivalents	233,414	105,481

Note:

As at December 31, 2025 and 2024, restricted cash was mainly held at bank as security deposits for bank acceptance bills and foreign currency forward products.

(b) Time deposits with bank

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Time deposits:		
– Current	533,569	30,769
– Non-current	61,914	63,230
	595,483	93,999

Notes to the Financial Statements

(Expressed in RMB)

18 Cash and Cash Equivalents, Time Deposits, Restricted Cash and Other Cash Flow Information (continued)

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

	Note	Year ended December 31,	
		2025	2024
		RMB'000	RMB'000
Loss before taxation		(295,232)	(184,963)
Adjustments for:			
Amortization and depreciation	11 and 12	8,386	9,264
Impairment loss on trade receivables		26,059	9,657
Impairment loss on inventories	14	5,965	662
Finance costs	6(a)	49	167
Equity settled share-based payment expenses	6(b)	41,286	22,297
Changes in the carrying amount of redemption liabilities	23	103,766	131,869
Loss/(gain) on disposal of property and equipment	5	560	(151)
Investment income	5	(1,950)	(6,603)
Interest income		(5,862)	(2,824)
Foreign exchange loss		5,389	–
Changes in working capital:			
Increase in restricted cash		(188)	(11,043)
Increase in trade receivables		(73,962)	(54,292)
(Increase)/decrease in prepayments, deposits and other receivables		(8,359)	4,055
Increase in trade and bills payables		13,519	19,379
Increase in other payables and accruals		23,320	14,669
(Increase)/decrease in contract liabilities		(94)	4,221
Decrease in deferred income		(1,451)	(4,197)
(Increase)/decrease in Inventories		(11,019)	6,351
Cash used in operations		(169,818)	(41,482)

Notes to the Financial Statements

(Expressed in RMB)

18 Cash and Cash Equivalents, Time Deposits, Restricted Cash and Other Cash Flow Information (continued)

(d) Reconciliation of liabilities arising from financing activities

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

	Lease liabilities RMB'000 (Note 22)	Redemption liabilities RMB'000 (Note 23)	Total RMB'000
At January 1, 2025	352	1,870,320	1,870,672
Changes from financing cash flows:			
Capital element of lease rentals paid	(962)	–	(962)
Interest element of lease rentals paid	(49)	–	(49)
Total changes from financing cash flows	(1,011)	–	(1,011)
Other changes:			
Increase in lease liabilities from entering into new leases during the year	1,762	–	1,762
Reductions in lease liabilities due to early termination	(833)	–	(833)
Changes in the carrying amount of redemption liabilities	–	103,766	103,766
Interest on lease liabilities (Note 6(a))	49	–	49
Termination of the redemption rights upon the listing of the Company's shares (Note 23)	–	(1,974,086)	(1,974,086)
Total other changes	978	(1,870,320)	(1,869,342)
At December 31, 2025	319	–	319

Notes to the Financial Statements

(Expressed in RMB)

18 Cash and Cash Equivalents, Time Deposits, Restricted Cash and Other Cash Flow Information (continued)

	Bank loans RMB'000	Lease liabilities RMB'000 (Note 22)	Redemption liabilities RMB'000 (Note 23)	Other payables and accruals	Total RMB'000
At January 1, 2024	5,000	3,993	1,738,451	898	1,748,342
Changes from financing cash flows:					
Repayment of bank loans	(5,000)	-	-	-	(5,000)
Interest paid	(113)	-	-	-	(113)
Repayment of advance received from a related party	-	-	-	(898)	(898)
Capital element of lease rentals paid	-	(2,827)	-	-	(2,827)
Interest element of lease rentals paid	-	(54)	-	-	(54)
Total changes from financing cash flows	(5,113)	(2,881)	-	(898)	(8,892)
Other changes:					
Decrease in lease liabilities from lease modification	-	(814)	-	-	(814)
Changes in the carrying amount of redemption liabilities	-	-	131,869	-	131,869
Interest on lease liabilities (Note 6(a))	-	54	-	-	54
Interest expenses (Note 6(a))	113	-	-	-	113
Total other changes	113	(760)	131,869	-	131,222
At December 31, 2024	-	352	1,870,320	-	1,870,672

Notes to the Financial Statements

(Expressed in RMB)

18 Cash and Cash Equivalents, Time Deposits, Restricted Cash and Other Cash Flow Information (continued)

(e) Total cash outflow for leases

Amounts included in the consolidated statements of cash flows for leases represent lease rental paid and comprise the following:

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Within operating cash flows	(4,067)	(1,543)
Within financing cash flows	(1,011)	(2,881)
	(5,078)	(4,424)

19 Trade and Bill Payables

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Trade payables		
– Third parties	32,960	21,684
Bill payables	31,311	29,068
	64,271	50,752

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

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Within one year or on demand	64,271	50,752

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

Notes to the Financial Statements

(Expressed in RMB)

20 Other Payables and Accruals

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Payroll and welfare payable	21,275	17,331
Payables for services	20,730	6,808
Deposits and others	5,210	4,792
Financial liabilities measured at amortized cost	47,215	28,931
Value added tax and other tax payables	10,972	7,547
Refund liabilities	5,730	4,127
Warranty liabilities (Note (ii))	3,551	3,543
	67,468	44,148

Notes:

(i) All of the other payables and accruals are expected to be settled within one year or are repayable on demand.

(ii) Movement of provision for warranties is as below:

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
At the beginning of the year	3,543	2,480
Additional provisions made	7,189	6,349
Provisions utilized	(7,181)	(5,286)
At the end of the year	3,551	3,543

Under the terms of the Group's sales agreements, the Group will rectify any product defects mainly arising within 12 months of the date of sales. Provision is therefore made for the best estimate of the expected settlement under these agreements in respect of sales made within the 12 months prior to the end of each reporting period. The amount of provision takes into account the Group's recent experience and is only made where a warranty claim is probable.

Notes to the Financial Statements

(Expressed in RMB)

21 Contract Liabilities

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Contract liabilities		
Current		
– Billing in advance of performance	37,135	44,718
Non-current		
– Billing in advance of performance	12,385	4,896
	49,520	49,614

Movements in contract liabilities are as below:

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Balance at the beginning of the year	49,614	45,393
Decrease in contract liabilities as a result of recognizing revenue during the year that was included in the contract liabilities at the beginning of the year	(36,575)	(39,491)
Increase in contract liabilities as a result of billing in advance of performance	36,481	43,712
Balance at the end of the year	49,520	49,614

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

Notes to the Financial Statements

(Expressed in RMB)

22 Lease Liabilities

The lease liabilities were repayable as follows as of the end of each reporting period:

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Within 1 year	139	352
After 1 year but within 2 years	143	–
After 2 years but within 5 years	37	–
	180	–
	319	352

23 Redemption Liabilities

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Redemption liabilities	–	1,870,320

The movements of the redemption liabilities for the year ended December 31, 2025 and 2024 are set out below:

	Redemption liabilities RMB'000
At January 1, 2024	1,738,451
Changes in the carrying amount of redemption liabilities	131,869
At December 31, 2024 and January 1, 2025	1,870,320
Changes in the carrying amount of redemption liabilities	103,766
Termination of the redemption rights upon the listing of the Company's shares	(1,974,086)
At December 31, 2025	–

23 Redemption Liabilities (continued)

From 2014 to 2021, the Company conducted several rounds of financing by issuing registered capital or ordinary shares to investors and the investors were granted a right to put back to the Company the registered capital or ordinary shares acquired upon the occurrence of any of the following events: (i) no qualified initial public offerings (the “Qualified IPO”) has been consummated as at September 30, 2024; (ii) any material breach of the agreements made with the financing investors under the transaction documents; (iii) the ordinary shares directly held by any management shareholder is less than 50% of the ordinary shares directly held by such management shareholder at the closing of the pre-IPO round financing.

The redemption price is the investment amount paid by the investors, plus an annual simple interest rate of 10% on the investment amount for the period commencing from the relevant payment date of investment amount to the date on which the investors receive payments for redemption, and any undistributed accumulated profits attributable to the investors.

Pursuant to a supplemental agreement entered into in March 2025, the redemption rights were suspended on the date immediately before the date of the first submission of listing application to the Stock Exchange, and shall be restored upon the earlier of (i) the date when the Company’s listing application is withdrawn or rejected; or (ii) 18 months after the first submission of the listing application to the Stock Exchange if the IPO has not completed by then.

In 2025, the redemption rights have automatically terminated upon the listing of the Company’s shares on the Stock Exchange and the carrying amount of the redemption liabilities was transferred to “capital reserve” within equity.

24 Deferred Income

Deferred income of the Group mainly includes various conditional government grants for research and development projects, which will be recognized as income in the same periods in which the expenses for the research and development projects are incurred and the conditions are reached. Movements of the balances for the year ended December 31, 2025 and 2024 are as follows:

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
At the beginning of the year	14,463	18,660
Government grants received during the year	197	803
Amortization during the year	(1,648)	(5,000)
	13,012	14,463

Notes to the Financial Statements

(Expressed in RMB)

25 Equity Settled Share-Based Payments Transactions

In December 2020, the Group adopted a share incentive plan (the “Plan”), pursuant to which the Group was authorized to grant awarded shares to eligible employees, directors and consultants of the Group. The maximum number of shares available for the awards under this Plan is 4,376,375 shares, which is held by Beijing Yunji Angel Management Partnership Enterprise (Limited Partnership) (the “Yunji Angel”). The Yunji Angel is controlled and managed by the controlling shareholder.

The awards are conditional upon the successful completion of an IPO with specified service period. Generally, the awards vested on the grant date, or over a two-year period on condition that employees remain in service, under which an employee is entitled to vest in 50% annually, or over a four-year period on condition that employees remain in service, under which an employee is entitled to vest in 25% annually. In 2024, the Group determined the share-based payments expenses at a date of grant of awarded shares with reference to the estimation of the probability and timing of successful IPO since IPO condition is considered as a vesting condition. The Group assessed that it is probable that the IPO condition will be achieved in the foreseeable future, and share-based payments expenses were recognized accordingly. In 2025, the Company completed the initial public offering, the share-based payments expenses were recognized based on the service vesting schedule accordingly.

(a) Restricted shares

The awarded shares granted to employee vest upon the condition that the employees remain in service after consummation of an IPO of the Company.

The movements of the awarded shares of the Group for the year ended December 31, 2025 and 2024 are summarized as follows:

	Year ended December 31,			
	2025		2024	
	Weighted average subscription price RMB	Number of restricted shares '000	Weighted average subscription price RMB	Number of restricted shares '000
Outstanding at the beginning of the year	0.14	3,168	0.14	3,145
Granted during the year	0.42	1,254	0.14	65
Vested during the year	0.14	(3,400)	–	–
Forfeited during the year	0.16	(650)	0.14	(42)
Outstanding at the end of the year	1.05	372	0.14	3,168

Notes to the Financial Statements

(Expressed in RMB)

25 Equity Settled Share-Based Payments Transactions (continued)

The fair value of the awarded shares at the date of grant was determined by an external valuer taking into the terms and conditions upon which the awarded shares were granted. The Group has used the discounted cash flow method or back solve method to determine the underlying equity fair value of the Company and adopted equity value allocation model to determine the fair value of the underlying ordinary shares.

The fair value of the awarded shares granted and the key assumptions to the valuation at the grant date are summarized as below:

	Year ended December 31,	
	2025	2024
Fair value per awarded share	RMB48.95~RMB50.20	RMB42.50
Risk-free interest rate	1.45%	1.47%
Expected dividend yield	0.00%	0.00%
Expected volatility	51.02%	47.52%

Expected dividend yield is estimated based on the Company's expected dividend policy over the expected life of the awarded shares. The expected volatility is based on the historical volatility of selected comparable companies in the period of the expected life of the awarded shares.

Notes to the Financial Statements

(Expressed in RMB)

26 Capital, Reserves and Dividends

(a) Movements in components of equity

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

	Share capital RMB'000	Capital reserve RMB'000	Share based payments reserve RMB'000	Accumulated losses RMB'000	Total RMB'000
Balance at January 1, 2024	61,818	(262,177)	6,424	(795,218)	(989,153)
Changes in equity for 2024:					
Loss and total comprehensive income for the year	-	-	-	(137,997)	(137,997)
Equity settled share-based transactions (Note 25)	-	-	11,728	-	11,728
Balance at December 31, 2024 and January 1, 2025	61,818	(262,177)	18,152	(933,215)	(1,115,422)
Changes in equity for 2025:					
Loss and total comprehensive income for the year	-	-	-	(241,395)	(241,395)
Issuance of shares in connection with the initial public offering, net of transaction costs (Note 26(b))	7,935	651,135	-	-	659,070
Termination of the redemption rights upon the listing of the Company's shares (Note 23)	-	1,974,086	-	-	1,974,086
Equity settled share-based transactions (Note 25)	-	-	29,487	-	29,487
Restricted shares vested (Note 25)	-	22,455	(22,455)	-	-
Balance at December 31, 2025	69,753	2,385,499	25,184	(1,174,610)	1,305,826

26 Capital, Reserves and Dividends (continued)

(b) Share capital

(i) Authorized share capital

As at December 31, 2025 and 2024, the authorised share capital of the Company comprises of 69,753,182 and 61,818,182 ordinary shares, respectively, with par value of RMB1 per share.

(ii) Issued ordinary shares

	No. of shares '000	Share capital RMB'000
Ordinary shares issued and fully paid:		
At December 31, 2024 and January 1, 2025	61,818	61,818
Issuance of ordinary shares in connection with initial public offering (<i>Note</i>)	7,935	7,935
At December 31, 2025	69,753	69,753

Note: On October 16, 2025, 6,900,000 ordinary shares of par value of RMB1.0 each were issued at a price of HK\$95.60 per ordinary share upon the listing of the Company's shares. On November 12, 2025, 1,035,000 ordinary shares of par value of RMB1.0 each were issued at a price of HK\$95.60 per ordinary share upon the exercise of the over-allotment option. The proceeds of HK\$8,694,000 (equivalent to approximately RMB7,935,000), representing the par value, were credited to the Company's share capital. The remaining proceeds of approximately HK\$749,892,000 (equivalent to approximately RMB684,462,000), net of share issuance expenses of RMB33,327,000, were credited to the Company's capital reserve account.

(c) Nature and purpose of reserves

(i) Capital reserve

The capital reserve mainly comprises: (i) the differences between the net considerations received and the nominal amount of share capital issued by the Company; (ii) the differences between the net assets received and the total amount of the par value of shares issued in relation to the conversion into a joint stock company; (iii) the amounts in relation to the recognition of the redemption liabilities as set out in Note 23; and (iv) the amounts transferred from the share-based payments reserve in relation to the vested awarded shares.

(ii) Share-based payments reserve

The share-based payments reserve comprises of the Company's equity settled share-based payments (see Note 25).

(d) Dividends

No dividends were paid by the companies comprising the Group for the year ended December 31, 2025 and 2024. The Company did not declare and pay any dividends since its incorporation.

Notes to the Financial Statements

(Expressed in RMB)

26 Capital, Reserves and Dividends (continued)

(e) Capital management

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

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

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

27 Financial Risk Management and Fair Values of Financial Instruments

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

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

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to trade receivables. The Group's exposure to credit risk arising from cash and cash equivalents, time deposits and restricted cash is limited because the counterparties are banks and financial institutions with high credit standing, for which the Group considers to have low credit risk. Deposits and other receivables have been classified as other receivables. For the purposes of internal credit risk management, the Group has applied the general approach in IFRS 9 to measure the loss allowance at 12-month ECLs as there is no significant increase in credit risk since initial recognition. The Group determines the expected credit losses for these assets by assessment of probability of default, loss given default and exposure at default. As at the end of each reporting period, in view of the nature of these balances and historical settlement record, the Group considers that the provision of ECL allowance for these assets was not significant.

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

Trade receivables

The Group has established a credit risk management policy under which individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are mainly due within a period of 0-180 days from the date of billing.

27 Financial Risk Management and Fair Values of Financial Instruments (continued)

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. At December 31, 2025 and 2024, 7% and 9% of the total trade receivables, respectively, were due from the Group's largest debtor, and 26% and 22% of the total trade receivables, respectively, were due from the Group's five largest debtors.

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. The Group segments its trade receivables based on type of customers due to different loss patterns experienced in the different type of customers.

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables:

	As at December 31, 2025		
	Expected loss rate %	Gross carrying amount RMB'000	Loss allowance RMB'000
Within 1 year	17%	116,452	20,320
1 to 2 years	62%	33,776	21,003
2 to 3 years	76%	668	511
		150,896	41,834

	As at December 31, 2024		
	Expected loss rate %	Gross carrying amount RMB'000	Loss allowance RMB'000
Within 1 year	19%	74,337	13,878
1 to 2 years	87%	5,430	4,730
		79,767	18,608

Expected loss rates are based on actual loss experience over the past recent years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Notes to the Financial Statements

(Expressed in RMB)

27 Financial Risk Management and Fair Values of Financial Instruments (continued)

Movement in the loss allowance account in respect of trade receivables for the year ended December 31, 2025 and 2024 is as follows:

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Balance at the beginning of the year	18,608	15,017
Impairment losses recognized during the year	26,059	9,657
Amounts written off during the year	(2,833)	(6,066)
Balance at the end of the year	41,834	18,608

(b) Liquidity risk

The treasury function is centrally managed by the Group, which includes the short-term investment of cash surpluses and the raising of funds to cover expected cash demands. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions and investors to meet its liquidity requirements in the short and longer term.

Notes to the Financial Statements

(Expressed in RMB)

27 Financial Risk Management and Fair Values of Financial Instruments (continued)

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

	As at December 31, 2025				
	Contractual undiscounted cash outflow				Carrying amount RMB'000
	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total	
	RMB'000	RMB'000	RMB'000	RMB'000	
Lease liabilities (Note 22)	145	155	40	340	319
Trade and bill payables (Note 19)	64,271	-	-	64,271	64,271
Other payables and accruals (Note 20)	47,215	-	-	47,215	47,215
	111,631	155	40	111,826	111,805

	As at December 31, 2024				
	Contractual undiscounted cash outflow				Carrying amount RMB'000
	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total	
	RMB'000	RMB'000	RMB'000	RMB'000	
Lease liabilities (Note 22)	354	-	-	354	352
Trade and bill payables (Note 19)	50,752	-	-	50,752	50,752
Other payables and accruals (Note 20)	28,931	-	-	28,931	28,931
	80,037	-	-	80,037	80,035

In addition to the above, the Group was also exposed to liquidity risk arising from redemption liabilities at December 31, 2024, which are further disclosed in Note 23.

Notes to the Financial Statements

(Expressed in RMB)

27 Financial Risk Management and Fair Values of Financial Instruments (continued)

(c) Interest rate risk

The Group does not have significant exposure to the risk of changes in market interest rates for the year ended December 31, 2025 and 2024 as the Group does not have any significant loans which are subject to floating interest rate.

(d) Currency risk

The Group is exposed to currency risk primarily from cash balances and time deposits with banks that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which the transactions relate. As of December 31, 2024, the Group is not exposed to significant foreign currency risk since financial assets and liabilities denominated in currencies other than the functional currencies of the Company and its subsidiaries are not significant. As of December 31, 2025, the currencies giving rise to this risk are primarily USD and HK\$. The Group manages this risk as follows:

(i) Exposure to currency risk

The following table details the Group's exposure at the end of the reporting period to currency risk arising from recognized assets denominated in a currency other than the functional currency of the entity to which they relate. For presentation purposes, the amounts of the exposure are shown in RMB, translated using the spot rates at the year end date.

Gross exposure arising from recognized assets:

	As at December 31, 2025 RMB'000
Cash and cash equivalents	
USD	133,964
HK\$	6,102
	<hr/> 140,066
Time deposits with banks	
USD	470,790
	<hr/> 610,856 <hr/>

27 Financial Risk Management and Fair Values of Financial Instruments (continued)

(ii) Sensitivity analysis

The following table indicates the instantaneous change in the Group's loss after tax and accumulated losses that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant.

	2025	Decrease/ (increase) in loss after tax and decrease/ (increase) in accumulated losses <i>RMB'000</i>
	Increase/ (decrease) in foreign exchange rates	
USD	10%	51,404
	(10%)	(51,404)
HK\$	10%	519
	(10%)	(519)

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the Group entities' loss after tax and accumulated losses measured in the respective functional currencies, translated into RMB at the exchange rates ruling at the end of the reporting period for presentation purposes.

Notes to the Financial Statements

(Expressed in RMB)

27 Financial Risk Management and Fair Values of Financial Instruments (continued)

(e) Fair value measurement

(i) Assets measured at fair value

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorized into the three-level fair value hierarchy as defined in IFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

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

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

	Fair value at December 31, 2025	Fair value measurements as at December 31, 2025 categorized into		
		Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000
Foreign currency forward products	1,181	-	1,181	-

	Fair value at December 31, 2024	Fair value measurements as at December 31, 2024 categorized into		
		Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000
Wealth management products	141,928	-	141,928	-

27 Financial Risk Management and Fair Values of Financial Instruments (continued)

Financial instruments in level 2

Financial assets at FVPL

The fair value of foreign currency forward contracts in Level 2 is determined by using the value provided by the counterparty banks at the end of the reporting period.

The fair value of the wealth management products in Level 2, is determined based on the unit price published on the counterparty bank's or financial institution's websites. The published unit price is the unit price at which a holder could redeem the fund units at the end of each reporting period presented.

For the year ended December 31, 2025 and 2024, there were no transfers between Level 2 and Level 3. The Group's policy is to recognize transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

(ii) Fair value of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's financial instruments carried at cost or amortized cost were not materially different from their fair values as at December 31, 2025 and 2024.

28 Commitments

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

Notes to the Financial Statements

(Expressed in RMB)

29 Material Related Party Transactions

(a) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in Note 8 and certain of the highest paid employees as disclosed in Note 9, is as follows:

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Salaries, allowances and benefits in kind	10,533	8,931
Discretionary bonuses	3,399	2,094
Share-based payments (Note 25)	15,208	12,438
Retirement scheme contributions	536	465
	29,676	23,928

Total remuneration is included in "staff costs" (see Note 6(b)).

(b) Names and relationships of the related parties that had material transactions with the Group for the year ended December 31, 2025 and 2024:

Name of related parties	Relationship with the Group
Mr. Li Quanyin	Director of the Company
Mr. Ying Fuchen	Key management of the Group
Beijing Yunji Angel Management Partnership Enterprise (Limited Partnership)	Entity controlled by the controlling shareholder of the Company
Wuhan Zhongtian Huatuo Intelligent Technology Co., Ltd.	Entity controlled by a close family member of the controlling shareholder of the Company

Notes to the Financial Statements

(Expressed in RMB)

29 Material Related Party Transactions (continued)

(c) Significant transactions with related parties

The Group entered into the following material related party transactions for the year ended December 31, 2025 and 2024:

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Sales of products		
Wuhan Zhongtian Huatuo Intelligent Technology Co., Ltd	52	140
Advances granted to related parties		
Mr. Ying Fuchen	1,000	1,000
Repayments of advances granted to related parties		
Mr. Li Quanyin	–	193
Mr. Ying Fuchen	1,000	1,000
	1,000	1,193
Repayments of advances received from related parties		
Beijing Yunji Angel Management Partnership (Limited Partnership)	–	898

(d) Balances with related parties as at the end of each reporting period

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Trade in nature		
Contract liabilities		
Wuhan Zhongtian Huatuo Intelligent Technology Co., Ltd.	154	–

Notes to the Financial Statements

(Expressed in RMB)

30 Company-level Statement of Financial Position

		As at December 31,	
	Note	2025	2024
		RMB'000	RMB'000
Non-current assets			
Property and equipment		9,271	13,796
Intangible assets		1,186	2,130
Interest in subsidiaries		452,843	403,626
Time deposits with banks		61,914	63,230
		525,214	482,782
Current assets			
Inventories		49,046	44,561
Trade receivables		97,230	58,527
Prepayments, deposits and other receivables		19,097	10,460
Time deposits with banks		533,569	30,769
Financial assets measured at FVPL		1,181	141,928
Restricted cash		22,064	21,876
Cash and cash equivalents		222,758	100,789
		944,945	408,910
Current liabilities			
Trade and bills payables		59,470	50,316
Other payables and accruals		53,805	35,251
Contract liabilities		36,513	44,368
Redemption liabilities		–	1,870,320
		149,788	2,000,255
Net current assets/(liabilities)		795,157	(1,591,345)
Total assets less current liabilities		1,320,371	(1,108,563)
Non-current liabilities:			
Contract liabilities		12,385	4,896
Deferred income		2,160	1,963
		14,545	6,859
NET ASSETS/(LIABILITIES)		1,305,826	(1,115,422)
CAPITAL AND RESERVES			
Share capital	26	69,753	61,818
Reserves	26	1,236,073	(1,177,240)
TOTAL ASSETS/(DEFICITS)		1,305,826	(1,115,422)

Notes to the Financial Statements

(Expressed in RMB)

31 Immediate and Ultimate Controlling Party

At December 31, 2025, the directors consider the immediate and ultimate controlling party of the Group to be Ms. Zhi Tao.

32 Subsequent Events

There were no material subsequent events after December 31, 2025 and up to date of this report.

33 Possible Impact of Amendments, New Standards and Interpretations Issued But Not Yet Effective for the Year Beginning on January 1, 2025

Up to the date of this report, the IASB has issued a number of new or amended standards, which are not yet effective for the year beginning on January 1, 2025 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the Group.

	Effective for accounting period beginning on or after
Amendments to IFRS 9 and IFRS 7, <i>Contracts Referencing Nature-dependent Electricity</i>	January 1, 2026
Amendments to IFRS 9 and IFRS 7: <i>Amendments to the classification and measurement of financial instruments</i>	January 1, 2026
Annual improvements to IFRS Accounting Standards – Volume 11	January 1, 2026
<i>IFRS 18, Presentation and disclosure in financial statements</i>	January 1, 2027
IFRS 19, <i>Subsidiaries without public accountability: Disclosures</i>	January 1, 2027
Amendments to IFRS 10 and IAS 28, <i>Sale or contribution of assets between an investor and its associate or joint venture</i>	To be determined

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

Notes to the Financial Statements

(Expressed in RMB)

33 Possible Impact of Amendments, New Standards and Interpretations Issued But Not Yet Effective for the Year Beginning on January 1, 2025 (continued)

IFRS 18, *Presentation and disclosure in financial statements*

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

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

The Group does not plan to early adopt IFRS 18 and is still in the process of assessing the impact of the adoption.